

Sector scorecard

Energy & Utilities



In collaboration with:



THE STATE OF CHILDREN'S RIGHTS AND BUSINESS 2021

PART OF THE GLOBAL CHILD FORUM CORPORATE SECTOR AND CHILDREN'S RIGHTS BENCHMARK

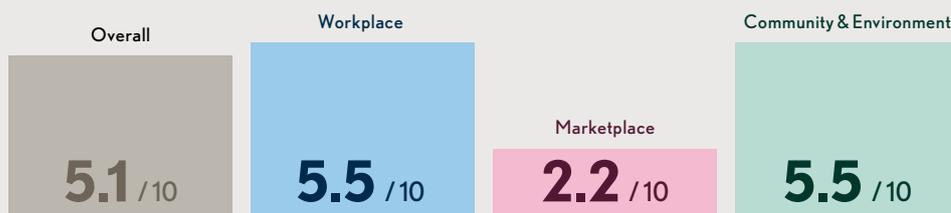
About the scorecard

The set of indicators that companies in this scorecard have been benchmarked against are in accordance with the **Children's Rights and Business Principles**¹, where the indicators are divided into three different impact areas called Workplace, Marketplace, and Community & Environment. These impact areas provide an overview of what companies are doing in each of these spheres of influence and it gives companies an opportunity to identify areas for improvement in relation

to their operations. The corporate response of companies is important when assessing the degree of influence as well as areas of improvement for each impact area. Therefore, the impact areas are structured by three subcategories, namely, Policies & Commitments; Implementation; and Reporting & Actions, where these sub-categories are viewed as corporate responses to children's rights related issues. The boxes below present a short overview of what the different impact areas measure².



Sector average score



Sector description

This sector includes companies involved in the generation, transmission, retailing and distribution of electricity. Utilities specifically refers to companies that provide basic public services and amenities, such as water, gas, and electricity. Industries included in this sector are *Agriculture Products, Oil & Gas, Utilities, and Waste Management*.

No. of companies in study	
Agricultural Products	1
Oil & Gas	68
Utilities	47
Waste Management	2
Combined Sector Revenue	6583.7 B USD

¹ A comprehensive framework for understanding and addressing the impact of business on the rights and well-being of children developed by UN Global Compact, UNICEF and Save the Children.

² To learn more about Global Child Forum's methodology, access it [here](#).

1.1 Energy & Utilities

As the Energy & Utilities sector's products are, in most cases, crucial to the operations of other sectors, it has the potential to significantly influence societies on a global scale, for example in the transition towards renewable energy sources. By acknowledging this possibility, the sector can address several material topics which could benefit children's rights, wellbeing, and safety.

Obviously, children's accessibility to parents is crucial as parents provide for and support them financially and emotionally. Therefore, when considering the **workplace**, safe practice for employees is material for the Energy & Utilities sector, where activities carried out involve the use

of hazardous chemicals and equipment. If parents are injured at work, they are less able to care for their children, or their children might perhaps have to work to support the family if a parent is unable to provide income. Likewise, similar policies on decent and safe working conditions for employees within supply chains are material topics for this sector.

The Energy & Utilities activities in the **marketplace** do not directly include services to children. While children are not direct consumers of their products, product safety measurements are nevertheless relevant and should be included in labelling and product design. By doing so, the risk of children coming into contact with

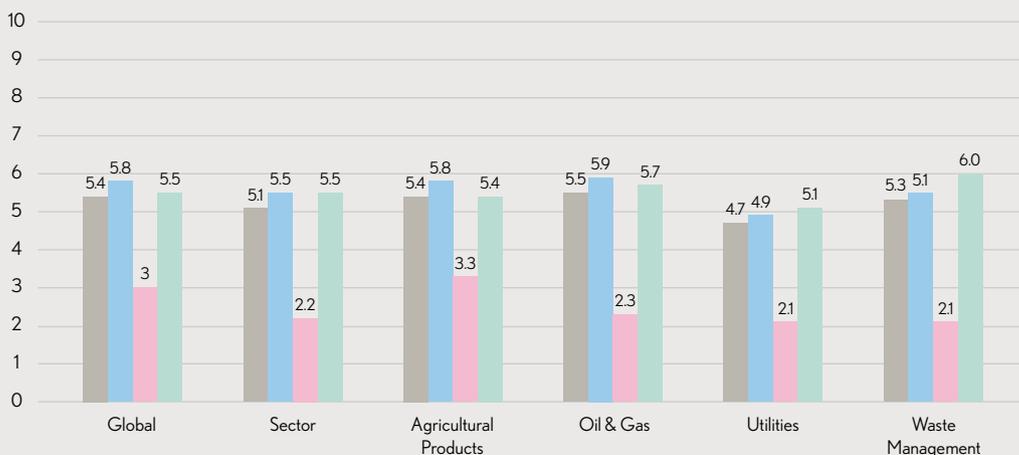
dangerous products such as electric cables, power stations or dams is minimized.

Key risks identified in the Energy & Utilities sector's impact on local **communities & the environment** concern transitioning to renewable energy sources, affordable energy for communities, their carbon footprint, and pollution of air, water and soil. When these topics are addressed, children's physical health and living standards in local communities benefit. Positive outcomes from addressing these issues might include reduced risk of being harmed by pollution and the negative effects of climate change.

1.2 Material topics

Impact	Where	What	
Child labour	Supply chain	Work collaboratively with others against child labour in informal sector around supplier and/or beyond tier 1 (e.g. agriculture and minerals)	Workplace
Supporting youth	Employees/Supply chain	Provide opportunities for youth/teenagers to gain worklife skills under safe circumstances	Workplace
Safety for parents	Employees/Supply chain	Collaborate in sector-wide programmes to prevent hazardous work, forced labour and unethical recruitment	Workplace
Access to parents/child labour	Procurement/Supply chain	Ensure that purchasing practices (lead times and pay) are contributing to decent working conditions with suppliers	Workplace
Children's health and safety	Operations	Collaborate across the sector, and with government and civil society, to invest in renewable energy sources, and to ensure affordable energy/water for the poorest communities, where children are among the most vulnerable	Community & Environment
Future wellbeing of children	Operations/Supply chain	Reduce scope 1, 2, and 3 emissions, switch to renewable energy and recycle raw materials	Community & Environment
Future wellbeing of children	Operations	Improve water efficiency and waste management to prevent pollution of water supply and water stress	Community & Environment
Children's health and safety	Operations/Supply chain	Evaluate and prevent any risks to children in the surrounding community caused by road traffic/logistics, land use - reduced spaces to play, or pollution/waste	Community & Environment

1.3 Industry vs Sector & Global



1.4 Top three performing companies

Company name	Industry	Average score	Workplace	Marketplace	Community & Environment	Country of HQ
OMV	Oil & Gas	91	100	50	8.8	Austria
Petroleo Brasileiro (Petrobras)	Oil & Gas	89	92	57	9.4	Brazil
Oil and Natural Gas Corporation (ONGC)	Oil & Gas	82	97	33	7.0	India

1.5 Top three performing indicators

Indicator	Indicator number	Percentage of companies scoring 10 / 10	Corporate response
Community programmes supporting children's health, development and education in local communities	3.3.3	80%	Reporting & Actions
Committed to reduce environmental impact	3.1.1	78%	Policies & Commitments
Disclosure on environmental impact	3.3.1	78%	Reporting & Actions

1.6 Three challenging indicators

Indicator	Indicator number	Percentage of companies scoring 10 / 10	Corporate response
Committed to reduce negative impact on local communities and its members (including children)	3.1.2	18%	Policies & Commitments
Disclosure of actual cases of, or significant risk of child labour	1.3.1	17%	Reporting & Actions
Consider children's health, development and education in local communities as a material topic	3.2.3	3%	Implementation

About our Sector Scorecards:

This scorecard is based on data collected by Global Child Forum in partnership with Boston Consulting Group. The results are based on publicly available data. However, we don't evaluate actual compliance with policies or outcomes of policies and/or programmes.

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Global Child Forum
 Storkyrkobrinken 2
 S-111 28 Stockholm
info@globalchildforum.org
www.globalchildforum.org

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