

Sector scorecard



Financials



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

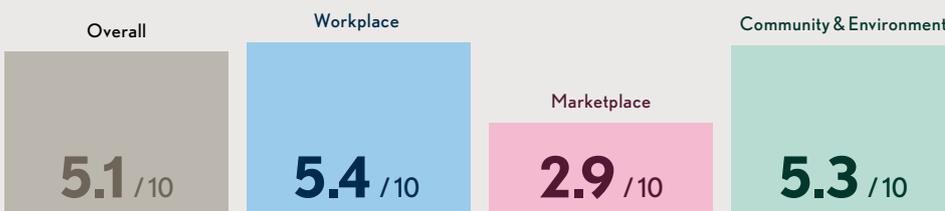
About the scorecard

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

The Financials sector is comprised of companies that provide financial services to corporations and people. Taken together, these companies form a key part of the economy. Industries included in the sector are *Banks, Insurance, and Real Estate*.

No. of companies in study	142
Banks	80
Insurance	48
Real Estate	14
Combined Sector Revenue	4317.2 BUSD

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 Financials

The Financial sector has a unique role compared to other sectors when it comes to corporate responsibility and sustainability. Companies in this sector offer products and services that include investing, lending, and insuring companies operating in other sectors. By applying a children's rights lens to the services offered, the Financial sector has the potential to influence how other sectors approach material children's rights topics.

When considering the **workplace**, most activities carried out by employees in the Financial sector take place in an office setting. Therefore, companies in this sector should support work-life

balance for employees through family-friendly policies to facilitate parents being more accessible to their children.

In the **marketplace**, it is important for the Financial sector to include a children's rights perspective when designing products and when communicating about them. Ideally, the products (i.e. savings accounts, insurance, property management) designed by the Financial sector should proactively consider how children can either benefit or be harmed by such products. Examples might include protecting children's financial assets, elimination of unfavourable lending, or designing properties which are child

safe. In addition, the sector should consider offering age-appropriate financial education aimed at teaching young people how to responsibly manage money.

The key risks identified with the Financial sector's impact on local **communities & the environment** concern GHG emissions (i.e. scope 1, 2, and 3) and how their activities affect children in local communities (e.g. road traffic and logistics on construction sites). These issues can be addressed through policies and commitments. However, the commitments also need to be monitored and disclosed (e.g. in reports) to a greater extent within this sector.

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. minerals and paper & forrest products)	Workplace
Supporting youth	Employees	Provide opportunities for youth/teenagers to gain worklife skills under safe circumstances	Workplace
Access to parents	Workplace	Promote decent work and family-friendly policies throughout the business	Workplace
Children's health and safety	Products	Proactive consideration of children's rights in the design and development of financial products, e.g. children's savings accounts	Marketplace
Children's development	Products	Provide age-appropriate financial education, to ensure financial literacy for all children	Marketplace
Future wellbeing of children	Operations/Supply chain	Reduce scope 1, 2, and 3 emissions, switch to renewable energy and recycle raw materials	Community & Environment
Children's health and safety	Operations	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	Workpace	Marketplace	Community & Environment	Country of HQ
Hyundai Engineering and Construction	Real Estate	8.2	9.7	2.7	7.0	Japan
Citigroup	Banks	8.1	9.2	4.3	7.3	United States of America
Samsung Life Insurance	Insurance	7.5	9.0	4.3	5.7	Republic of Korea

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	87%	Reporting & Actions
Workplace programmes supporting parents, caregivers, and family-friendly initiatives	1.3.3	85%	Reporting & Actions
Child labour policy	1.1.1	77%	Policies & Commitments

1.6 Three challenging indicators

Indicator	Indicator number	Percentage of companies scoring 10 / 10	Corporate response
Board accountability and monitoring of reports on implementation, compliance and/or risks for child labour incidents	1.2.1	13%	Implementation
Disclosure of actual cases of, or significant risk of child labour	1.3.1	12%	Reporting & Action
Product responsibility for children	2.1.2	1%	Policies & Commitments

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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