

# Sector scorecard



## AGRICULTURAL PRODUCTS



### The State of Children's Rights and Business 2022

Part of the Global Child Forum Corporate Sector and Children's Rights Benchmark

In collaboration with:



#### About this scorecard

The aim of this industry scorecard is to provide an overview of different risks and opportunities with regard to children's rights within the Agricultural products industry. It seeks to highlight how companies are doing within different impact areas and how far along companies have come on their maturity journey. It also compares this industry against others within the Food, Beverage & Personal Care sector, illustrating where there is room for improvement and where this industry scores on par with or above other

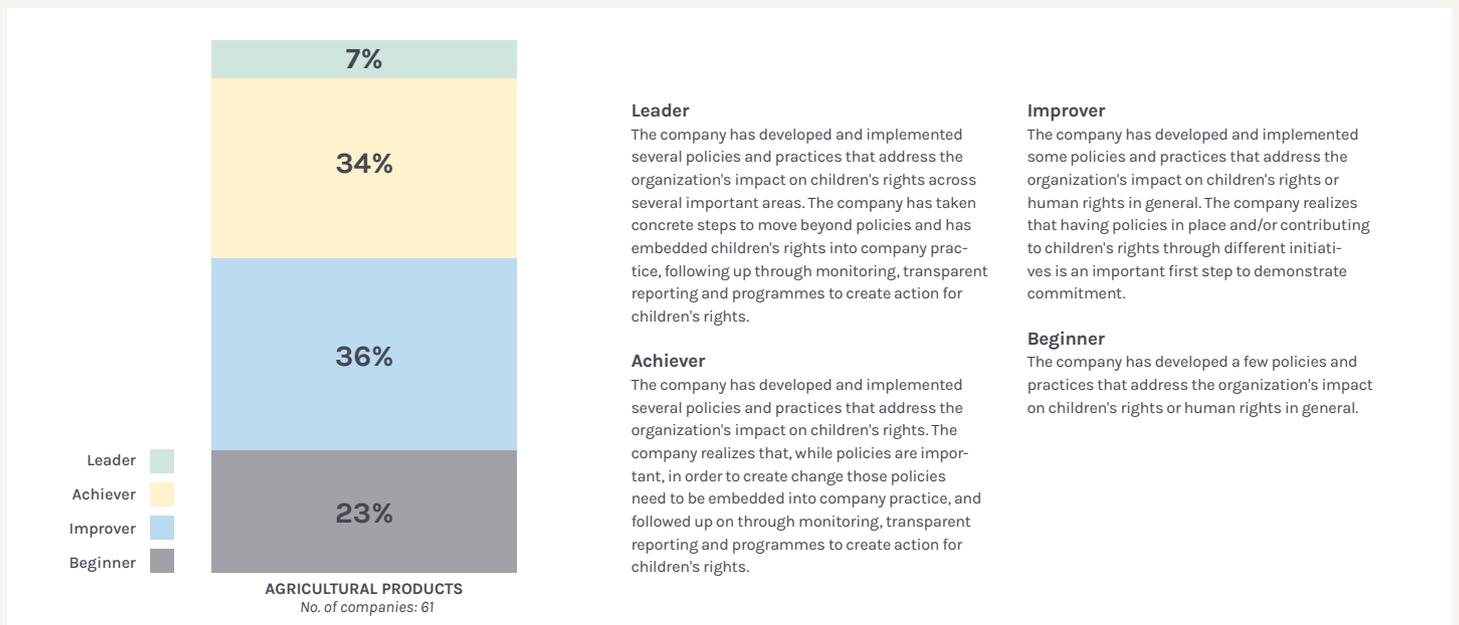
industries. The results are based on the scores of 61 companies in the Agricultural products industry, benchmarked in The State of Children's Rights and Business 2022 study.

The study includes 25 indicators, based on the Children's Rights and Business Principles<sup>1</sup>. These indicators are divided into four impact areas; Governance & Collaboration (G&C), Workplace (WP), Marketplace (MP) and Community & Environment (C&E). The boxes below illustrate examples of different children's rights issues covered under the different areas.

The indicators are also divided into three levels of maturity for each impact area; Policies & Commitments (P&C), Implementation (I) and Reporting & Action (R&A). These maturity levels allow for an understanding of how deeply a company has integrated a children's rights perspective into its governance, practices and operations.

For more information about our methodology, read here.

 <p><b>Collaboration &amp; Governance (C&amp;G)</b> Standards, Governance structures &amp; Collaboration with others</p> <p>E.g. commitments to frameworks, board accountability, grievance mechanisms and collaboration with peers or NGOs.</p>	 <p><b>Workplace (WP)</b> Operations &amp; Supply Chain</p> <p>E.g. decent work for young workers, parents and caregivers, and prevention of child labour.</p>	 <p><b>Marketplace (MP)</b> Marketing, Products &amp; Services</p> <p>E.g. marketing and advertising, protection from online abuse and exploitation, and product safety.</p>	 <p><b>Community &amp; Environment (C&amp;E)</b> Impact on Surroundings</p> <p>E.g. access to health, education and social services, as well as use of natural resources, damage to the environment as a result of land acquisition, and the impact of conflict and emergencies.</p>
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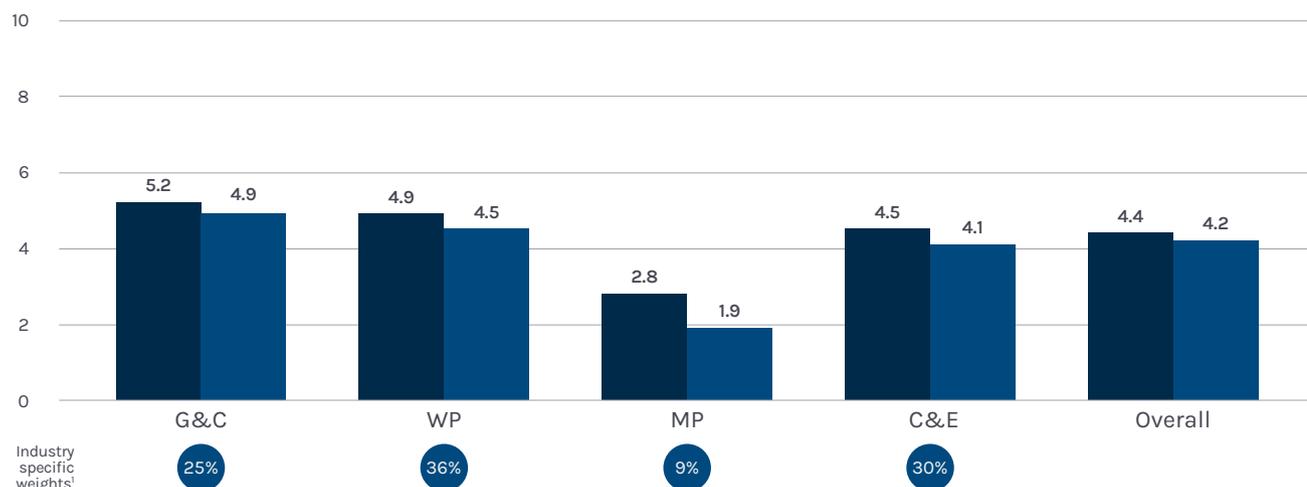
<sup>1</sup> A comprehensive framework for understanding and addressing the impact of business on the rights and well-being of children developed by UN Global Compact, UNICEF and Save the Children.

## Industry average score

### Average score per impact area overall

No. of companies in the industry: 61

■ All industries ■ Agricultural Products



<sup>1</sup> Indicator averages are multiplied with respective weights to produce overall score. Source: GCF data 2022, BCG analysis

## Industry description

Companies included in the Agriculture products industry produce food commodities, livestock, oils, oleochemicals, fertilisers, animal feed and fibre as a result of agricultural production and activity. Many of the companies have vast networks of suppliers.

## Agricultural products

Within the impact area of **Governance & Collaboration**, board accountability and safety measures, such as grievance mechanisms, are key to upholding decent working conditions for all adult employees, including the employees of suppliers. Many companies in this industry share the same challenges, and these are often more effectively addressed in collaboration with industry bodies, peers, non-governmental organisations, as well as governments.

The agriculture industry is exposed to several material issues in the **Workplace** such as child labour, safe and decent working conditions

and low wages for adult employees. A key risk to children in this industry is that agricultural production does not pay a living wage or provide sustainable livelihoods for households contributing to the risk of children doing under-age or hazardous work to supplement household livelihoods. Another risk is if employees with children are unable to provide sustainable livelihoods due to injuries sustained while working. If child labour becomes a response to poverty, children's chances to attend school and their ability to play and develop are undermined. On the other hand, companies in this industry have the opportunity to positively impact children's rights, to provide safe and decent work and sustainable livelihoods for young workers, as well as for parents and caregivers who provide for their children.

Many of the companies in this industry are not consumer-facing and do not directly market or sell their products to customers. However, for the companies that do, material issues

within the **Marketplace** involve misuse or risk of accidents if food is labelled incorrectly. Companies in this industry have an important opportunity to produce products and raw materials that are not harmful, but positively contribute to the health and development of children.

The agricultural products industry is very likely to have direct impacts within the **Community & Environment** area through the use of land and natural resources. Water stress and pollution from use of chemicals are identified as potential risks to children in nearby communities. The industry is also likely to have a significant carbon footprint. Companies in this industry can work towards ensuring a healthy environment for children by, for example, addressing their carbon footprint and developing sustainable farming methods that don't have negative consequences for children's health and wellbeing.

## Material topics

■ WP ■ MP ■ C&E ■ C&G

Impact	Where	What
Child labour	Employees/ Supply chain	Work collaboratively with others against child labour in informal sector.
Supporting youth	Employees/Supply chain	Provide opportunities for youth/teenagers to gain worklife skills under safe circumstances.
Access to parents	Employees	Provide and promote flexible work, parental leave, etc. Ensure safe workplaces for parents.
Access to parents/child labour	Procurement/Supply chain	Ensure that purchasing practices (lead times and pay) are contributing to decent working conditions and sustainable livelihoods for households in supply chains.
Children's health and safety	Products	Produce products and raw materials that are not harmful, but positively contribute to the health and development of children. Some risk of accident if not labelled correctly.
Future wellbeing of children	Operations/Supply chain	Reduce scope 1, 2, and 3 emissions, switch to renewable energy and recycle raw materials.
Future wellbeing of children	Operations/Supply chain	Improve water efficiency and waste management to prevent pollution of water supply and water stress.
Children's health and safety	Operations/Supply chain	Evaluate and prevent any risks to children in the surrounding community caused by land use, pollution/waste, road traffic/logistics.

## Top performing companies

WP MP C&E C&G

Company name	Governance & Collaboration	Workplace	Marketplace	Community & Environment	Total average score	Country of HQ
Wilmar International	10,0	10,0	9,5	10,0	10,0	Singapore
Olam International	9,4	10,0	3,1	7,5	8,5	Singapore
Fuji Oil Holdings	9,4	10,0	4,5	6,1	8,2	Japan
Cargill	10,0	8,8	1,9	6,8	7,8	United States of America
Sime Darby Plantation	8,8	9,2	1,9	6,1	7,5	Malaysia

## Top performing indicators

Indicator number	Indicator	Percentage of companies scoring 10/10	Corporate response
2.1.1	Child labour policy	72%	Policies & Commitments
4.1.1	Commitment to measurable reduction targets for impact on environment	57%	Policies & Commitments
4.3.3	Programmes focused on reducing environmental impact on children or reducing negative/ increasing positive impact on children in communities	57%	Reporting & Action

## Challenging indicators

Indicator number	Indicator	Percentage of companies scoring 10/10	Corporate response
4.2.2	Supplier assessments with regard to suppliers' environmental or community impacts on children	0%	Implementation
4.3.2	Disclosure of actual or potential negative impacts on children in communities (beyond the scope of operations)	2%	Reporting & Action
3.1.2	Commitment to product safety and product responsibility for children	2%	Policies & Commitments

## About our Industry 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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## Boston Consulting Group

Boston Consulting Group partners with leaders in business and society to tackle their most important challenges and capture their greatest opportunities. BCG was the pioneer in business strategy when it was founded in 1963. Today, we work closely with clients to embrace a transformational approach aimed at benefiting all stakeholders—empowering organizations to grow, build sustainable competitive advantage, and drive positive societal impact. Our diverse, global teams bring deep industry and functional expertise and a range of perspec-

tives that question the status quo and spark change. BCG delivers solutions through leading-edge management consulting, technology and design, and corporate and digital ventures. We work in a uniquely collaborative model across the firm and throughout all levels of the client organization, fueled by the goal of helping our clients thrive and enabling them to make the world a better place.

## Global Child Forum

Founded in 2009 by the Swedish Royal Family, Global Child Forum is a leading forum for children's rights and business dedicated to innovative thinking, knowledge-sharing and networking. We believe in the power and responsibility of business, working in partnership with all parts of society, to create a prosperous, sustainable and just society for the world's children. In addition to our forums, Global Child Forum delivers research perspectives, best practices and risk assessment tools designed to unlock opportunities for business to integrate children's rights into their operations and communities.

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