

Sector scorecard



RETAIL



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 Retail 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

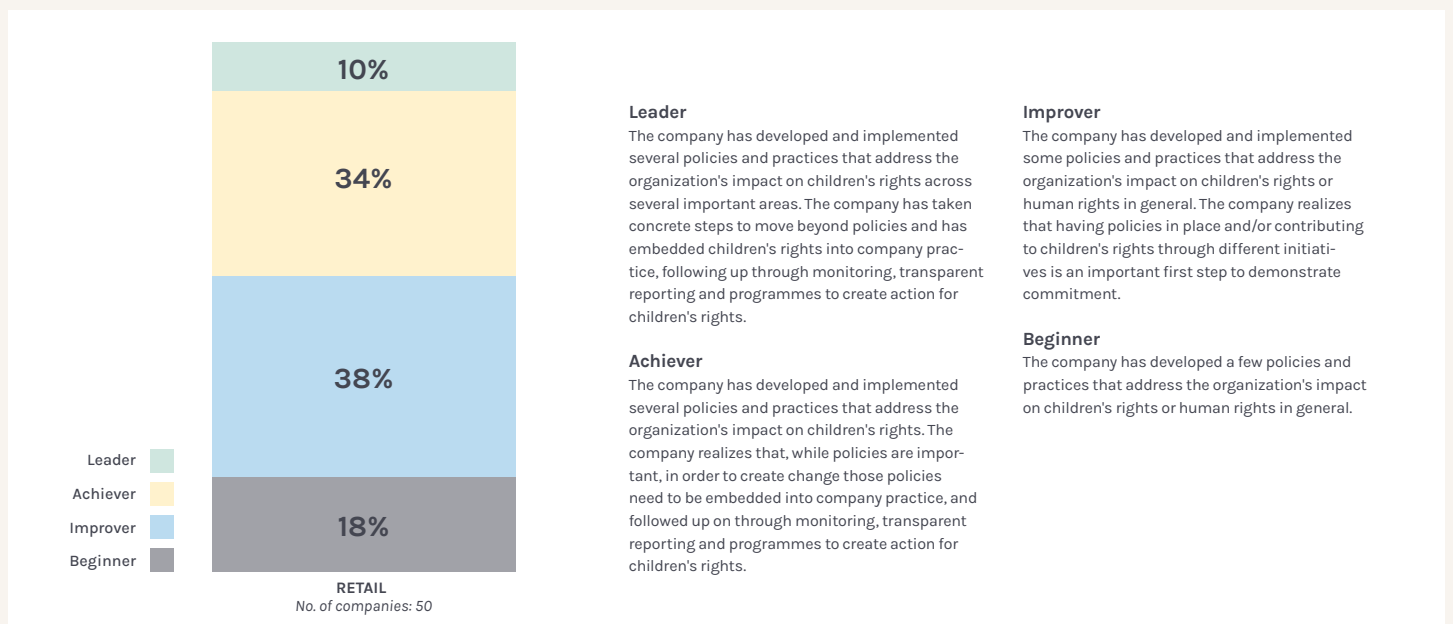
results are based on the scores of 50 companies in the Retail industry, benchmarked in **The State of Children's Rights and Business 2022** study.

The study includes 25 indicators, based on the Children's Rights and Business Principles¹. 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.

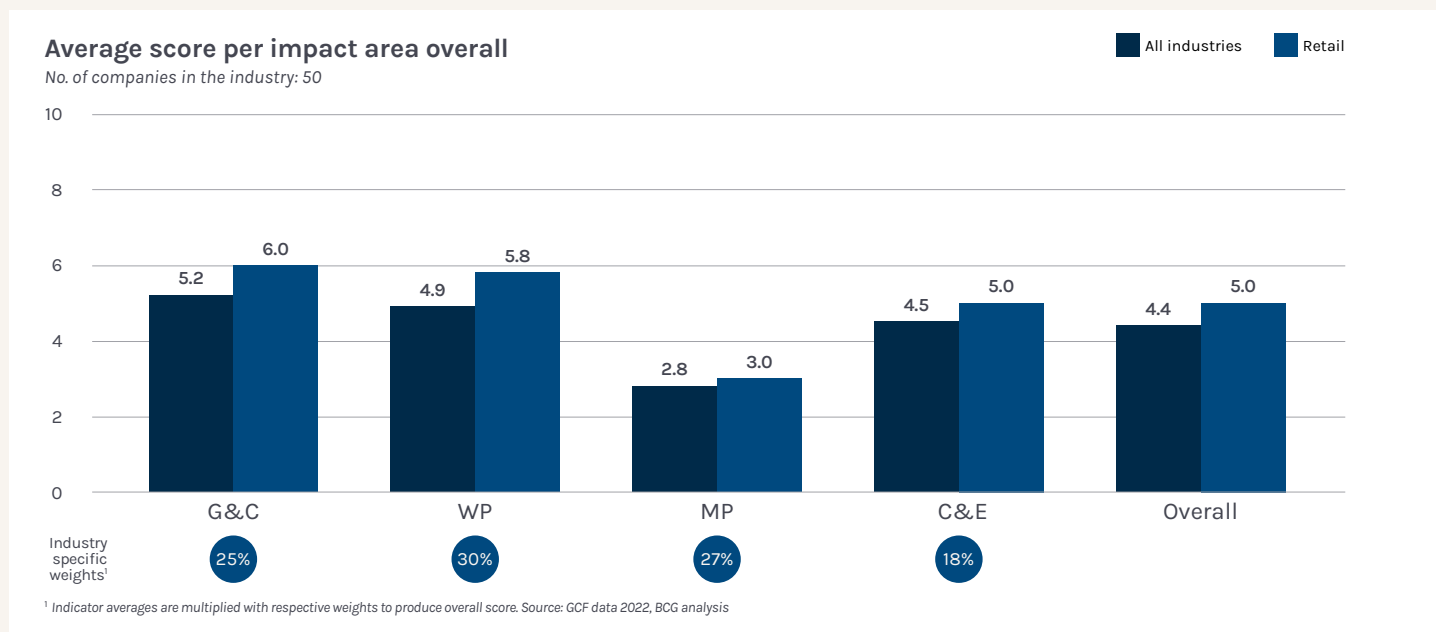
For more information about our methodology, read [here](#).

 <p>Collaboration & Governance (C&G) Standards, Governance structures & Collaboration with others</p> <p>E.g. commitments to frameworks, board accountability, grievance mechanisms and collaboration with peers or NGOs.</p>	 <p>Workplace (WP) Operations & Supply Chain</p> <p>E.g. decent work for young workers, parents and caregivers, and prevention of child labour.</p>	 <p>Marketplace (MP) Marketing, Products & Services</p> <p>E.g. marketing and advertising, protection from online abuse and exploitation, and product safety.</p>	 <p>Community & Environment (C&E) 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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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.

Industry average score



Industry description

Companies in this industry are primarily retail supermarkets selling food and beverages, as well as some household products.

Retail

Governance should equate to board oversight that involves not only commitments at the board level, but also regular followup on progress. This is key to addressing some of the challenges in this industry. It is also important to have grievance mechanisms in place, not only to allow for complaints from employees, but also to receive reporting of incidents from the supply chain and customers. In addition, **Collaboration** among industry peers can be an effective way to address root causes of child labour and forced labour in food production, processing and manufacturing.

Within the **Workplace**, companies can positively contribute to the lives of children

by providing decent work and family-friendly environments for parents and caregivers who are employees. The retail industry employs many low- to medium-skilled workers, often employed under precarious contracts, and there is a significant risk of forced labour in both operations and manufacturing. There is also a significant risk of child labour in supply chains, in agricultural production, in processing, manufacturing, packing, warehousing and logistics.

Within the **Marketplace**, risks for this industry are linked to marketing and labelling. Children are often direct consumers of products and particularly vulnerable to inaccurate labelling or marketing and advertising content that promotes an unrealistic and sexualised body image or unhealthy lifestyles. On the other hand, there is an opportunity for companies to contribute positively to children's lives by providing healthy and affordable nutrition

choices for households on limited budgets, which reduces the risk of malnutrition or obesity for the poorest children.

The retail industry is heavily dependent on logistics and transportation. Within the **Community & Environment**, promoting traffic safety standards that consider children as passengers and pedestrians can be an important element in reducing risks to children. To promote a healthy environment, companies can work to reduce use of plastics and non-sustainable materials, as well as to set GHG reduction targets that can be worked towards.

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.
Supporting youth	Employees/Supply chain	Provide opportunities for youth/teenagers to gain worklife skills under safe circumstances.
Access to parents/child labour	Procurement/Supply chain	Ensure that purchasing practices (lead times and pay) are contributing to decent working conditions with suppliers.
Access to parents	Supply chain	Supporting suppliers in promoting decent work and family-friendly policies, e.g. through access to childcare and parental leave.
Children's health and safety	Products	Promote safety from harm for children, when using or coming into contact with products (for example household products) and offer nutritional options to children (e.g. food, drinks and snacks).
Children's health and safety	Marketing	Consider marketing as an opportunity to promote healthy life choices for young people, through positive images and campaigns.
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	Improve water efficiency and waste management to prevent pollution of water supply and water stress.
Children's safety	Surrounding communities	Promote traffic safety for children.

Top performing companies

WP MP C&E C&G

Company name	Governance & Collaboration	Workplace	Marketplace	Community & Environment	Total average score	Country of HQ
Aldi Nord	10,0	10,0	7,5	8,2	9,0	Germany
Aeon	9,4	10,0	5,1	7,2	8,0	Japan
Ahold Delhaize	10,0	9,4	4,5	8,0	8,0	Netherlands
Migros	8,8	10,0	5,1	6,5	7,7	Switzerland
Aldi South Group	10,0	10,0	3,5	6,7	7,6	Germany

Top performing indicators

Indicator number	Indicator	Percentage of companies scoring 10/10	Corporate response
2.1.1	Child labour policy	80%	Policies & Commitments
4.1.1	Commitment to measurable reduction targets for impact on environment	76%	Policies & Commitments
4.3.3	Programmes focused on reducing environmental impact on children or reducing negative/ increasing positive impact on children in communities	66%	Reporting & Actions

Challenging indicators

Indicator number	Indicator	Percentage of companies scoring 10/10	Corporate response
4.3.2	Disclosure of actual or potential negative impacts on children in communities (beyond the scope of operations)	0%	Reporting & Actions
3.3.1	Disclosure of positive impact from marketing initiatives or incidents of non-compliance with commitment or regulations on marketing to children	2%	Reporting & Actions
3.3.2	Disclosure of positive impact on children from product responsibility initiatives or incidents of non-compliance with product safety commitments and regulations	2%	Reporting & Actions

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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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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