

Sector scorecard



ENERGY & UTILITIES



In collaboration with:



The State of Children's Rights and Business 2023

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 align with the **Children's Rights and Business Principles¹**, and are organized into four impact areas: Governance & Collaboration, Workplace, Marketplace, and Community & Environment. These impact areas provide an

overview of what companies are doing in each of these spheres of influence, allowing them to identify areas of 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.



Governance & Collaboration (G&C)

Standards, Governance structures & Collaboration with others

Commitments to frameworks, board accountability, grievance mechanisms and collaboration with peers or NGOs.



Workplace (WP)

Operations & Supply Chain

Decent work for young workers, parents and caregivers, and prevention of child labour.



Marketplace (MP)

Marketing, Products & Services

Marketing and advertising, protection from exploitation, and product safety. Applies even when children are not the direct target group.



Community & Environment (C&E)

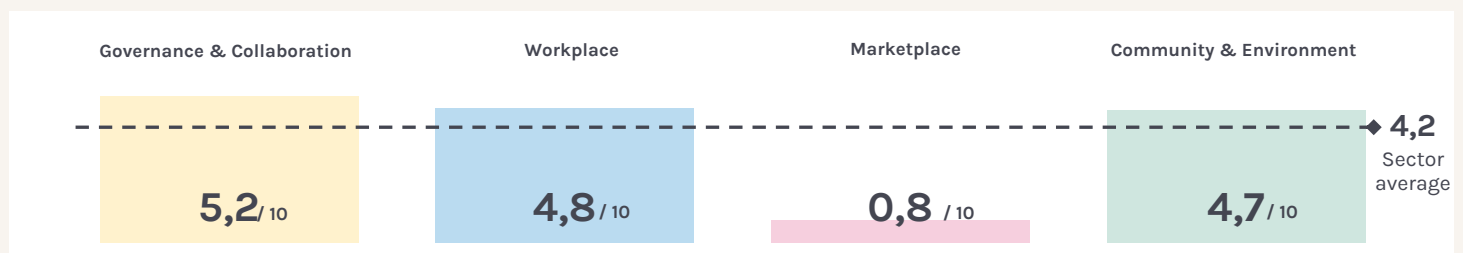
Impact on Surroundings

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.

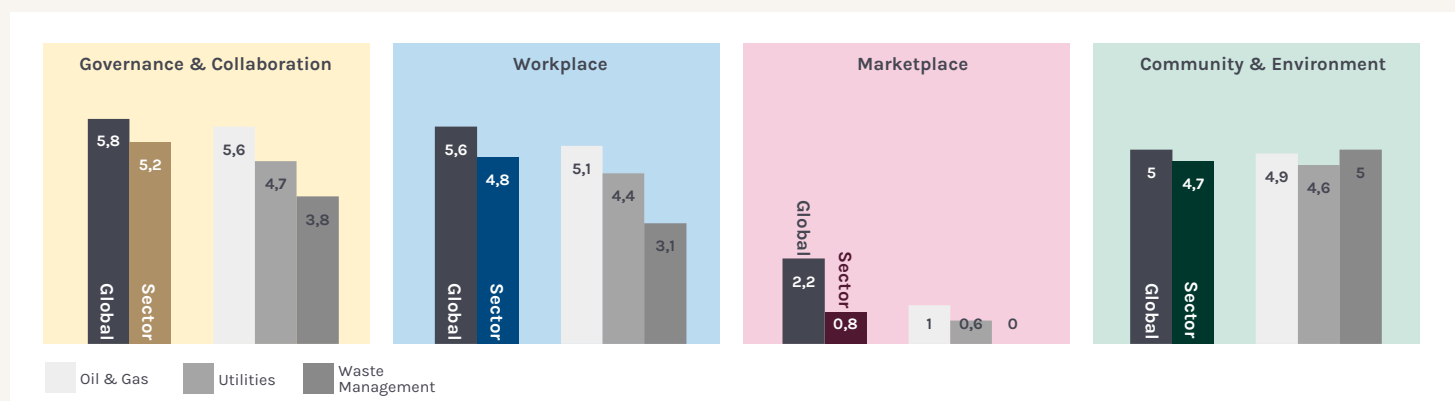
¹ A comprehensive framework for understanding and addressing the impact of business on the rights and well-being of children developed by UN Global Compact, UNICEF and Save the Children.

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

1.1 Sector Average Score



1.2 Industry vs Sector and Global¹



¹ More information on the Industries can be found on the second page of this Sector Scorecard.

Sector description

Energy & Utilities 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 the sector are *Oil & Gas, Utilities, and Waste Management.*

No. of companies in sector	119
Oil & Gas	67
Utilities	51
Waste Management	1
Combined Sector Revenue	6565.6 B USD

About our weightings

Our methodology consists of four impact areas (Governance & Collaboration, Workplace, Marketplace, and Community & Environment). The Governance & Collaboration impact area covers topics we consider to be equally important, independent of sector. Hence, the **same weight is applied for this impact area across the board** when calculating the final score. However, this is not the case for the other three impact areas as **each sector face different risks and possibilities when considering their material reality caused by their operations.** For more information, see our [Methodology](#).

1.3 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, well-being, and safety. Obviously, children’s proximity to their 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 substances and

equipment. If parents are injured at work, they are less able to care for their children and where income levels and/or social protection is low, children might 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 hazardous substances, 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.

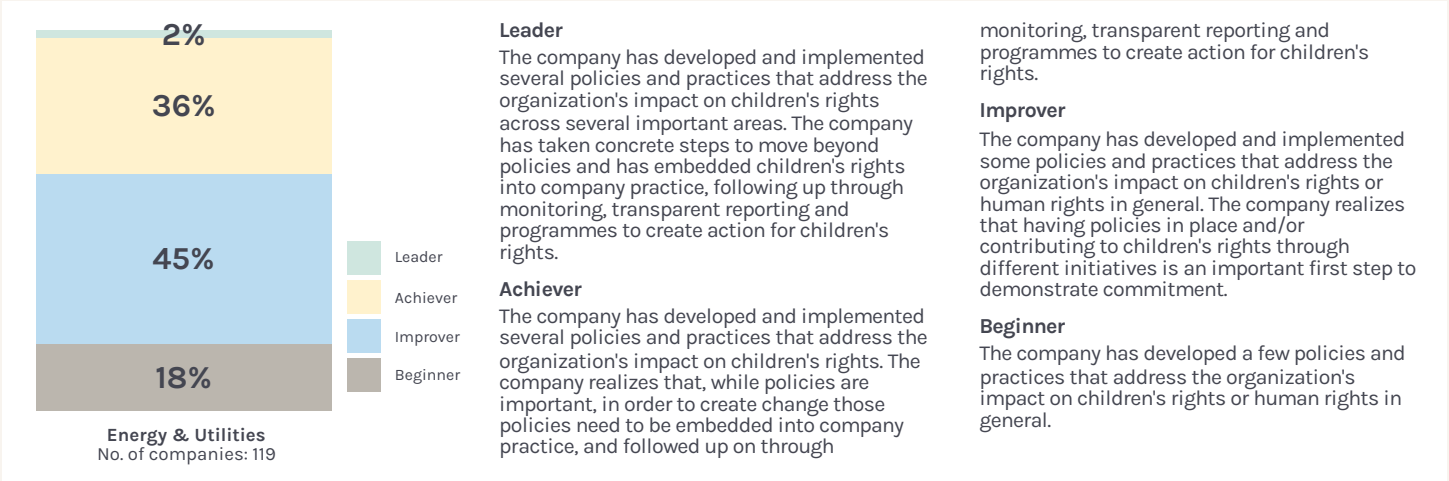
1.4 Material Topics ³

Impact	Where	What
Child labour	Supply chain	Work collaboratively with others against child labour in informal sector around supplier and/or beyond tier 1 (agriculture and minerals).
Supporting youth	Employees/ Supply chain	Provide opportunities for youth/teenagers to gain worklife skills under safe circumstances.
Children’s health and safety	Products	Ensure that children won’t be harmed by exposure to chemicals or flammable materials when using or coming into contact with products.
Children’s health and safety	Marketing	Consider marketing as an opportunity to encourage healthy lifestyles for young people, both physically and physiologically, 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.
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.

- Workplace
- Marketplace
- Community & Environment

³ Governance and Collaboration is not present here as it contains only generic topics

1.5 Performance distribution



1.6 Top 10 performing companies

Company name	Score	Collaboration & Governance	Workplace	Marketplace	Community & Environment	Country of HQ
OMV	8,6	10,0	10,0	2,8	8,4	Austria
Neste	8,5	8,8	8,8	4,5	9,0	Finland
Galp Energia	6,9	8,1	8,1	3,3	6,5	Portugal
SK Innovation	6,8	8,8	6,3	1,3	7,1	Republic of Korea
Compania Espanola de Petroleos (CEPSA)	6,8	6,3	9,4	1,3	7,1	Spain
Naturgy Energy	6,7	6,9	8,8	1,5	6,8	Spain
Lukoil	6,7	10,0	6,9	0,0	6,1	Russian Federation
Repsol	6,6	7,5	8,8	2,5	6,1	Spain
Eni	6,6	8,8	8,1	0,0	6,1	Italy
Ultrapar	6,6	8,1	6,9	0,6	6,8	Brazil

1.7 Top three performing indicators

Indicator	Indicator number	Percentage of companies scoring 10/10	Corporate response
Does the company prohibit child labour?	2.1.1	84%	Policies & Commitments
Is the company committed to environmental impact-related reduction targets?	4.1.1	76%	Policies & Commitments
Does the company report on its environmental impact?	4.3.1	74%	Reporting & Actions

1.8 Three challenging indicators

Indicator	Indicator number	Percentage of companies scoring 10/10	Corporate response
Is the company working with a programme to prevent or remedy child labour?	2.3.2	5%	Reporting & Actions
Is the company committed to product safety/ responsibility in relation to products and services met by children?	3.1.2	2%	Policies & Commitments
Does the company identify their environmental/ community impacts in relation to children as material or salient?	4.2.1	3%	Implementation

- Governance & Collaboration
- Workplace
- Marketplace
- Community & Environment

For more information on our indicators, see our [Methodology](#).

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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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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