Sector scorecard



Food, Beverage & Personal Care



n 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.

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



These impact areas provide an

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 (e.g promoting healthy lifestyles), protection from exploitation, and product safety. Applies even when children are not the direct target group.



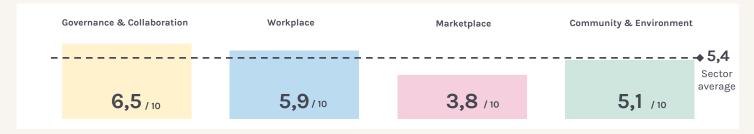
Community & Environment

(C&E)

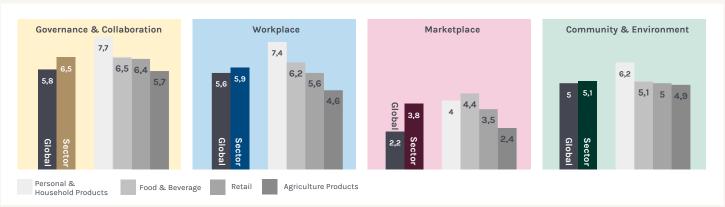
Impact on Surroundings

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.

1.1 Sector Average Score



1.2 Industry vs Sector and Global



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 <u>here</u>.

Sector description

Food, Beverage & Personal Care is a sector that includes companies which process raw ingredients or transform food or products into other forms for consumption. Companies in this sector sell and market products directly to customers, including children. Industries included in the sector are Personal & Household Products, Food Beverage, Retail, and Agricultural Products.

No. of companies in sector	112
Personal & Household Products	10
Food & Beverage	44
Retail	43
Agricultural Products	15
Combined Sector Revenue 4223.3	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 Food, Beverage & Personal Care

The value chain of companies in the Food, Beverage & Personal Care sector is exposed to risks that include child labour and negatively impacting children's health with their products. The sector has great potential to address child-related issues through clear commitments, policies, and practices that support the health, integrity, and safety of children globally.

When considering the workplace, this sector is exposed to child labour risks in both direct and indirect (including suppliers) operations. Safe working conditions for all employees minimize the risk of parents sustaining workplace injuries, keeping them accessible to their children. The accessibility of

parents is crucial for children as parents provide for and support them financially and emotionally. Apart from having policies addressing these topics, placing a high value on transparent reporting on violations of policies enables companies to monitor their impact on children.

The Food, Beverage & Personal Care sector has great potential to positively influence children in the **marketplace** by committing to responsible marketing and products to guide and inspire children to choose healthy lifestyles. Decreasing the use of unhealthy substances (e.g., salts, sugar, trans fats and artificial substances) in processed food and beverages will positively influence

the physical health of children.
Furthermore, children's mental
health and well-being can be
supported by avoiding the use of
unrealistic body ideals in marketing.

The key risks identified with the Food, Beverage & Personal Care sector's impact on local communities & the environment concern water stress, pollution of land, soil and water, and carbon footprint. As water stress and pollution have adverse effects on the environment and on children in local communities, it is crucial that this sector addresses such issues to protect children's health and wellbeing.

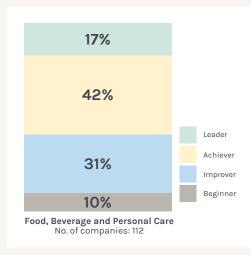
1.4 Material Topics 3

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).
Access to parents/child labour	Procurment/ Supply chain	Ensure that purchasing practices (lead times and pay) are contributing to decent working conditions with suppliers.
Children's health and safety	Products	Develop products that low in salt, fats, sugars and artificial substances, which contributes to children's health and development.
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	Improve water efficiency and waste management to prevent pollution of water supply and water stress.
Children's health and safety	Operations/Suppy chain	Reduce scope 1, 2, and 3 emissions, switch to renewable energy and recycle raw materials.

 $^{^{\}rm 3}$ Governance and Collaboration is not present here as it contains only generic topics



1.5 Performance distribution



The company has developed and implemented several policies and practices that address the organization's impact on children's rights across several important areas. The company has taken concrete steps to move beyond policies and has embedded children's rights into company practice, following up through monitoring, transparent reporting and programmes to create action for children's

Achiever

The company has developed and implemented several policies and practices that address the organization's impact on children's rights. The company realizes that, while policies are important, in order to create change those policies need to be embedded into company practice, and followed up on through

monitoring, transparent reporting and programmes to create action for children's

Improver

The company has developed and implemented some policies and practices that address the organization's impact on children's rights or human rights in general. The company realizes that having policies in place and/or contributing to children's rights through different initiatives is an important first step to demonstrate commitment.

The company has developed a few policies and practices that address the organization's impact on children's rights or human rights in general.

1.6 Top 10 performing companies

Company name	Score	Collaboration & Governance	Workplace	Marketplace	Community & Environment	Country of HQ
Wilmar International	10,0	10,0	10,0	10,0	10,0	Singapore
Nestlé	9,4	10,0	10,0	9,0	7,4	Switzerland
General Mills	9,3	10,0	10,0	9,0	6,8	United States of America
Jeronimo Martins	8,9	10,0	10,0	8,0	6,8	Portugal
PepsiCo	8,9	10,0	8,8	9,0	6,8	United States of America
Kellogg's	8,8	10,0	10,0	7,4	6,8	United States of America
Suntory	8,6	10,0	9,4	7,4	6,8	Japan
Reckitt Benckiser (RB)	8,6	10,0	10,0	7,0	6,8	United Kingdom
Sime Darby Plantation	8,6	10,0	7,5	4,0	10,0	Malaysia
Walmart	8,3	8,8	10,0	7,6	6,1	United States of America

1.7 Top three performing indicators

Indicator

4.3.3

companies scoring 10/10 number response Does the company commit to standards Policies & and frameworks which 80% 1.1.1 Commitments refer to children's rights? Does the company Policies & 2.1.1 86% prohibit child labour? Commitments Is the company working

67%

Percentage of

Corporate

Reporting &

Action

1.8 Three challenging indicators

Indicator	Indicator number	Percentage of companies scoring 10/10	Corporate response
Does the company report on positive impacts/ incidents related to marketing or labelling commitments?	3.3.1	7%	Reporting & Action
Does the company report on positive impacts on children/incidents of non- compliance with their product responsibility commitments?	3.3.2	2%	Reporting & Action
Does the company disclose negative impacts on children in communities beyond the scope of operations?	4.3.2	5%	Reporting & Action

Governance & Collaboration Workplace Marketplace

to reduce their

children?

environmental/

community impact on

Indicator

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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