

Sector scorecard



HEALTHCARE



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 (e.g. exposition to pharmaceutical products). Applies even when children are not the direct target group.



Community & Environment (C&E)

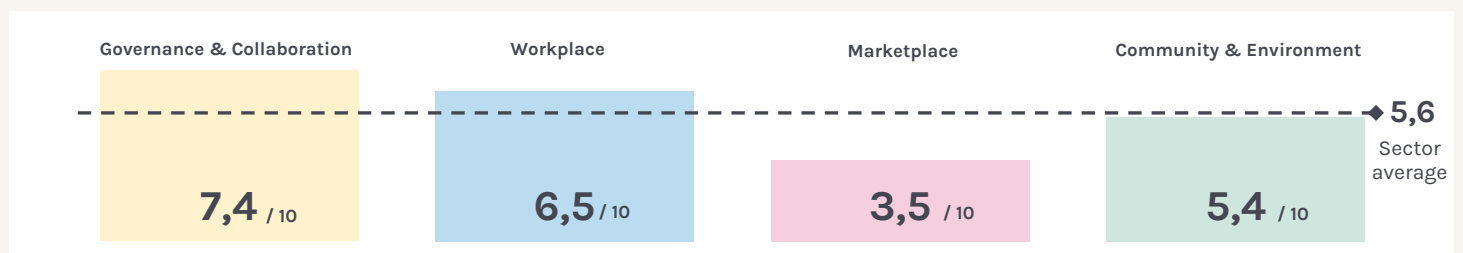
Impact on Surroundings

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.

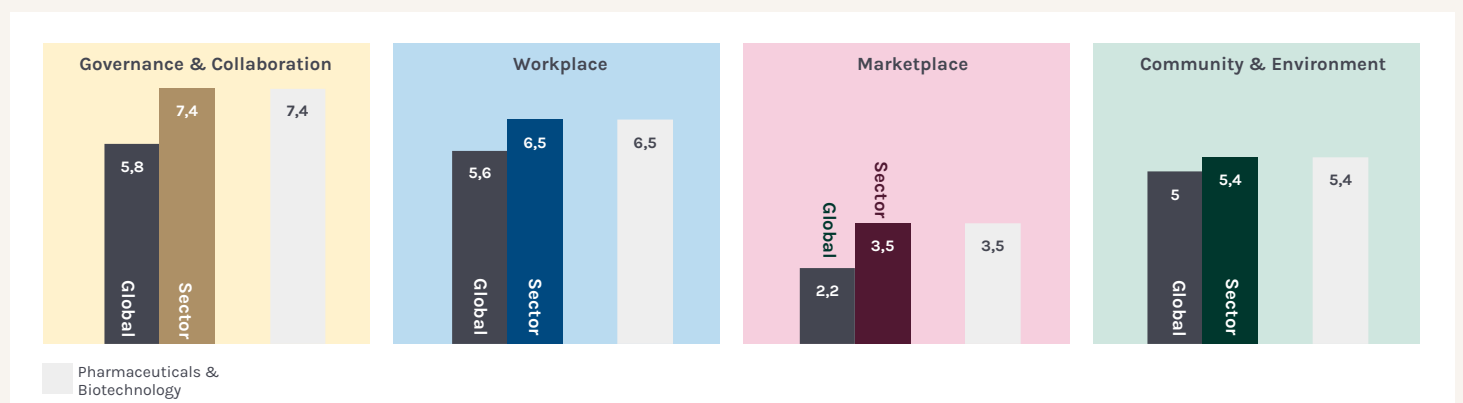
¹ A comprehensive framework for understanding and addressing the impact of business on the rights and well-being of children developed by UN Global Compact, UNICEF and Save the Children.

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

The Healthcare sector covers companies that are engaged in producing medical equipment and pharmaceuticals. The industry included in the sector is *Pharmaceuticals & Biotechnology*.

This sector includes only a few companies, but they represent the entire sector on a global scale, as a small number of major players dominate the market.

No. of companies in sector	19
Pharmaceuticals & Biotechnology	19
Combined Sector Revenue	750.9 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 Healthcare

The Healthcare sector is clearly an important one with respect to children’s health and wellbeing globally. The products manufactured in this sector provide opportunities to combat diseases and health conditions for children requiring medical attention. However, when a children’s rights lens is applied, it becomes evident that there are several different factors that the Healthcare sector must consider to further increase its positive input in relation to the value chain. Prominent topics in the **workplace** for this sector concern child labour in supply chains (e.g., raw materials and agriculture), decent working conditions and family-friendly policies for both direct and indirect

employees (i.e., supply chains), and safe practices and standards for employees in production plants. Policies and safe practices addressing employee safety and working arrangements allow parents to be more accessible to their children. Regarding the **marketplace**, the healthcare sector could give greater consideration to product safety through labelling and packaging to prevent children from ingesting medicines by mistake. Furthermore, because many products distributed to the marketplace are crucial to the survival of children, the sector could cooperate both within the sector and with governments to ensure the widespread availability of affordable

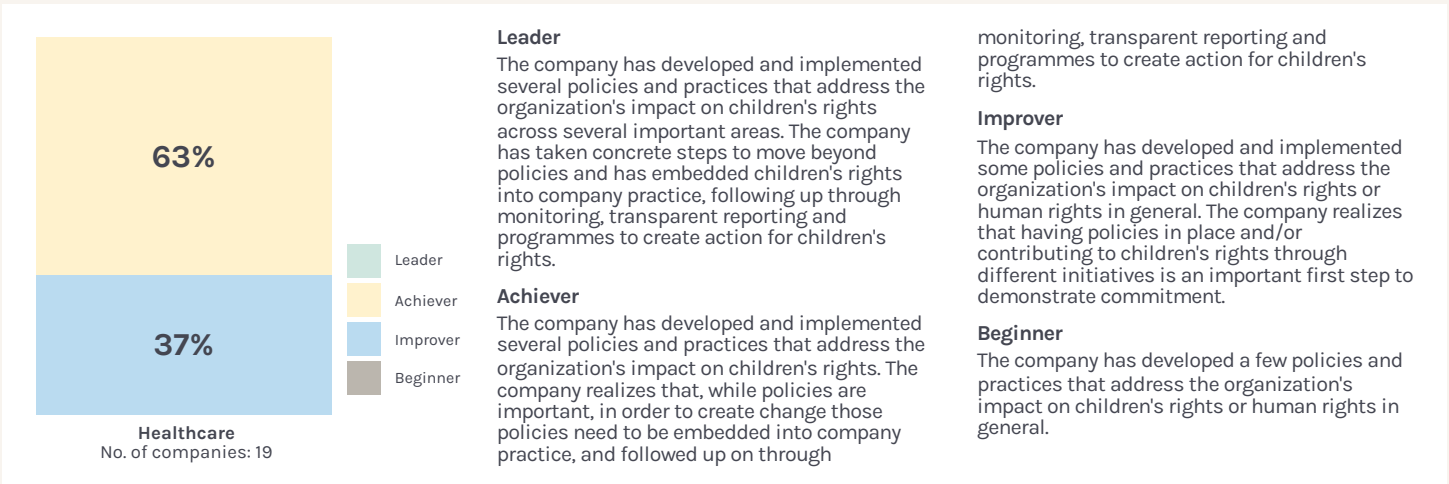
products globally. The key risks identified with the Healthcare sector’s impact on **local communities & the environment** concern air, soil and water pollution caused by production plants, reduction of GHG emissions, and water stress as a result of production. The activities carried out by the Healthcare sector’s operations risk causing adverse effects on children in local communities in terms of their health and well-being. These issues can be addressed through environmental and community commitments and policies. Moreover, these policies and commitments require frequent monitoring and reporting on compliance.

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 (metals and crops required for manufacturing of products).	Workplace
Access to parents/child labour	Procurement/ Supply chain	Ensure that purchasing practices (lead times and pay) are contributing to decent working conditions with suppliers.	Workplace
Children’s health and safety	Products	Ensure that children won't be harmed by exposure to pharmaceuticals (e.g. through packaging and labelling).	Marketplace
Children’s health and safety	Products	Collaborate with sector initiatives, governments and civil society to promote and protect children's rights, including health and safety, in the development of medical equipment and pharmaceuticals.	Marketplace
Future wellbeing of children	Operations	Improve water efficiency and waste management to prevent pollution of water supply and water stress.	Community & Environment
Children's health and safety	Operations/Supply chain	Evaluate and prevent any risks to children in the surrounding community caused by pollution and waste.	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
Merck KGaA	7,5	8,8	10,0	5,0	5,5	Germany
Sanofi	7,4	8,8	9,4	4,8	6,8	France
AstraZeneca	6,8	9,4	6,9	5,0	6,1	United Kingdom
Aspen Pharmacare	6,7	8,1	8,1	5,5	3,9	South Africa
Merck & Co	6,5	7,5	8,1	4,6	5,6	USA
Novartis	6,3	8,1	8,1	3,4	5,6	Switzerland
GSK	5,8	8,8	6,3	3,5	5,0	United Kingdom
Gilead Sciences	5,8	6,9	7,5	3,5	5,6	USA
Teva Pharmaceuticals	5,8	9,4	5,0	3,5	6,1	Israel
Pfizer	5,4	8,1	5,0	3,5	6,1	USA

1.7 Top three performing indicators

Indicator	Indicator number	Percentage of companies scoring 10/10	Corporate response
Does the company commit to standards and frameworks which refer to children's rights?	1.1.1	95%	Policies & Commitments
Does the company prohibit child labour?	2.1.1	100%	Policies & Commitments
Is the company committed to environment-related reduction targets?	4.1.1	89%	Policies & Commitments

1.8 Three challenging indicators

Indicator	Indicator number	Percentage of companies scoring 10/10	Corporate response
Is the company working with an initiative to prevent or remedy child labour?	2.3.2	16%	Reporting & Actions
Does the company report on positive impact on children or incidents of non-compliance with their product responsibility commitments?	3.3.2	0%	Policies & Commitments
Is the company committed to reducing their negative community impacts?	4.1.2	11%	Policies & Commitments

- 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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