



Global Child Forum
The Exchange

March 2025

How can sustainable companies achieve a just transition of their value chain?



Introduction

Businesses today face pressure to decarbonise, establish responsible supply chains, and meet sustainability reporting requirements in an equitable way. But can companies achieve a “just transition” of their value chain, where no vulnerable stakeholders - such as children - are left behind?

This was the focus of a recent discussion hosted by the British Embassy Stockholm and NatWest, between two experts with knowledge of sustainable finance, climate change, and children’s rights.

In this edition of our conversation series, **The Exchange**, we share an edited version of their dialogue.

The Participants



James Close
Head of Climate Change, NatWest Group



Ekin Ergün Björstedt
Secretary General, Global Child Forum

The Exchange



How do you see children fitting into the picture as companies look to transition their value chain and meet corporate responsibility and sustainability targets?

Ekin Ergün Björstedt



I'm the Secretary General of Global Child Forum, and we're dedicated to advancing children's rights through business and sustainability.

As I see it, if we can influence and inspire one global corporate leader to integrate children's rights in their operations, in their value chains, then we've managed to impact - and prevent a negative impact on - children's well-being, for millions. For me, that's thrilling, and I'm excited to talk about how as business leaders we can address the just transition and take responsibility for those that need us - children, of course - the most vulnerable in our society.



James Close

I've been working on the climate agenda for about 15 years, and was inspired very much by Al Gore and his [Inconvenient Truth](#). For me, it was about what we were going to do for future generations, and when I started thinking about this, I was thinking about my potential grandchildren and great grandchildren.



James Close, what does that mean for an organisation like NatWest Group, a bank that is deploying capital?



James Close

We want to make sure that our capital is going towards the things that are going to accelerate the transition in a way that's really constructive, and societally useful.

We set ourselves targets, and then we build plans, and we have a financial plan that ensures we deliver on the expectations of our shareholders. We also have a climate transition plan to make sure we deliver our commitments towards emissions reduction and to decarbonising our balance sheet.

What we've learned is that we can make our business better by thinking about this transition; by understanding pricing risk better, and by working with our customers to think about the impacts that they have on the supply chain - and how we can help them deal with some of those things in a positive way.



Ekin Ergün Björstedt, how are you working with companies with regard to children's welfare and well-being, and are companies sufficiently aware of the impact of their supply chains at the end-source?

Ekin Ergün Björstedt



It's difficult for many companies to understand how they directly or indirectly affect children's well-being through their operations, products and services. But for companies aiming to undertake a just transition, there's a fantastic strategic opportunity. Companies and businesses who work more sustainably - more equitably - open up for innovation and new areas of investment, new areas of working. It's important to remember, there's a "win-win" in this, and that's something that we talk about with the companies we work with. Often, it's a moment of enlightenment for them.

Global Child Forum works together with companies to make sure - through raising awareness and knowledge building, and sharing data, tools and insights - that we actually talk about the things many companies today are unaware of in terms of their impact on youth as stakeholders in their value chain.

We share our [benchmark](#) datasets, where we analyse companies on their children's rights performance, and look to create platforms and forums where we put the challenges on the table and together with other actors, peers, and all sectors, aim to solve the problems that we see. The benchmark is a cooperation we have with Boston Consulting Group, and we've worked with them since 2013 to produce it.

We also offer resources like the [Industry Risk Tool](#), and [The Corporate Playbook](#), developed with the LEGO Group. It's a guide for companies on how to address child rights issues within sustainability (ESRS) reporting, which will be more important now that we have EU regulations coming up that will also bring additional attention in this area.

And for us, it's not only companies, but the financial sector, who are our biggest allies. This is exactly the way we want to work with them - driving positive change - because together we can put pressure where it's needed, so that corporates address these issues and take action for children within their value chains.



James Close, how do you approach customer engagement, on the climate side?



James Close

As we look through supply chains, there's a lot of action that we don't have direct visibility around. Children's rights are one area, as is modern slavery, so is deforestation. These are things that, from a regulatory perspective, are being placed on us as financiers to avoid - and not just through the regulation, but also through the expectations of our shareholders. I spend a lot of time talking to shareholders about what we're doing to decarbonise our balance sheet. Some of this we've encapsulated through our modern slavery statements and our commitments, but we also need to be realistic about the agency we have. We can't do this in isolation. We have to do it with our customers, and they have to do it within their supply chain.

But if we get that aligned between the regulators, investors, banks as providers of capital to the real economy, mainstream corporations and then their suppliers - then we have a way of changing how business gets done for the better, and I think it's good for all of us.

We're taking risk out of the system, and we're giving people a better future. If it's young children, that's even more positive, particularly as we look at demography as well, which is a huge challenge for long-term growth.



Ekin Ergün Björstedt, how does the Global Child Forum benchmark mentioned earlier incorporate climate and environment?

Ekin Ergün Björstedt



Our benchmark assesses performance on children's rights in different impact areas, as we call them. One of these is Community and Environment, and we have a theory of change on how to address these issues.

Last time we looked at more than 1800 of the most influential global companies, chosen by the World Benchmarking Alliance as part of its **SDG2000** list. The thinking is that if we can make them address sustainability challenges, we'll stand the best chance of reaching the 2030 UN Sustainable Development Goals.

Our benchmark results and company scores are open for everyone to look at, learn from, and increase their social impact. What attracts a lot of interest is when companies go in and look at their peers scores to see how they're doing, what they're doing, and what they can do better.

Companies can also use their scores in their communication, which again, is key to this transition working. Our benchmark helps companies to be transparent on what the issues are, what risks they see, and how they can address them.



Investors can also use this data to inform their decision-making. That's also something that we've seen - the knowledge and insights from the benchmark guide businesses on how to meet the increasing demands from financial investors, from governments, and communities they operate in. It's also highly relevant for investors when you make your decisions on how to invest, and of course, other stakeholders who assess or rank companies.



James Close

When you talk about this, Ekin, it reminds me of Robert Schiller, the Nobel Prize winning economist; what he said was, [finance at its best drives good social outcomes](#) and reflects society's greatest needs. And I think that if our greatest need isn't looking after the next generation, then I don't know what is. The challenge that we have in finance as we think about this and the frame that we use around returns and risk quite often becomes a little blinkered. And I think the benchmark that you described enables us to open that up in a much broader way and in much greater perspective.

We can look through the benchmark, and understand why organisations perhaps aren't doing quite as well as they ought to be against those indicators. We can consider how we then evaluate that from a risk point of view. What does that mean for our capital and how we live up to Robert Schiller's aspirations of what finance should be?



Audience member to Ekin Ergün Björstedt...

Certain things linked to sustainability cost companies' money to implement - maybe it's not a "win-win" if it's just something that you need to do, and you might not see it on the balance sheet. I think it's also good to recognise that viewpoint - how do you reconcile it?

Ekin Ergün Björstedt



That's a brilliant question! Of course, always when you choose something, you leave something else aside in the process. That's the case in life, in business, everywhere. I think it's important to remember that there's a moral obligation here. We need to remind the big corporate companies that they have the power to make sure that we have a future.

When you start to talk about those things in human terms, people are affected and then it's not that difficult to choose what to leave behind. It also comes down to funding. Some things will be difficult to leave now, but doing it and transitioning your value chain will be an investment for the future. Within that future you will also see a "win-win" for your company; you'll see growth, but it will take some time, because we need to make that transition.

"Transitioning your value chain will be an investment for the future. Within that future you will also see a "win-win" for your company; you'll see growth, but it will take some time."

Ekin Ergün Björstedt



James Close

And I think to build on that point, certainly from the climate side of things, it's the "tragedy of the horizon" - short-term action can lead to long-term consequences.

I look again to Lord Stern, an economist who produced seminal work on climate change ([The Economics of Climate Change: The Stern Review](#)), and the cost today of decarbonising being much less than the cost tomorrow of adaptation and dealing with the impacts of climate change.

The other framing around this, I think, is Mark Carney - he talks about *values* and not *value* (in [Value\(s\): Building a Better World for All](#)). Again, if we want to be true to ourselves and to our organisations - and the people within our organisations - then that framing of how we think about short-term versus longer-term is really important. We're captured in climate change through the tragedy of the horizon, and probably the same is true in terms of thinking about future generations.



Do you have any final reflections or thoughts?

Ekin Ergün Björstedt



For me, it's embed children's rights in your value chains. That's how we make the "win-win" scenario come true for companies. At the end of the day, you have to eliminate risk from your supply chain, listen to all your stakeholders, including children, and make sure that you leverage the data that's already there.

I would also say, talk to each other - have these kinds of conversations and dialogues, which invite partnership discussions and working with peers - not only within your sector, but beyond.

Collaboration and knowledge sharing are critical to securing a just transition in your value chain.



James Close

I agree, it's the power of collaboration and deepening our understanding. It's very powerful, and as investors, bankers and financiers, we're driven by curiosity.

I think that what you've stimulated here, Ekin, is a curiosity to be more thoughtful about what happens through the supply chain and how we protect the most vulnerable.

Young people and children are a key part of this. It's a very timely and good example of what we can do together. ●

GLOBAL CHILD FORUM: THE EXCHANGE

Key Findings

This conversation highlights the importance of integrating children's rights into corporate value chains - to safeguard the well-being of children and teenagers impacted by the operations and actions of influential companies.

Addressing serious systemic issues such as child labour, which continues to be prevalent in 2025, are a key part of this.

Children are among the most vulnerable to climate change impacts, making it imperative for businesses to adopt strategies that consider their needs.

Banks and financiers also have a critical role to play, by aligning investments and climate transition plans prioritising societal needs and future generations.

TOOLS & SERVICES

Your guide to sustainability and ESRS Reporting

The **Corporate Playbook: Embedding Children's Rights in ESRS Reporting** is an essential guide, enabling companies to better incorporate child rights into sustainability reporting.

Click below to find out more.

[CORPORATE PLAYBOOK](#)



Global Child Forum
Slottsbacken 8
111 30 Stockholm, Sweden

Image Credits

In order of use, from top:
Siniehina via stock.adobe.com
liderina via stock.adobe.com
Photocreo Bednarek via stock.adobe.com
duan via stock.adobe.com