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METHODOLOGY & INDICATORS

Corporate Sector & Children's Rights Benchmark Series - Enhanced indicators

About the Corporate Sector and Children's Rights Benchmark Series

What is the benchmark?

Global Child Forum and the Boston Consulting Group initiated the Corporate Sector and Children's Rights Benchmark study series in 2013 to fill a gap in research. To date, we have produced one global and five regional studies of the Nordic region, the Middle East and Northern Africa; Southern Africa, South America and South East Asia, covering 2500 companies across 9 industries. The purpose of the series is to develop a children's rights benchmark for the corporate sector and to enable tracking of progress over time on how children's rights are addressed by business.

How is the sample selected?

The aim for the 2019 global study has been to cover the largest companies across industries and geographical regions, to create a global sample. The 692 companies in the study have been selected based on being the largest by revenue (2018). To ensure that the sample is representative both of regions and industries, different cut-offs in terms of revenue have been chosen for each region/industry, to avoid over-representation by any one region or industry and at the same time compare similarly sized companies.

The six regions are: North America; Latin America and the Caribbean; Europe; Middle East and North Africa; Sub-Saharan Africa; Asia and Pacific.

The nine industries are based on the Industry Classification Benchmark*: Basic Materials; Consumer Discretionary; Consumer Goods; Financials & Property; Healthcare; Industrials; Oil, Gas & Utilities; Telecommunications & Technology; and Travel & Leisure.

How is the study conducted?

During the first half of 2019, publicly available information in English from the selected companies (sustainability reports, etc) has been screened against a set of 20 indicators. Each indicator has a possible score of; 0 - no information could be found; 5 - the company is reporting on human rights or sustainability for this issue; 10 - the company reports on how they address children's rights for this issue.**

The results are based only on publicly available data, systematically assessing corporate organisational response to impact on children's rights. However we don't evaluate actual compliance with policies, nor outcomes of policies and/or programmes. The individual results were shared with each company for feedback and possible corrections to ensure a fair assessment.

How can business use it?

The set of indicators align clearly with the Children's Rights and Business Principles***, and divides the indicators into the impact areas of Workplace, Marketplace and Community/Environment. This not only gives a great overview of what companies are doing in each of these spheres of influence, it also gives companies an opportunity to identify areas for improvement in relation to their operations.

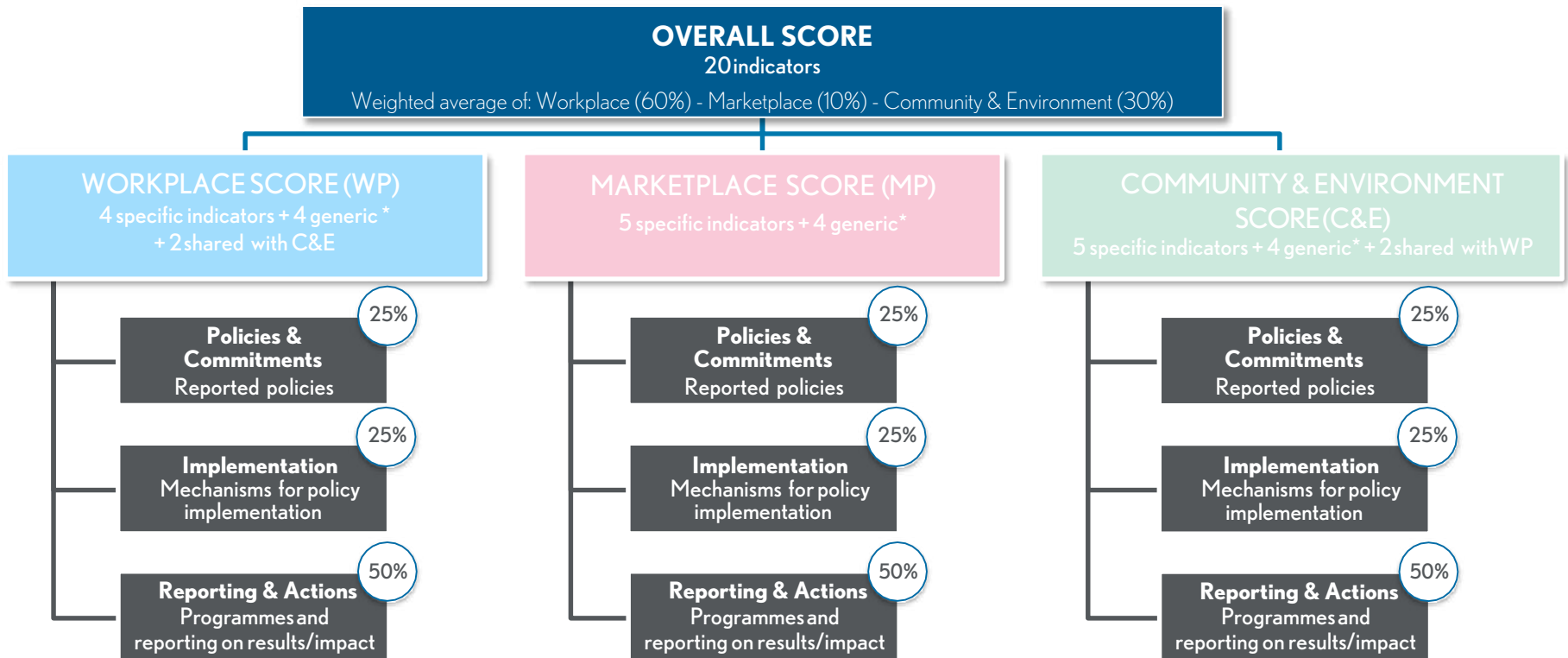
* FTSE Russell Industry Classification Benchmark (ICB)

**The [original methodology](#) used until 2017 used 7 indicators with a binary answer option of yes (score 1) or no (score 0) and a total possible score of 9 (two of the questions were weighted and had a possible score of 2).

*** 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.

Methodology Overview

- The benchmark methodology contains an set of 20 indicators with indicators specific to **Workplace, Marketplace, and Community & Environment** as well as generic indicators*.
- The specific area scores for **Workplace, Marketplace, and Community & Environment** are calculated as weighted averages of the components: "**Policies & Commitments**", "**Implementation**" and "**Reporting & Actions**"**.
- The overall score for each company is calculated as a weighted average of the scores for the areas of Workplace, Marketplace and Community & Environment respectively.



* A generic indicator = the same question for all three areas (WP, MP, CE)

** These are derived from the [UN OHCHR conceptual and methodological framework for human rights indicators](#).

Scoring Methodology Indicators for STRUCTURE & PROCESS

Impact area: WORKPLACE

Organizational response	Indicator	Question	Answer/Scoring options
Reporting & Commitments - Reported Policies (weighting = 25%)	Minimum Age of Employment	Does the company prohibit child labour?	10=Yes, the company explicitly prohibits child labour 5=The company does not explicitly prohibit child labour but it prohibits all human rights / labour rights violations more broadly 0=No, the company does not explicitly prohibit child labour
	Decent working conditions	Does the company prohibit physical, mental, verbal, sexual or any other abuse, inhumane or degrading treatment, corporal punishment or any form of harassment?	10=Yes, the company prohibits all forms of abuse and harassment 0=No, the company does not explicitly prohibit all forms of abuse and harassment
Implementation - Policy implementation mechanisms (weighting = 25%)	Board accountability	Is there board oversight/board committee working with children's rights issues?	10=Yes, there is a board oversight/board committee working on sustainability, CSR, social issues or human rights, and children's rights are mentioned as part of their responsibilities explicitly or implicitly (e.g. by children's rights included in the code of conduct and the code of conduct mentioned in the list of board responsibilities) 5=There is a board oversight/board committee working on sustainability, CSR, social issues or human rights but children's rights are not explicitly mentioned as part of their responsibilities 0=No, there is no board oversight/board committee working on sustainability, CSR, social issues or human rights
	Materiality assessment	Does the company identify children's rights issues in its materiality assessment?	10=Yes, the company identifies children's rights issues in its materiality assessment 5=The company identifies broader human rights/wider society/community issues in its materiality assessment AND/OR the company conducts an assessment of salient human rights issues 0=No, the company does not identify children's rights issues or wider human rights issues in its materiality assessment
	Supplier assessment	Does the company conduct a supplier assessment with regards to their impacts on children's rights in the workplace and community and the environment?	10=Yes, the company conducts supplier assessments with regards to their impacts on children's rights in the workplace (e.g. child labour) and community and the environment 5=There is no evidence of regular supplier assessments with regards to their impacts on children's rights but the expected supplier behaviour with regards to human rights (including children's rights) is contained in a supplier code of conduct or referenced in other publicly available documents (e.g. sustainability report) 0=No, the company does not conduct supplier assessment with regards to their impacts on children's rights
	Grievance mechanisms	Does the company have a grievance mechanism and/or a whistleblowing / ethics hotline to enable employees and members of the local community (including children) to report about human rights impacts and impacts on the environment? (e.g. GRI Standard 103-2)	10=Yes, the company has a formal grievance mechanism and/or whistleblowing / ethics hotline to enable employees and members of the local community (including children) to submit their grievances (e.g. the information on the mechanism is included in the annual report and/or code of conduct) 5=The company has a whistleblowing / ethics hotline but it is unclear if this channel is used for submitting human rights grievances (e.g. information on the ethics hotline is included in the code of conduct but the code does not include human rights issues) 0=No, the company does not have a formal grievance mechanism

Scoring Methodology Indicators for OUTCOMES

Impact area: WORKPLACE

Organizational response	Indicator	Question	Answer/Scoring options
Reporting & Actions Reporting on results and setting up programs (weighting = 50%)	Collaboration	Is the company collaborating with and/or making donations (monetary, in-kind or volunteering time) to any NGOs/charities with a focus on children's rights (e.g. UNICEF, Save the Children, PLAN, ECPAT etc.)?	10=Yes, the company is collaborating with one/several NGOs with a focus on children's rights 0=No, there is no evidence of the company collaborating with NGOs with a focus on children's rights
	Collaboration	Is the company involved in any industry partnerships and initiatives that address children's rights? (e.g. collaboration with industry bodies, private-public partnerships)	10=Yes, the company is involved in one/several industry partnerships and initiatives that address children's rights 5=The company is involved in one/several industry partnerships and initiatives related to broader sustainability issues but not specifically focussing on children's rights 0=No, there is no evidence of the company being involved in industry partnerships and initiatives that address children's rights
	Minimum age of employment	Does the company report on operations and suppliers considered to have significant risk for incidents of child labour? (e.g. GRI Standard 408-1)	10=Yes, the company reports on operations and suppliers considered to have significant risk for incidents of child labour 5=The company reports on operations considered to have significant risk for incidents of child labour but it is unclear if suppliers have been included in this assessment AND/OR the company reports on the results of operations and supplier assessments but these are focused on human rights broadly (not specifically children's rights) 0=No, the company does not report on operations and suppliers considered to have significant risk for incidents of child labour
	Programmes	Is the company driving own programmes / projects regarding children's rights in the workplace? (e.g. focused on reducing the risk of child labour and improving working conditions for young workers, parents and caregivers)	10=Yes, the company is driving own programmes / projects focused on reducing the risk of child labour and/or improving working conditions for young workers, parents and caregivers in its own operations and supply chains 5=The company is driving own programmes / projects focused on improving working conditions of employees in own operations and/or supply chains (e.g. working hours, wages and other non-monetary benefits, health) but these programmes / projects are not explicitly focused on children and young workers 0=No, there is no evidence of the company driving own programmes / projects focused on children's rights in the workplace in own operations or supply chains

Scoring Methodology Indicators for STRUCTURE & PROCESS

Impact area: MARKETPLACE

Organizational response	Indicator	Question	Answer/Scoring options
Policies & Commitments - Reported Policies (weighting = 25%)	Marketing and Advertising	Is the company committed to responsible marketing to children?	10=Yes, the company is committed to responsible marketing to children (e.g. in a stand-alone policy, code of conduct or as a reference in the annual report) 5=The company is committed to responsible marketing but this commitment does not specifically relate to children 0=No, the company is not explicitly committed to responsible marketing
	Product Safety	Is the company committed to ensuring product safety / product responsibility in relation to products and services that are likely to be used or consumed by children?	10=Yes, the company has a product safety policy and it explicitly refers to children 5=The company has a product safety policy but it does not explicitly refer to children 0=No, the company does not have a product safety policy
Implementation - Policy implementation mechanisms (weighting = 25%)	Board accountability	Is there board oversight/board committee working with children's rights issues?	10=Yes, there is a board oversight/board committee working on sustainability, CSR, social issues or human rights, and children's rights are mentioned as part of their responsibilities explicitly or implicitly (e.g. by children's rights included in the code of conduct and the code of conduct mentioned in the list of board responsibilities) 5=There is a board oversight/board committee working on sustainability, CSR, social issues or human rights but children's rights are not explicitly mentioned as part of their responsibilities 0=No, there is no board oversight/board committee working on sustainability, CSR, social issues or human rights
	Materiality assessment	Does the company identify children's rights issues in its materiality assessment?	10=Yes, the company identifies children's rights issues in its materiality assessment 5=The company identifies broader human rights/wider society/community issues in its materiality assessment AND/OR the company conducts an assessment of salient human rights issues 0=No, the company does not identify children's rights issues or wider human rights issues in its materiality assessment

Scoring Methodology Indicators for OUTCOMES

Impact area: MARKETPLACE

Organizational response	Indicator	Question	Answer/Scoring options
Reporting & Actions - Reporting on results and setting up programs (weighting = 50%)	Collaboration	Is the company collaborating with and/or making donations (monetary, in-kind or volunteering time) to any NGOs/charities with a focus on children's rights (e.g. UNICEF, Save the Children, PLAN, ECPAT etc.)?	10=Yes, the company is collaborating with one/several NGOs with a focus on children's rights 0=No, there is no evidence of the company collaborating with NGOs with a focus on children's rights
	Collaboration	Is the company involved in any industry-wide initiatives that address children's rights? (e.g. initiatives that include multiple businesses from the same industry)	10=Yes, the company is involved in one/several industry-wide initiatives that address children's rights 0=No, there is no evidence of the company being involved in industry-wide initiatives that address children's rights
	Marketing and Advertising	Does the company report on incidents of non-compliance with regulations and voluntary codes concerning marketing to children including advertising, promotion and labelling? (e.g. GRI Standard 417-2 and 417-3)	10=Yes, the company reports on incidents of non-compliance with regulations and voluntary codes on marketing to children 5=The company reports on incidents of non-compliance with regulations and voluntary codes on marketing communications but it does not separate between children and adult consumers 0=No, the company does not report on incidents of non-compliance with regulations and voluntary codes on marketing communications
	Product Safety	Does the company report on incidents of non-compliance with regulations and voluntary codes concerning the impacts of its products and services on children's health? (e.g. GRI Standard 416-2)	10=Yes, the company reports on incidents of non-compliance with regulations and voluntary codes concerning the impacts of its products and services on children's health and safety 5=The company reports on incidents of non-compliance with regulations and voluntary codes concerning the impacts of its products and services on health and safety, although the impacts on children are not separately reported on 0=No, the company does not report on incidents of non-compliance with regulations and voluntary codes concerning the impacts of its products and services on health and safety
	Programmes	Is the company driving own programmes / projects regarding children's rights in the marketplace? (e.g. focused on improving product safety for children and reducing children's access to harmful products)	10=Yes, the company is driving own programmes / projects focused on improving product safety for children and/or reducing children's access to harmful products 5=The company is driving own programmes / projects focused on improving product safety but these programmes / projects are not explicitly focused on children 0=No, there is no evidence of the company driving own programmes / projects focused on children's rights in the marketplace

Scoring Methodology Indicators for STRUCTURE & PROCESS

Impact area: COMMUNITY & ENVIRONMENT

Organizational response	Indicator	Question	Answer/Scoring options
Policies & Commitments - Reported Policies (weighting = 25%)	Resource use & damage to the environment	Is the company committed to reducing its environmental impacts?	10=Yes, the company is committed to reducing its environmental impacts 0=No, the company does not have an explicit commitment to reducing its environmental impacts
	Community impacts	Is the company committed to reducing its negative community impacts (e.g. displacement when acquiring land for business use) and increasing its positive contribution to the local community?	10=Yes, the company is committed to reducing its negative community impacts and increasing its positive contribution to the local community 5=The company is committed to increasing its positive contribution to the local community but there is no evidence of a commitment to reduce the negative community impacts 0=No, the company is not explicitly committed to reducing its negative community impacts and increasing its positive contribution to the local community
Implementation - Policy implementation mechanisms (weighting = 25%)	Board accountability	Is there board oversight/board committee working with children's rights issues?	10=Yes, there is a board oversight/board committee working on sustainability, CSR, social issues or human rights, and children's rights are mentioned as part of their responsibilities explicitly or implicitly (e.g. by children's rights included in the code of conduct and the code of conduct mentioned in the list of board responsibilities) 5=There is a board oversight/board committee working on sustainability, CSR, social issues or human rights but children's rights are not explicitly mentioned as part of their responsibilities 0=No, there is no board oversight/board committee working on sustainability, CSR, social issues or human rights
	Materiality assessment	Does the company identify children's rights issues in its materiality assessment?	10=Yes, the company identifies children's rights issues in its materiality assessment 5=The company identifies broader human rights/wider society/community issues in its materiality assessment AND/OR the company conducts an assessment of salient human rights issues 0=No, the company does not identify children's rights issues or wider human rights issues in its materiality assessment
	Supplier assessment	Does the company conduct a supplier assessment with regards to their impacts on children's rights in the workplace and community and the environment?	10=Yes, the company conducts supplier assessments with regards to their impacts on children's rights in the workplace (e.g. child labour) and community and the environment 5=There is no evidence of regular supplier assessments with regards to their impacts on children's rights but the expected supplier behaviour with regards to human rights (including children's rights) is contained in a supplier code of conduct or referenced in other publicly available documents (e.g. sustainability report) 0=No, the company does not conduct supplier assessment with regards to their impacts on children's rights
	Grievance mechanisms	Does the company have a grievance mechanism and/or a whistleblowing / ethics hotline to enable employees and members of the local community (including children) to report about human rights impacts and impacts on the environment? (e.g. GRI Standard 103-2)	10=Yes, the company has a formal grievance mechanism and/or whistleblowing / ethics hotline to enable employees and members of the local community (including children) to submit their grievances (e.g. the information on the mechanism is included in the annual report and/or code of conduct) 5=The company has a whistleblowing / ethics hotline but it is unclear if this channel is used for submitting human rights grievances (e.g. information on the ethics hotline is included in the code of conduct but the code does not include human rights issues) 0=No, the company does not have a formal grievance mechanism

Scoring Methodology Indicators for OUTCOMES

Impact area: COMMUNITY & ENVIRONMENT

Organizational response	Indicator	Question	Answer/Scoring options
Reporting & Actions - Reporting on results and setting up programs (weighting = 50%)	Collaboration	Is the company collaborating with and/or making donations (monetary, in-kind or volunteering time) to any NGOs/charities with a focus on children's rights (e.g. UNICEF, Save the Children, PLAN, ECPAT etc.)?	10=Yes, the company is collaborating with one/several NGOs with a focus on children's rights 0=No, there is no evidence of the company collaborating with NGOs with a focus on children's rights
	Collaboration	Is the company involved in any industry-wide initiatives that address children's rights? (e.g. initiatives that include multiple businesses from the same industry)	10=Yes, the company is involved in one/several industry-wide initiatives that address children's rights 0=No, there is no evidence of the company being involved in industry-wide initiatives that address children's rights
	Resource use and damage to the environment	Does the company report on its environmental impacts in direct operations and supply chains? (e.g. GRI Standard 301-1,305,306,307 for impacts in own operations and 308-2 for impacts in supply chains)	10=Yes, the company reports on its environmental impacts in own operations and supply chains 5=The company reports on its environmental impacts but it is unclear if supplier operations are included in this assessment 0=No, the company does not report on its environmental impacts
	Community impacts	Does the company disclose significant actual or potential negative impacts on children in the local communities and/or wider society? (e.g., GRI Standard 413-2 or 414-1)	10=Yes, the company discloses significant actual or potential negative impacts on children in the local communities and/or wider society (reporting on cases or identified risks to children, including "no findings"). 5= The company discloses significant actual or potential negative impacts on local communities and/or wider society (reporting on cases or identified risks, including "no findings").but does not mention children specifically. 0=No, the company doesn't disclose significant actual or potential negative impacts on local communities and/or wider society.
	Programmes	Is the company driving own programmes / projects regarding children's rights in the community and environment? (e.g. focused on improving health or education opportunities for children)	10=Yes, the company is driving own programmes / projects focused on reducing environmental impacts on children and/or improving health or education opportunities for children 5=The company is driving own programmes / projects focused on reducing environmental impacts and/or community development but these programmes / projects are not explicitly focused on children 0=No, there is no evidence of the company driving own programmes / projects focused on children's rights in the community and environment



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