



# Addressing Children's Rights in Business

An Assessment from Switzerland and Liechtenstein

# Addressing Children's Rights in Business – An Assessment from Switzerland and Liechtenstein

A baseline study conducted by the University of Geneva's Geneva Center for Business and Human Rights (GCBHR) and Centre for Children's Rights Studies (CIDE)

for UNICEF Switzerland and Liechtenstein (UNICEF CH/FL) and the UN Global Compact Network Switzerland and Liechtenstein (GCNSL)

## Authorship and acknowledgments

This research report is the result of a collaboration between two research centers at the University of Geneva: the Geneva Center for Business and Human Rights (GCBHR) and the Centre for Children's Rights Studies (CIDE). Dr. Berit Knaak (GCBHR) is the principal author of this research report. Pascale Chavaz and Serra Cremer Iyi (GCBHR) and Simon Nehme (CIDE) were the other members of the project team and participated in the methodology, research, drafting, and editing phases of the study. They were supported by research assistants Laura Dugardin, Julia Langenegger, and Mariam Shakil and by Maximilian Aigner for the statistical analysis. The project team received guidance from Prof. Dr. Dorothee Baumann-Pauly (GCBHR) and Prof. Dr. Karl Hanson and Dr. Roberta Ruggiero (CIDE).

The report was commissioned by UNICEF Switzerland and Liechtenstein and the UN Global Compact Network Switzerland and Liechtenstein, with Monika Althaus (UNICEF CH/FL) and Alice Harbach-Forel (GCNSL) as project leads.

We thank the project leads from UNICEF CH/FL and from the GCNSL and their teams as well as all companies that generously shared their insights and experiences with us.

Published in August 2022

## Imprint

Editor: UNICEF Switzerland and Liechtenstein and UN Global Compact Network Switzerland and Liechtenstein  
Layout and Illustrations: Büro Haeberli, Zürich  
Copyright: © 2022 UNICEF Switzerland and Liechtenstein / UN Global Compact Network Switzerland and Liechtenstein

## Available from

UNICEF Schweiz und Liechtenstein  
Pflingstweidstrasse 10, 8005 Zürich  
unicef.ch, info@unicef.ch

UN Global Compact Network Switzerland & Liechtenstein  
Hegibachstrasse 47, 8032 Zürich  
globalcompact.ch, info@globalcompact.ch

Geneva Center for Business and Human Rights (GCBHR)  
Geneva School of Economics and Management, University of Geneva  
40 Boulevard du Pont-d'Arve, CH-1211 Geneva 4  
gcbhr.org, gsem-gcbhr@unige.ch

Centre interfacultaire en droits de l'enfant (CIDE)  
Université de Genève, Valais Campus  
Chemin de l'Institut 18, CH-1967 Bramois (Sion)  
unige.ch/cide, cide@unige.ch

# Preface

**T**hroughout their childhood – from birth until they reach adulthood – children are linked to and impacted by business activities. They are the babies and children of employees who may or may not be entitled to parental leave or flexible working hours from their employers. They are the young targets of marketing and advertising for a broad range of goods and services. They are consumers of food, toys, clothing, and digital offers. They live and play surrounded by companies big and small. Once they finish school, they may be young workers, acquiring new skills. Or on the downside, they may be child laborers.

**As for all human rights, businesses have the responsibility to respect children's rights.** This responsibility is rooted in the UN Guiding Principles on Business and Human Rights (UNGPR). The Children's Rights and Business Principles (CRBP) – published by UNICEF, the UN Global Compact and Save the Children in 2012 – build on the UNGPR and frame the variety of businesses' relations to children and their potential impacts on their rights.

On the 10-year anniversary of the CRBP, it is time to look both back and forward. As a report from May 2022 by the three authoring organizations of the CRBP lays out, **progress has been made on integrating children's rights in the business world, but there is still a long way to go.** The report highlights the importance of defining and making visible children's rights so that they are not overlooked in business conduct and activities. As more and more companies recognize the true value of working and producing sustainably, there needs to be acknowledgment that **respect for children's rights should be one of sustainability's core conditions.**

To move forward in Switzerland and Liechtenstein, more information and data is needed on companies' awareness of children's rights, their related activities and the challenges they face. In addition, we need to understand what kind of support companies need to meet their responsibilities towards children and their rights. To answer those questions, we commissioned the Geneva Center for Business and Human Rights and the Centre for Children's Rights Studies of the University of Geneva to conduct this study.

The study reveals useful findings in a field which has only undergone marginal scientific investigation up to now. The report provides a basis for different kinds of stakeholders from the private sector, from civil society, and from government to deepen their conversations and to engage on children's rights more systematically.

**As one-third of the world's population, children are our present and our future. It is time to give them the space, the attention, and the visibility they are entitled to through their inherent rights.**

We wish you an insightful reading.



Bettina Junker, Executive Director  
UNICEF Switzerland and Liechtenstein



Antonio Hautle, Executive Director  
UN Global Compact Network Switzerland  
and Liechtenstein





## Summary:

The key insights of this report are presented on page 34



# Contents

<b>1. Introduction</b>	<b>6</b>
<b>2. Methodology</b>	<b>7</b>
<b>3. Research findings and discussion</b>	<b>10</b>
<b>3.1 Understanding business and children's rights in corporate practice</b>	<b>11</b>
3.1.1 Relevance of children's rights	12
3.1.2 Framing of children's rights	14
3.1.3 Corporate policies on children's rights	15
3.1.4 Governance of children's rights	16
3.1.5 Emerging mandatory human rights due diligence	17
<b>3.2 Active engagement of business in children's rights across the value chain</b>	<b>18</b>
3.2.1 Downstream value chain	19
3.2.2 Midstream value chain	21
3.2.3 Upstream value chain	24
3.2.4 Monitoring and remediation	27
<b>3.3 Challenges and opportunities for children's rights in business</b>	<b>30</b>
3.3.1 Challenges	31
3.3.2 Opportunities	32
<b>4. Key insights</b>	<b>34</b>

# List of Graphs

<b>1. Introduction</b>	
<b>2. Methodology</b>	
Figure 1: Overview Children’s Rights and Business Principles (CRBP)	7
Figure 2: Corporate value chain stages	8
Graph 1: Breakdown of industries included in the study	9
<b>3. Research findings and discussion</b>	
<b>3.1 Understanding business and children’s rights in corporate practice</b>	
Graph 2: Relevance of children’s rights for the upstream value chain	12
Graph 3: Relevance of children’s rights for companies’ own operations	12
Graph 4: Comparison of the relevance of children’s rights for the upstream value chain and companies’ own operations – Breakdown by industry	13
Graph 5: Relationship between the perceived relevance of children’s rights (for companies’ own operations) and having a policy that mentions children’s rights	13
Graph 6: Percentage of companies referencing international frameworks	14
Graph 7: Reference to children’s rights in corporate policies	15
Graph 8: Expected impact of mandatory human rights due diligence (mHRDD) on the perceived relevance of children’s rights for the company	17
<b>3.2 Active engagement of business in children’s rights across the value chain</b>	
Graph 9: Corporate philanthropic activities benefiting children	23
Graph 10: Priority of children’s rights areas for companies’ own operations	24
Graph 11: Priority of children’s rights areas for companies’ upstream value chain	24
Graph 12: Companies’ perceived engagement on environmental sustainability	26
Graph 13: Children’s rights aspects that companies monitor	28
Graph 14: Types of monitoring by industry	29
Graph 15: Types of remediation for children’s rights	29
<b>3.3 Challenges and opportunities for children’s rights in business</b>	
Graph 16: Perceived obstacles to advancing children’s rights in business	31
Graph 17: Perceived enablers for children’s rights in business	32
<b>4. Key insights</b>	

# 1. Introduction

---

Companies can affect children's rights in all stages of their value chains. Children hold various roles in relation to business including as consumers of products (downstream), as beneficiaries of employee programs (midstream), as members of local communities around business operations, and as workers in value chains (mid- or upstream). Despite these multiple intersections between business and children, companies rarely address children's rights specifically beyond their general commitments to human rights. Typically, children's rights are exclusively featured in standard contractual clauses for suppliers and in sporadic philanthropic activities.

## **Definition of children's rights**

Children's rights, as defined in the UN Convention on the Rights of the Child (CRC), can be grouped into rights about provision (i.e., support children's well-being and development, e.g., through healthcare and education), protection (i.e., ensure children's well-being and prevent exploitation and abuse), and participation (i.e., involve children in the realization of their rights and allow them to express their views).<sup>1</sup> Four core principles should guide the realization of children's rights, namely (1) the best interests of the child, (2) non-discrimination, (3) child participation, and (4) survival and development.<sup>2</sup>

This study was conducted to assess the role that children's rights currently play for businesses in Switzerland and Liechtenstein. In particular, this study addresses the following questions:

- 1. What is the current understanding of business and children's rights in corporate practice?**
- 2. What activities do companies undertake in connection with children's rights?**
- 3. What are the challenges companies are facing when realizing children's rights and what are the opportunities to advance children's rights in the value chain?**

The findings of this study provide insights into how to support businesses to engage more specifically with children's rights. The insights serve as a basis to support businesses on how to address the integration of children's rights and inform UNICEF Switzerland and Liechtenstein, the UN Global Compact Network Switzerland and Liechtenstein, and other stakeholders on how to advance children's rights in corporate practice.

Children's rights in business is a nascent topic that is gaining traction because of emerging mandatory human rights due diligence (mHRDD) legislations. This study is timely and relevant because businesses will soon have to comply with two new laws: the Swiss Conflict Minerals and Child Labor Due Diligence Legislation<sup>3</sup> and, once adopted, the EU Directive on Corporate Sustainability Due Diligence<sup>4</sup>. Both laws require companies to engage with children's rights specifically.

The year 2022 also marks the 10<sup>th</sup> anniversary of the Children's Rights and Business Principles (CRBP), a framework published by the UN Global Compact, UNICEF, and Save the Children for understanding and addressing the impact of business on the rights and well-being of children.<sup>5</sup>

---

<sup>1</sup> UN Commission on Human Rights, Convention on the Rights of the Child, 7 March 1990, E/CN.4/RES/1990/74.

<sup>2</sup> Unicef, UN Global Compact, Save the Children, Children's Rights and Business Principles, 2012, Preamble.

<sup>3</sup> Federal Council, Ordinance on Due Diligence and Transparency in the Areas of Minerals and Metals from Conflict Areas and Child Labor (VSoTr), 3 December 2021, AS 2021 847, available at: [www.fedlex.admin.ch/eli/oc/2021/847/de](http://www.fedlex.admin.ch/eli/oc/2021/847/de).

<sup>4</sup> European Commission, Proposal for a Directive of the European Parliament and of the Council on Corporate Sustainability Due Diligence and amending Directive (EU) 2019/1937, available at: [eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52022PC0071](http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52022PC0071).

<sup>5</sup> The research was conducted independently and should not be considered as endorsed by UNICEF Switzerland and Liechtenstein and the UN Global Compact Network Switzerland and Liechtenstein.

## 2. Methodology

This study provides an initial systematic assessment of the role that children’s rights play for companies in Switzerland and Liechtenstein. The assessment is structured around the impact of businesses on children’s rights along the different stages of the value chain: upstream, midstream, and downstream. The **analytical framework** is based on the three phases of the value chain, as well as the CRBP and core international treaties, such as the UN Convention on the Rights of the Child and expert academic literature on the topic.

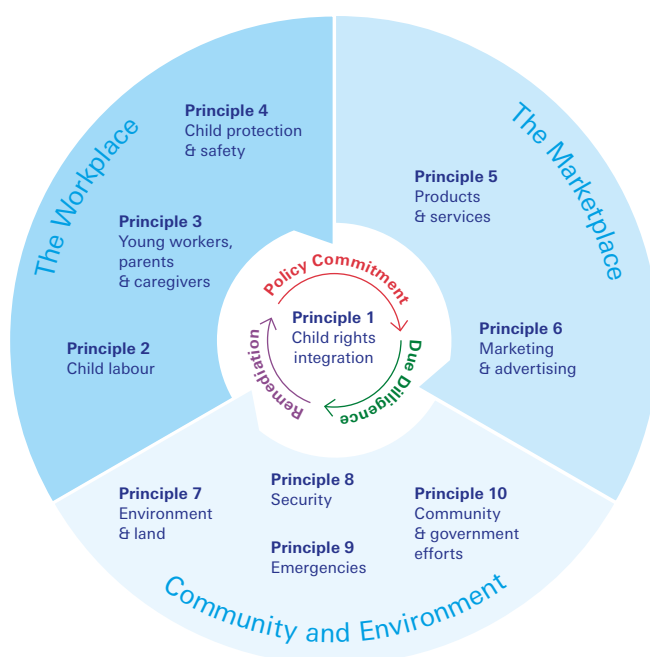
### Children’s Rights and Business Principles (CRBP)

UNICEF, the UN Global Compact, and Save the Children developed the CRBP in 2012. Based on the UN Guiding Principles on Business and Human Rights (UNGPs), the ten principles of the CRBP guide companies on how to approach children’s rights and integrate them into their operations (see Figure 1). The CRBP acknowledge the different roles of children within business and address potential impacts by businesses on children’s rights in the workplace, the marketplace, and in relation to the community and environment.

The CRBP outline business action on (1) the corporate responsibility to respect, and (2) the corporate commitment to support. Companies are expected to apply these principles to their own operations and to their business relationships. By providing best practice examples from corporate practice, the CRBP illustrate to stakeholders how businesses can create positive impacts and prevent and address adverse impacts for children.

The **empirical data collection** was conducted between March and July 2022 and included desk research on 60 companies, an online survey of Swiss and Liechtenstein companies, which received 54 responses, and 15 interviews with company representatives. Approximately 100 companies were part of the study. Around one-fifth of these companies were included in more than one method of the data collection. While companies had the option to fill out the survey anonymously, over 80% provided their company name, which allowed for cross-referencing between the desk research, the survey, and the interviews.<sup>6</sup>

**Figure 1: Overview Children’s Rights and Business Principles (CRBP)<sup>7</sup>**



<sup>6</sup> The raw data from the survey and the interviews is only available to the academic partners that conducted the study and is anonymized in all publications.

<sup>7</sup> Unicef, UN Global Compact, Save the Children, Factsheet on the Children’s Rights and Business Principles, 2020, available at: [savethechildren.ch/wp-content/uploads/2020/03/factsheet\\_children\\_s\\_rights\\_and\\_business\\_principles.pdf](https://www.savethechildren.ch/wp-content/uploads/2020/03/factsheet_children_s_rights_and_business_principles.pdf).

## 2. Methodology

Figure 2: Corporate value chain stages



### Corporate value chain stages

A value chain perspective helps to break down the production process into separate stages, from raw material to the delivery of a product or service to the customer (see Figure 2). These stages include designing, producing, marketing, delivering, and supporting activities. The process is divided into upstream (focus on suppliers), midstream (focus on companies' own operations), and downstream activities (focus on consumers and buyers).

For this study, different aspects of children's rights (based on the CRBP) were analyzed in relation to the corresponding value chain stages: the principles associated with the marketplace were discussed in the analysis of children's rights in companies' downstream activities, the principles regarding the workplace were addressed in the analysis of midstream activities, and the principles related to the community and environment were covered in the analysis of companies' upstream activities.

The study applied purposive sampling to the extent possible so that the selection criteria for companies in the study would mirror the business landscapes in Switzerland and Liechtenstein in terms of each country's breakdown of active industries and to include both Multinational Corporations (MNCs) and Small and Medium Enterprises (SMEs).<sup>8</sup> The industry classification reflected the categories of the UN Global Compact.<sup>9</sup>



### → Desk research

In this first stage of the research, 60 companies were selected on the basis of the previously defined criteria. The desk research relied on publicly available documents published by companies, including corporate policies, annual and sustainability reports, and online resource platforms. The companies selected for desk research were analyzed according to approximately 30 indicators derived from the analytical framework, covering policies and activities related to children's rights at different stages of the value chain.



### → Online survey

The study initially used purposive sampling, analogous to the criteria for the desk research. We contacted over 300 companies with a response rate of 31% and a completion rate of 17%. To increase the response rate, the survey was opened to all interested companies in June 2022. The survey was distributed via the UN Global Compact Network Switzerland and Liechtenstein, UNICEF Switzerland and Liechtenstein, the GCBHR's and CIDE's corporate contacts, and a database that was established for this study.



### → Interviews

The findings from the desk research and survey were complemented by 15 semi-structured interviews. 11 of the interview partners were among the companies that had indicated their availability in the survey. In order to reflect the Swiss and Liechtenstein business landscapes (in line with the study's sampling criteria), additional companies were contacted directly through the UN Global Compact Network Switzerland and Liechtenstein and UNICEF Switzerland and Liechtenstein. The interviews lasted around 45 minutes and provided qualitative insights into the implementation of children's rights in corporate practice. The interviews addressed the relevance of children along companies' value chains as well as salient concerns and examples of concrete activities in relation to children's rights.

<sup>8</sup> For the purposes of this study, a database was created based on, among others, information from government publications, the cantonal chambers of commerce and registries of commerce in Switzerland, statistical papers published by the UN, and industry trade associations.

<sup>9</sup> For the survey analysis, the industries were consolidated into seven clusters of related industries in order to allow for statistical testing of differences between industries. These industry clusters are: basic resources (incl. basic resources, oil & gas, utilities, and energy), chemicals (incl. chemicals and healthcare), finance (incl. financial services, insurance, banks, and real estate), industrial goods (incl. industrial goods, automobiles, and construction), retail (incl. retail, food & beverages, and personal and household goods), services (incl. services and travel), and technology (incl. technology, media, and telecommunications).



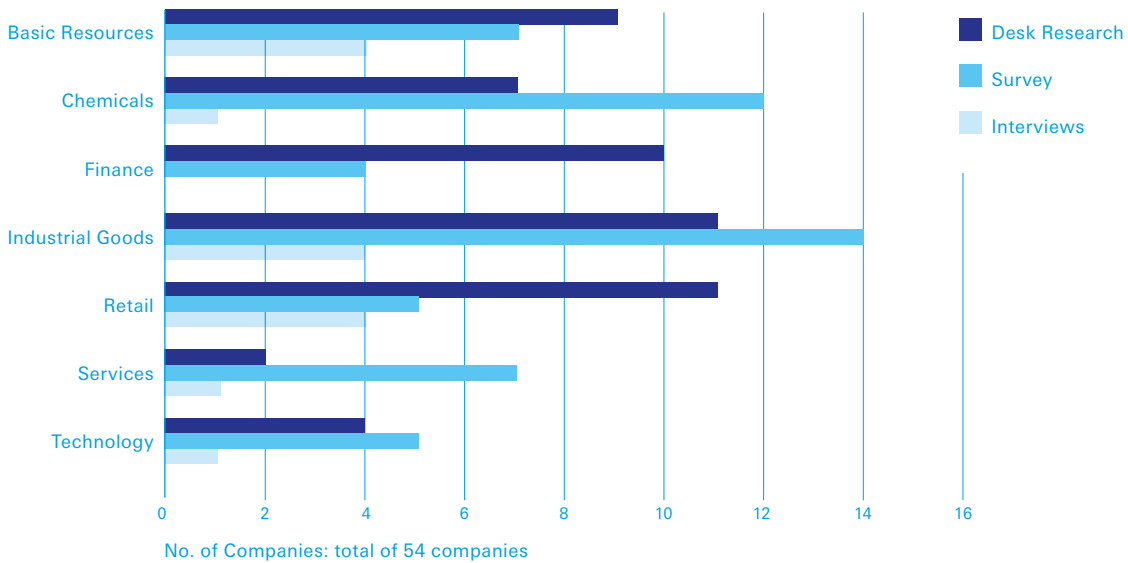
## 2. Methodology

---

The distribution of the companies that were researched, surveyed, or interviewed in the three stages of data collection based on industry is as follows (see Graph 1):

**Graph 1:** Breakdown of industries included in the study

---



The findings are exploratory and do not claim to be representative for companies in Switzerland and Liechtenstein. Despite repeated outreach attempts by study partners, the survey response rates and interview acceptance rates of Liechtenstein companies were too low to allow for an analysis of country-specific insights. More than one-sixth of the companies in the overall study and a quarter of the survey respondents were SMEs. Statistical tests show no significant differences in the responses between MNCs and SMEs. All quotes and examples in this report are anonymized and paraphrased.

# Awareness, Activities, Challenges & Opportunities

## 3. Research findings and discussion

This report is structured around the three research questions of this study and intends to

- identify the awareness level (3.1)
- assess existing business activities (3.2) and
- outline the challenges and opportunities in advancing children's rights in business (3.3).





# Awareness

## 3.1.

### Understanding business and children's rights in corporate practice

In this part, we analyze how companies refer to children's rights in their policies. We aim to understand how companies perceive the relation between children and their own operations and how they manage activities that affect children.

### 3.1.1. Relevance of children’s rights

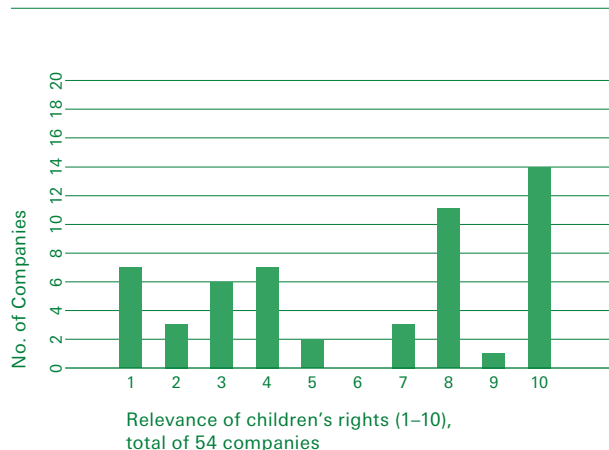
Companies’ communication around children predominantly revolves around the elimination of child labor and philanthropic engagement that promotes respect and support for children. Yet, this study shows that companies implement a number of practices that benefit children that are not regarded as integration of children’s rights in business. For instance, quality controls for product ingredients or companies’ targets to reduce their carbon footprint are common corporate practices that benefit children, but they are often not characterized as activities promoting children’s rights. Often, these activities are managed by different departments or are anecdotal.

Generally, companies perceive **children’s rights as an issue relevant for their upstream value chain**, with more than half of the survey respondents providing a relevance score of 7 or higher on a scale from 1 to 10 (see Graph 2). When it comes to the relevance of children’s rights for companies’ own operations, responses are more polarized: companies either perceive children’s rights as very relevant or not relevant at all, with more than half of the survey respondents providing a relevance score of 5 or less on a scale from 1 to 10 (see Graph 3). The latter finding could indicate a low level of awareness for children’s rights or a low level of exposure due to the companies’ products or services.

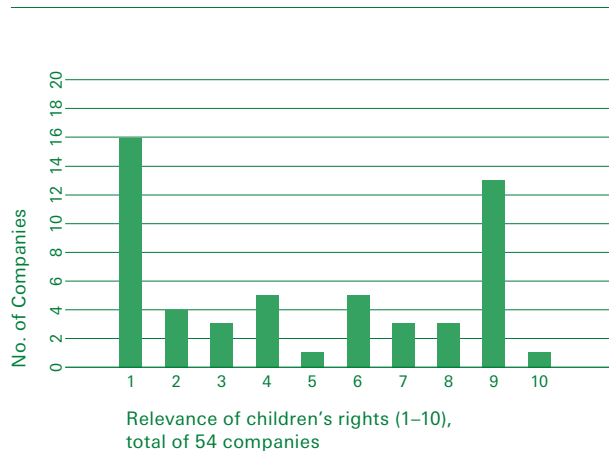
Companies from different industries perceive the relevance of children’s rights in their own operations differently (see Graph 4).<sup>10</sup> This could be because companies’ exposure to children’s rights is lower for some industries than for others due to the nature of their business model or their products or services.

Companies in the retail and pharma industries report the highest relevance ratings, while companies in the finance industry report children’s rights least relevant for their own operations. The reasons for the differences between industries require further investigation. Evidence from the interviews suggests reasons such as the level of awareness for children’s rights, the industries’ exposure to children’s rights, or the interest from stakeholders in the companies’ children’s rights performance.

**Graph 2:** Relevance of children’s rights for the upstream value chain

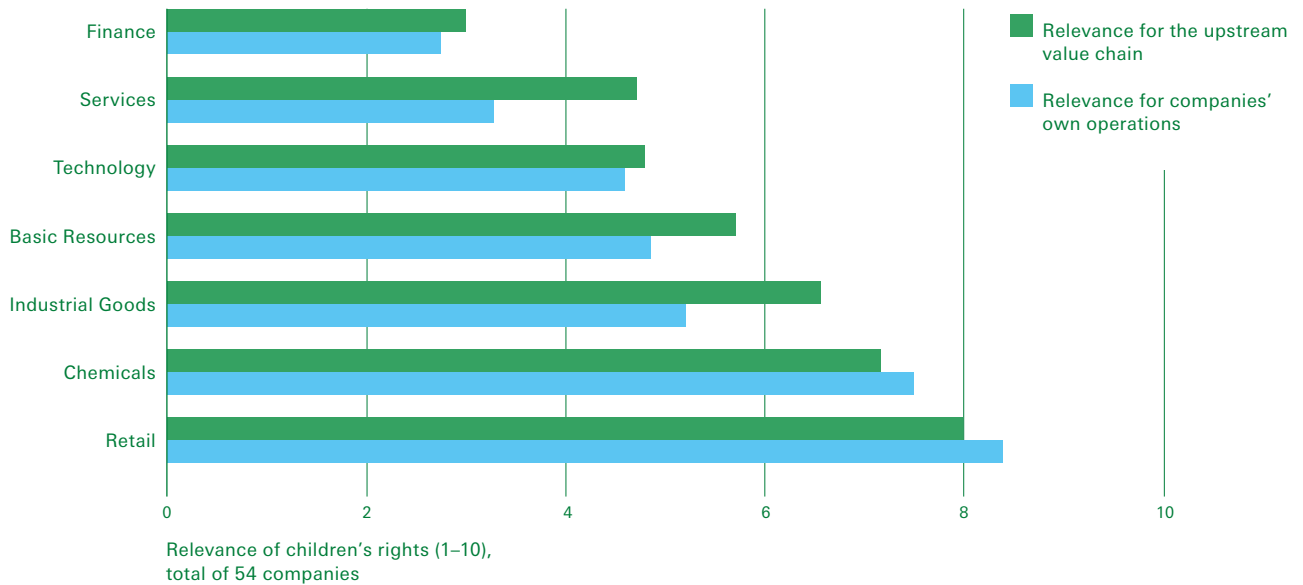


**Graph 3:** Relevance of children’s rights for companies’ own operations



<sup>10</sup> These findings are indicative only as the statistical analysis is based on a comparatively small sample.

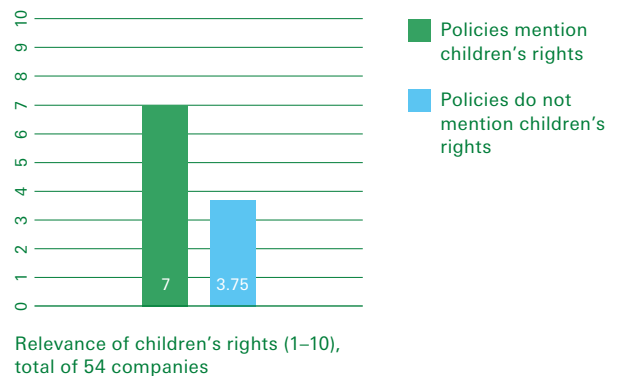
**Graph 4:** Comparison of the relevance of children’s rights for the upstream value chain and companies’ own operations – Breakdown by industry



**Companies that explicitly mention children’s rights in their corporate policies also tend to perceive children’s rights as more relevant for their own operations** (see Graph 5). These effects seem to be mutually reinforcing. Follow-up interviews showed that the process of implementing a policy triggered a deeper engagement with children’s rights. In other instances, companies that deem children’s rights to be relevant based on prior experiences appear to have developed more specific guidelines that incorporate children’s rights.

Companies that are publicly listed tend to rate children’s rights as more relevant for their operations than non-listed companies. While all companies reported higher relevance ratings for children’s rights in relation to their supply chain as compared to their own operations, this difference is amplified for listed companies.

**Graph 5:** Relationship between the perceived relevance of children’s rights (for companies’ own operations) and having a policy that mentions children’s rights

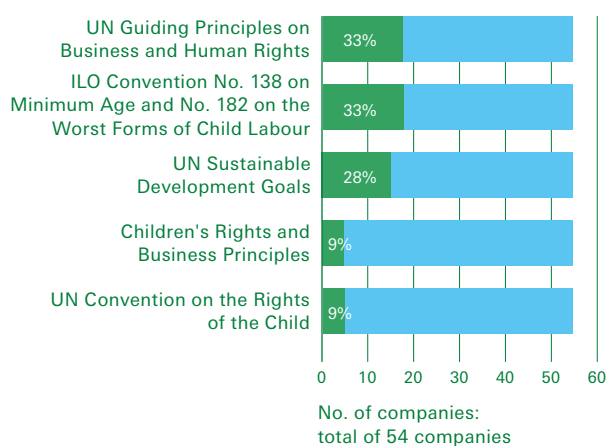


## 3.1.2. Framing of children’s rights

Evidence from the survey and interviews suggests that companies do perceive children as particularly vulnerable but **subsume activities to protect and support children under broader human rights or compliance management processes**, except for salient issues (e.g., child labor or products that target children).

Companies frequently use international frameworks to organize and report on their activities in relation to human rights more broadly (see Graph 6).

**Graph 6:** Percentage of companies referencing international frameworks



More specifically, the framing of children’s rights in corporate policies differs depending on which part of the value chain such policies are intended for.

**When formulating policies and processes at company and downstream levels, companies tend to follow concrete legal requirements.** For example, where children are beneficiaries of internal policies, such as parental leave, or where children are either end consumers or are exposed to the product or service, companies refer to relevant labor laws and product safety regulations.

**When formulating policies and processes for their suppliers** (i.e., the upstream value chain), **children’s rights**, if included, **rely more on aspirational objectives and global frameworks.** For example, zero child labor policies are addressed primarily through engagement with local partners in the upstream value chain yet appear to be less frequently connected to companies’ core operations and purchasing practices.

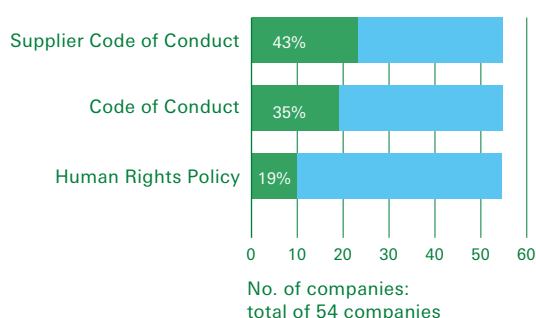
### Business and children’s rights in practice

The majority of interview partners in this study suggest that global standards are desirable because they increase companies’ leverage vis-à-vis suppliers, improve comparability and benchmarking, and are better suited to mobilize consumers’ awareness and demand for such standards. In order to create impact for children’s rights specifically, however, companies noted that global standards must be defined further and implemented locally.

### 3.1.3. Corporate policies on children's rights

Approximately half of the companies in our research explicitly mention children in their standards or ethical guidelines. This number is slightly higher for larger companies and for supplier-related standards. **Children's rights are more frequently incorporated in policies in relation to suppliers than in company policies regarding companies' own processes** (see Graph 7). Most of the references to children's rights in corporate policies are either in codes of conduct or supplier codes of conduct.

**Graph 7:** Reference to children's rights in corporate policies



Where company **policies regarding suppliers** refer to children's rights, such references are **almost always in relation to the elimination of child labor in the value chain**. Companies pay particular attention to child labor as it is an issue they categorize as a red flag. The general public and the media are particularly sensitive to the issue of child labor, and it is one of the most egregious violations of core conventions of the International Labour Organization (ILO) core conventions.

#### Business and children's rights in practice

There is consensus among all corporate representatives that were interviewed that child labor must be prohibited. Some mention a zero-tolerance policy on child labor as the *sine qua non* condition for supplier selection. In order to effectively establish responsible business practices throughout the supply chain, engagement needs to go beyond policies. A representative from the retail industry notes that "policies are only a piece of paper but are the starting point to raise awareness and build capacity."

Corporate policies that focus on own operations and downstream activities consider children in a wider range of roles:

- as apprentices and interns in human resources policies,
- as dependents of employees that benefit from family-friendly human resources policies, and
- as users of products or persons exposed to or affected by products in product safety and marketing policies.

In relation to **interns and apprentices**, several companies from the industrial goods industry stand out with specific guidelines on the types of work young workers can perform on the basis of age groups.

With regard to policies relating to **children as users of companies' products and services**, children's rights are frequently mentioned in relation to product safety standards, such as the safe use of the physical end product, the safety of product inputs and ingredients, or, if applicable, accessibility of online features or services.

In relation to **marketing activities and children's rights**, few companies have policies that recognize the role of children as actors in marketing campaigns or as the target group for advertisements. These findings acknowledge that for some industries, in particular in the business-to-business (B2B) context, neither marketing to children nor the representation of children in advertisements applies. For companies that do have marketing policies that refer to children, these policies mention adherence to specific legal requirements, such as the prohibition of advertising potentially dangerous products to children or in relation to film sets. Companies seem to rarely connect these policies with assessments of the effect of corporate marketing activities on children (such as through the portrayed personas and consumption patterns).

*"Policies are only a piece of paper but are the starting point to raise awareness and build capacity."*

### 3.1.4. Governance of children's rights

**The sustainability function is the primary point of contact for questions on children's rights for most companies. In day-to-day operations, responsibilities in connection with children's rights are dispersed and assumed by several different functions.** Certain topics that relate to children's rights are implicitly covered by these functions but not perceived and managed from a children's rights perspective.

One company stated that "sustainability- and children's rights-related topics are within the responsibility of different departments and are coordinated by the sustainability task force." Aside from the sustainability, corporate responsibility and human rights teams, the corporate functions that are most frequently named as those responsible for sustainability topics including children's rights are product safety, legal and compliance, marketing, and product development functions.

Voluntary engagement that benefits children, such as charitable donations and philanthropic initiatives, is sometimes managed through corporate foundations that are established solely to serve the company's charitable purposes.

Through the analysis of children's rights in corporate policies, we identified that **most references to children in corporate policies focus on the protection of children** (more than on participation and provision).<sup>11</sup> The elimination of child labor stands out as a dominant risk and concern that is addressed in policies regarding upstream activities. Beyond these contexts, the relationship between business and children's rights is rarely systematically addressed.



<sup>11</sup> See "Definition of children's rights" in Chapter 1



### 3.1.5. Emerging mandatory human rights due diligence

The driving motivation for setting up due diligence processes seems to be external forces in many cases, such as legal requirements or customer requests. Emerging **mandatory human rights due diligence requirements increase the perceived relevance of children's rights** for more than half of the survey respondents (see Graph 8). Companies in the retail and chemicals industries, followed by industrial goods and to some extent basic resources and technology, expect a stronger impact of such regulation than companies in the service and finance industries. These different perceptions between industries need to be explored further.

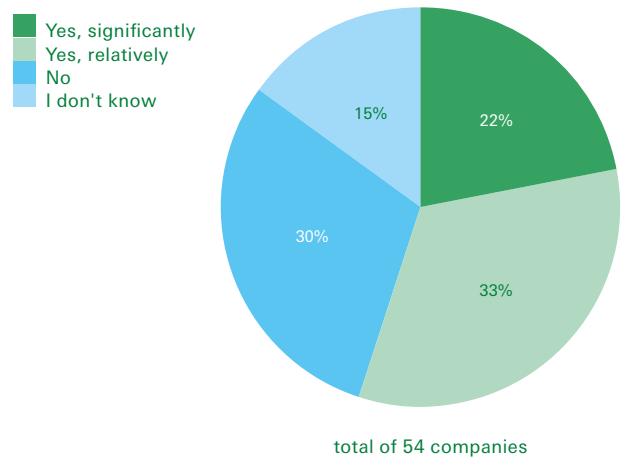
#### Business and children's rights in practice

Many interview partners report that because of the new legislation in Switzerland, they are either starting to assess or are re-assessing their due diligence processes for children's rights. A representative from the industrial goods industry explained that "the new legislation led us to be more specific. We have understood where the journey is going in the long run and want to be among the leaders."

Interview partners also note that such legislation affects their supply chain relationships. Representatives from different companies in the basic resources industry state that "[legislation] is a lot quicker to communicate and has more weight than an international standard. We have a lot less push-back from suppliers," and more drastically, "if the regulatory framework is not there, the best efforts to support responsible practices are pointless".

*"If the regulatory framework is not there, the best efforts to support responsible practices are pointless."*

**Graph 8:** Expected increase in relevance of children's rights with mandatory human rights due diligence (mHRDD)



# Activities

## 3.2.

### Active engagement of business in children's rights across the value chain

In this section, we take a deeper look into corporate activities that relate to specific children's rights in the three stages of the value chain (downstream, midstream, and upstream). We assess the priority levels companies assign to different aspects of children's rights and how they implement and manage these different aspects of children's rights, including the identification of potential risks and key performance indicators (KPIs) to monitor how companies affect children's rights. Where relevant, we refer to the CRBP throughout this section.



### 3.2.1. Downstream value chain

The primary points of connection between children and companies in the downstream value chain are related to companies' products and services. This typically implies that children are active users and consumers of products, but also includes children as a group affected by less direct corporate activities, such as those in relation to marketing and a company's online presence.

For companies' products and services that are distributed and consumed in the downstream value chain, safety protocols are standard. **Over half of the companies in the survey find children's rights highly or very highly relevant for the design and safety of their products** (CRBP #5).

The survey results show that **if products or services are directly used or consumed by children, companies pay closer attention to children's rights**. This includes product safety as well as communication around the product. For example, for some sectors of the retail industry, an immediate link can be established between the impact of nutrition on children's health and well-being.

#### Business and children's rights in practice

The safety standards for products and services that affect children are highly regulated across industries in Switzerland and Liechtenstein, particularly if they concern the health of children, such as in some sectors of the retail industry or in the chemicals industry. The same applies to a context in which children are users of products and services, both for other sectors in the retail industry (e.g., ensuring that toys for infants do not include loose parts that can be swallowed) and for the services industries (e.g., choosing venues and catering that are adequate for children).

Companies consider children's rights to be of lower relevance for the marketing and advertising of their products (CRBP #6). Even though the law sets a frame of reference to protect children, there is considerable room for discretion for companies to determine how they contribute to children's rights.

Children's rights are also perceived as being of low relevance for companies' online presence and digital offers. **References to children in relation to companies' digital services are found primarily in companies whose core products and services are offered digitally**. An example is the technology industry, where we encountered product design processes and reporting mechanisms that promote the protection of minors.



#### **Business and children's rights in practice**

Some companies in the technology industry actively address the relation of children to their products and services in the online space.

One company offers programs to promote **media literacy**, e.g., in collaboration with schools, and offers training on the **protection of children in the media**. These offers are primarily addressed at parents and caretakers, including school teachers.

A different company in the technology industry tackles the risks from misuse of their services through a reporting mechanism established specifically to report child pornography-related instances and thereby addresses one of the most egregious children's rights abuses.

In addition, a few companies complement their service offerings with online applications. However, such activities mostly focus on children as customers and are not considered from a children's rights perspective.

#### **Children are rarely consulted in downstream activities.**

In the overwhelming majority of companies, children rarely participate in consumer-facing activities such as the marketing and advertising of products, or in testing companies' products or services, online or offline. Nonetheless, product design and safety-related activities tend to allow for more consultation with children, with a quarter of companies inviting children to participate and provide feedback in product design and safety processes.

Participation is one of the core principles that should guide the implementation of children's rights, according to the UN Convention on the Rights of the Child. The relevance of children's rights to business is also reiterated by the CRBP in relation to the different roles children play in business, including as consumers and community members.<sup>12</sup>

#### **Business and children's rights in practice**

An interview partner from the retail industry reports that the company explicitly considers the younger generation in their regular materiality analysis. As they identify the sustainability issues that matter most for the company and for their stakeholders, they also explore the priorities for the younger generation: "Young people are our customers, and they could become our employees. One of their main concerns is sustainability, and if we don't have good answers, they will not be interested in our company."

*"Young people are our customers, and they could become our employees. One of their main concerns is sustainability, and if we don't have good answers, they will not be interested in our company."*

<sup>12</sup> See "Definition of children's rights" in the introduction of this report, and Unicef, UN Global Compact, Save the Children, Children's Rights and Business Principles, 2012, Preamble.

### 3.2.2. Midstream value chain

This section focuses on the midstream of the value chain and considers the impact of companies' own operations on children. This includes companies in their role as employers of interns and apprentices and of employees with young children. In addition, it analyzes companies' philanthropic engagement benefitting children in greater depth.

**Over three-quarters of companies employ apprentices and interns**, and the majority of them provide additional protections that go beyond those afforded to adult employees (CRBP #3). One example is the limitation on types of work young workers can perform based on their age group.

#### Business and children's rights in practice

Interview partners from different industries offer apprenticeship programs at home and abroad, sometimes with the support of Swiss governmental institutions:

"We aim to prepare young adults for the future of work through three priorities: employability, agripreneurship, and entrepreneurship." – Representative from the retail industry.

"We promote diversity, equality, and inclusion. As part of our community programs and vocational training, we also try to engage girls and spark an interest in scientific topics, including construction and materials." – Representative from the industrial goods industry.

*"We promote diversity, equality, and inclusion. As part of our community programs and vocational trainings, we also try to engage girls and spark an interest in scientific topics, including construction and materials."*

**Most companies offer family-friendly policies in line with national laws** of the country the company operates in (CRBP #3). This means that policies such as parental leave may differ across the different local subsidiaries of the same company. Over three-quarters of the survey respondents indicate that they provide flexible working hours that could accommodate family obligations. Very few companies also offer on-site childcare facilities. Slightly less than half of the survey respondents provide financial support for families (e.g., in the form of child allowances or subsidies for daycare or children's health insurance).

While parental leave and flexible working arrangements are common in companies, they often remain within the scope of regulatory minimum standards. For maternity leave, the companies in the survey offer the legally required leave, and only a handful of companies offer longer leave for mothers. For parental leave, almost one-fifth of companies allow for paternal leave that exceeds the legal minimum in Switzerland. Overall, companies tend to take legal requirements as their point of reference and adjust their family-related policies to local laws. Few companies assess the impact of such policies from a children's rights perspective, such as the impact on children's development or family life.

**Over two-thirds of the companies in the study engage in philanthropic activities that benefit children.** Among these, almost half of the companies' philanthropic engagement is in Switzerland or Liechtenstein. Even greater is their engagement abroad. Two-thirds of companies engage in countries where they operate, and a quarter in countries where they do not operate. One-third of the companies collaborate with a children's rights expert organization, including international and local NGOs and industry-specific initiatives.

Most activities focus on projects that provide for children, e.g., education, healthcare, or nutrition, including in humanitarian crises. Few projects aim at improving the protection of children. None of the projects foster the direct participation of children.

#### Key theme: Corporate philanthropy for children's rights

Philanthropic engagement is among the most visible activities of companies in relation to children's rights (see Graph 9). The majority of companies support activities that explicitly benefit children, either financially, or through own projects, or even periodically by involving their staff. Companies typically focus their activities on one or two aspects of children's rights.

The interviews and a review of companies' publications show that the depth of companies' involvement in philanthropic projects varies strongly. For instance, activities relating to education can range from financing access to schools and school materials, to providing more extensive, inclusive, and longer-term training opportunities for children to acquire skills and improve their employability.

Our study indicates that most companies distinguish between philanthropic activities and children's or human rights management. They agree that philanthropic commitments serve as a way to express concern for children's rights and connect with stakeholders, yet, at the same time, do not replace companies' engagement with the impact of their core operations on children.

Companies provide ample examples of philanthropic activities to benefit and support children in many different forms.

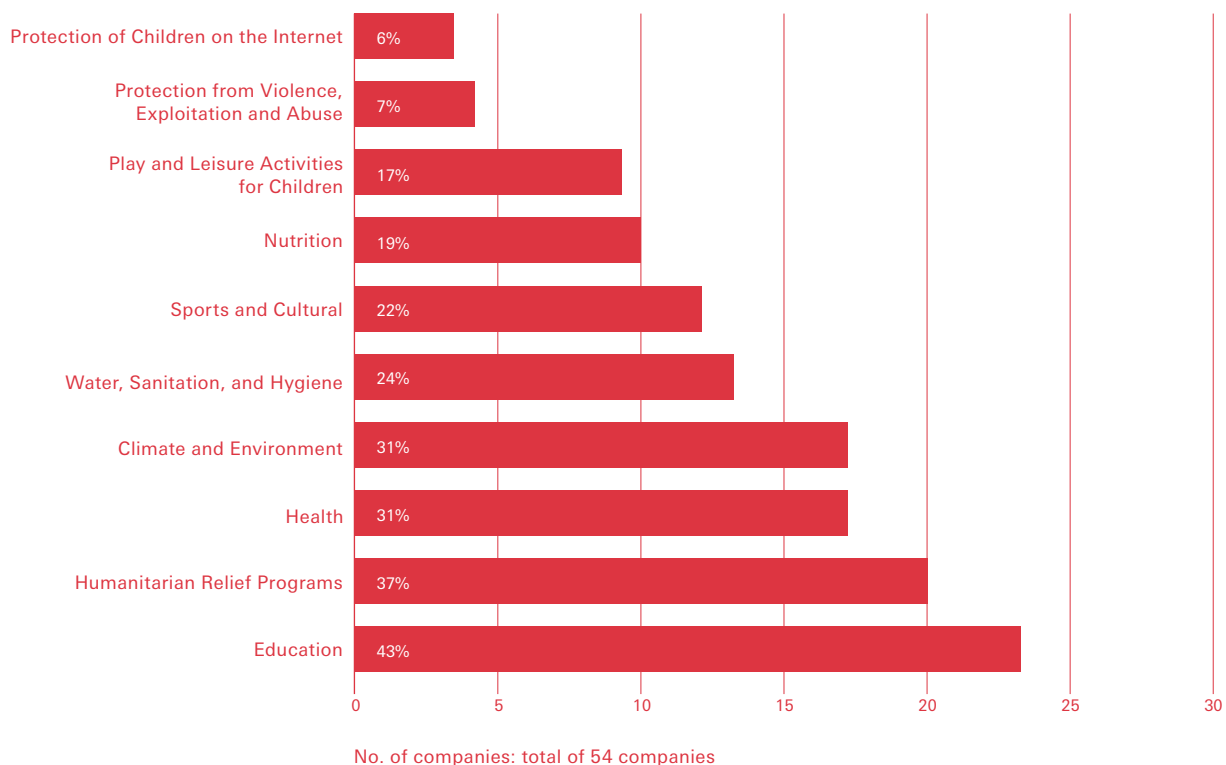
Some of these activities closely relate to the core product or service of the company. Representatives from different industries provide **in-kind support and donations**, including B2B and B2C (business-to-consumer) companies (e.g., a technology company donating mobile phones to developing countries, an industrial goods company donating tools and machinery for education and training camps, or a chemicals company donating medication, often in combination with services).

Other forms of philanthropic engagement are based on the location and **focus on the communities** where companies operate, both at home and abroad. Such engagement includes financial contributions and sponsorships and aims to maintain presence and dialogue with stakeholders.

Finally, companies **emphasize corporate values** through philanthropic activities. A large part of the engagement supports **environmental initiatives**. Philanthropic activities are also the only context in which companies mention a **gendered perspective to children's rights**, in the context of creating equal opportunity in accessing education and skills development.



Graph 9: Corporate philanthropic activities benefiting children



**Business and children’s rights in practice**

An interview partner from a retail company illustrated how a philanthropic focus on healthy nutrition is now increasingly integrated into the company’s operations through a children’s rights perspective. This includes a systematic assessment of the right to food. This process has direct implications on the company’s activities, such as the age of children that products are marketed to: “We have a global strategy to support the health of children and a healthy lifestyle, and this is being more and more integrated into our nutrition strategy [...]. It will be interesting to see how this perspective of the right to food will change the traditional approach to nutrition, product development, marketing, and the product portfolio.”

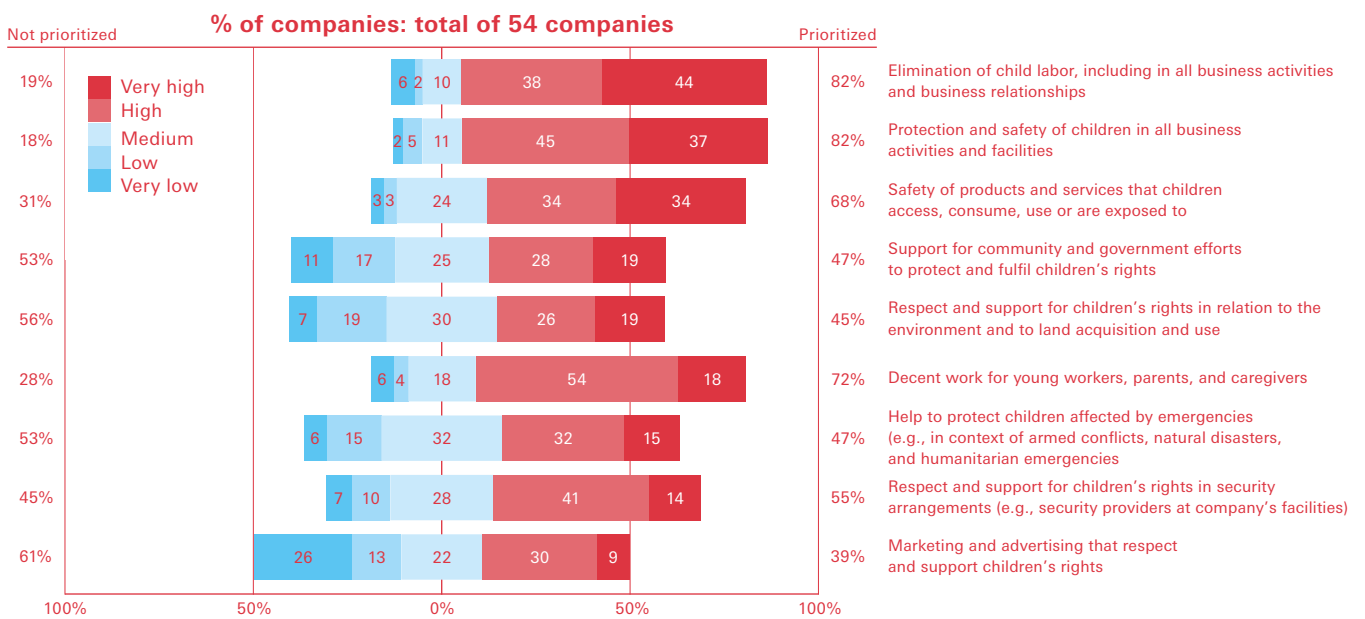
### 3.2.3. Upstream value chain

Children’s rights in companies’ upstream value chains involve third parties and supply chain partners. Key themes concern child labor, community relations, and environmental sustainability.

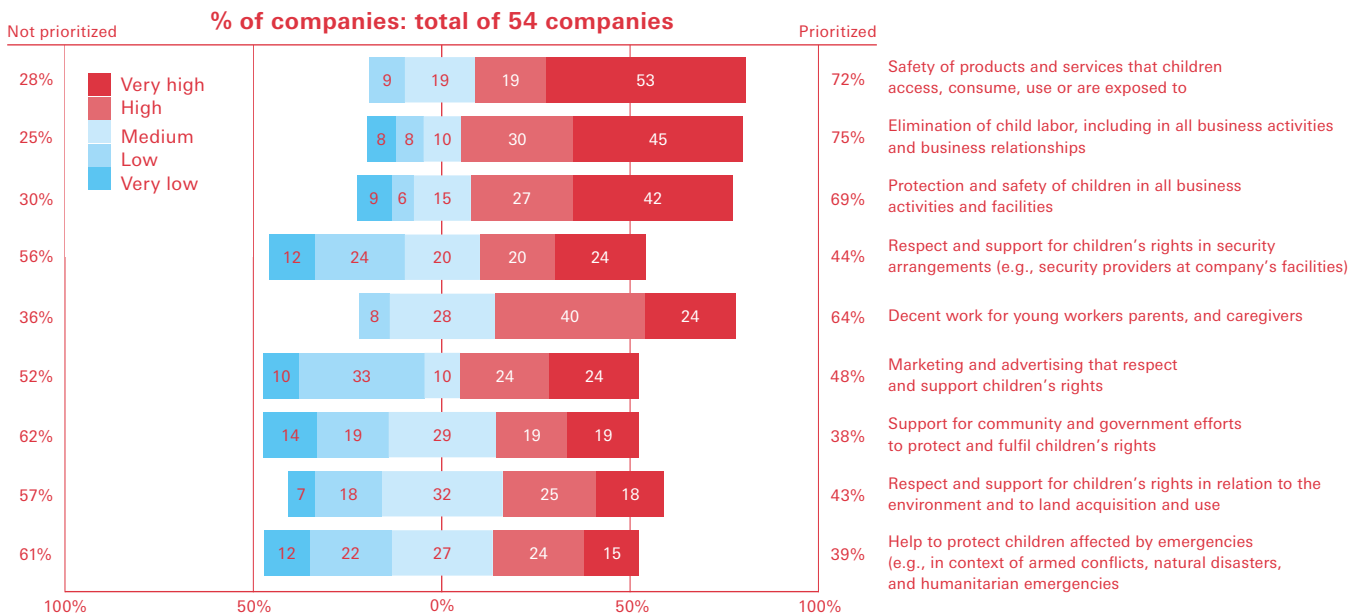
Companies rank **the protection and safety of children** (CRBP #4) and **the elimination of child labor** (CRBP #2) as their top two priorities in relation to implementing

**children’s rights in the upstream value chains** (see Graph 10). This finding may explain why corporate policies regarding suppliers almost always refer to children’s rights in the context of child of child labor. The three highest rated priorities are the same for companies’ upstream value chain and for their own operations (see Graph 11).

**Graph 10:** Priority of children’s rights areas for companies’ upstream value chain



**Graph 11:** Priority of children’s rights areas for companies’ own operations





**Business and children's rights in practice**

The presence of business can mitigate or aggravate existing tensions in the local business context and in local communities where children live. **This indirect impact of business on children's rights is often overlooked.** For example, companies that require security arrangements to protect their assets need to prevent potential harm to children and ensure harmonious stakeholder relationships.

Many of the companies in this study conduct stakeholder consultations in the communities where they operate. **When these consultations address children's rights issues, almost all interview partners report that they consult representatives but not children directly.** Representatives include parents and caretakers, teachers, medical staff, and community members.

Two-thirds of the survey respondents state that they monitor for child labor. Companies that are aware of high risks engage in preventive activities, such as capacity training for employees and supply chain partners. More advanced programs intend to address the root causes of child labor. One of the key factors contributing to child labor is parents' livelihoods, including female employment and access to education for children. However, only a handful of the companies in our study consider root causes.

An additional factor for success in addressing child labor is the involvement of communities. About one-quarter of the survey respondents partner with NGOs that focus on the elimination of child labor. Some examples of remediation include the provision of school kits and birth certificates for children that require such documents for children to be able to attend primary school.

**Key theme: Child labor as the dominant concern for companies**

Child labor is defined by the ILO as "work that deprives children (any person under 18) of their childhood, their potential and their dignity, and that is harmful to their physical and/or mental development," including depriving them of the opportunity to attend school."<sup>13</sup>

Child labor is primarily a concern in companies' upstream value chains, and mostly in operations abroad. Companies assess the risks in their supply chains through country mapping and through materiality and human rights impact assessments, often supported by expert organizations. Depending on the industry, the risk of child labor can be either in the first tiers of a company's supply chain where a company's products are produced or in deeper layers of the value chain where raw or input materials are produced.

About half of the companies in this study have a zero-tolerance policy for child labor. For some companies, this means that they will terminate the relationship with the supplier directly, while others allow the supplier the opportunity to remediate. However, most companies claim that they have not yet handled incidents of child labor.

**Business and children's rights in practice**

Companies realize that addressing child labor exceeds their own capacities, and they consider multiple ways of tackling child labor.

One interview partner from a different sector of the retail industry points to cross-industry collaborations between partners that source the same raw materials: "We have realized that the challenges are so big that we will never be able to create impact on our own. Some gemstones are a by-product of industrial mineral production, so this would be an option for collaboration."

A company from a different sector of the retail industry is piloting a comprehensive program that addresses the root causes of child labor and targets workers' livelihoods and living income. The program focuses on cocoa, a commodity that is notorious for child labor risks. It builds on the company's extensive previous work in this area to develop detailed indicators to understand the context of child labor. The interview partner points out that this program is unique in its depth and vision: "We don't have the same level of detail for child labor risks for all product-country combinations. We are working on an action plan to ensure that we have some level of consistency for all commodities and geographies. The idea is to develop a set of KPIs that we can use to report consistently, including from input, output, and impact perspectives."

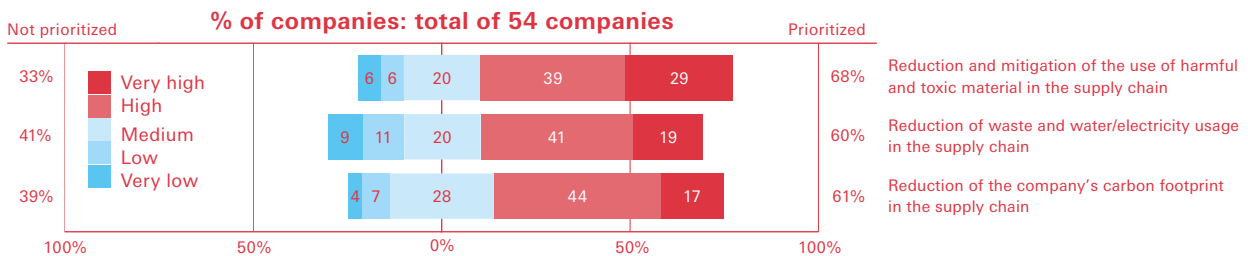
<sup>13</sup> International Labour Organization (n.d.), What is child labour, <https://www.ilo.org/ipecc/facts/lang--en/index.htm>, accessed 18<sup>th</sup> August 2022

**Companies are highly engaged in environmental sustainability issues (see Graph 12), but very rarely make a connection between their commitment to environmental issues and children’s rights.** When announcing environmental commitments such as reducing carbon footprints or protecting land rights, companies do not distinguish between children and adults and refer to all affected communities as a single group (CRBP #7).

**Business and children’s rights in practice**

Most companies have policies and targets to reduce their environmental footprint, in particular regarding carbon emissions or in relation to the circular economy. Interview partners are aware of the younger generation’s interest in sustainability topics and acknowledge the general significance of a healthy environment for people, including children. Very rarely do companies consider the impact on children explicitly, except when children’s rights are part of international frameworks.

**Graph 12: Companies’ perceived engagement on environmental sustainability**



### 3.2.4. Monitoring and remediation

In this section, we discuss the monitoring and auditing of children's rights as a cross-cutting theme applicable to all three value chain stages, including processes for remediation.

**Internal communication.** Most companies have established internal reporting mechanisms through which employees and stakeholders in the value chain can report incidents and concerns, including those that relate to children's rights. While these mechanisms are not necessarily limited to human rights issues, some companies provide platforms specifically designed for children's rights issues. Companies emphasize in the interviews that they are not aware of concrete incidents, independent of how advanced their monitoring is. In the context of monitoring, companies also highlight the importance of good stakeholder relationships in the upstream value chain and communities. Strong relationships are considered highly effective for anticipating issues before they emerge, and these relationships are also crucial in the remediation process.

#### Business and children's rights in practice

Most companies have clear policies that prohibit child labor in their value chain. Enforcing these policies in practice is more difficult.

"Sourcing from mines that potentially use child labor is a red line. Even though artisanal mines have a higher risk for child labor, this doesn't mean that we have to stop sourcing from artisanal mines altogether, if we put in place due diligence and monitoring processes. When we source from artisanal mines, we buy directly and not through intermediaries so that we can immediately identify concerns. **It does not mean that when something is not quite right, we terminate the contract. It means that we discuss the issue and that we will support the mine to improve their operations.** We build a close relationship that is based on the contract and on trust."

– Representative from the basic resources industry

"Child labor is our number one salient issue, and it is prohibited by our policies. **Of course we do the "standard" due diligence or desktop assessment in the supplier selection, but this is not enough. The question is how certain are we that there isn't a single case of child labor in our supply chain. I believe no company is able to answer that question.**" – Representative from the industrial goods industry

**Monitoring.** Two-thirds of companies that participated in the survey monitor risks to children's rights at the upstream level. Almost all companies rely on their own resources to monitor children's rights risks, such as internal risk mapping and/or own audit teams. In addition, half of the survey respondents work with third-party auditors. Only a very small number of companies engage with local civil society organizations or in multi-stakeholder initiatives (MSIs), or commission independent studies to identify risks to children's rights in upstream activities.

Notably, one-third of the survey respondents do not monitor risks to children's rights at their suppliers at all. However, there appears to be a shift in awareness as mandatory human rights due diligence requirements come into effect. **Legislation appears to be a driver for companies to set up internal management systems to keep track of relevant children's rights indicators.**

Companies' monitoring activities at the supplier level primarily focus on child labor risks. Fewer than half of the respondents also monitor for other children's rights (see Graph 13). The most prevalent issues besides child labor relate to working conditions (such as compliance with employee benefits) and safety (including for products and the workplace), while few companies measure their impact on children's rights more systematically.

*"Child labor is our number one salient issue, and it is prohibited by our policies. Of course we do the 'standard' due diligence or desktop assessment in the supplier selection, but this is not enough."*

**Business and children’s rights in practice**

The majority of companies focuses its monitoring on child labor. Most interview partners map the risks for child labor by country (e.g., based on data from UNICEF, Freedom House, or the OECD) and conduct in-depth due diligence in high-risk countries. Some **companies highlight the importance of remaining alert also in contexts that are perceived as medium risk.** Interview partners from different industries point out the risk for child labor in so-called developed countries that is at times underestimated. Other companies have an incident-driven approach to monitoring, meaning that the detection of certain risks or incidents triggers an in-depth assessment of this issue.

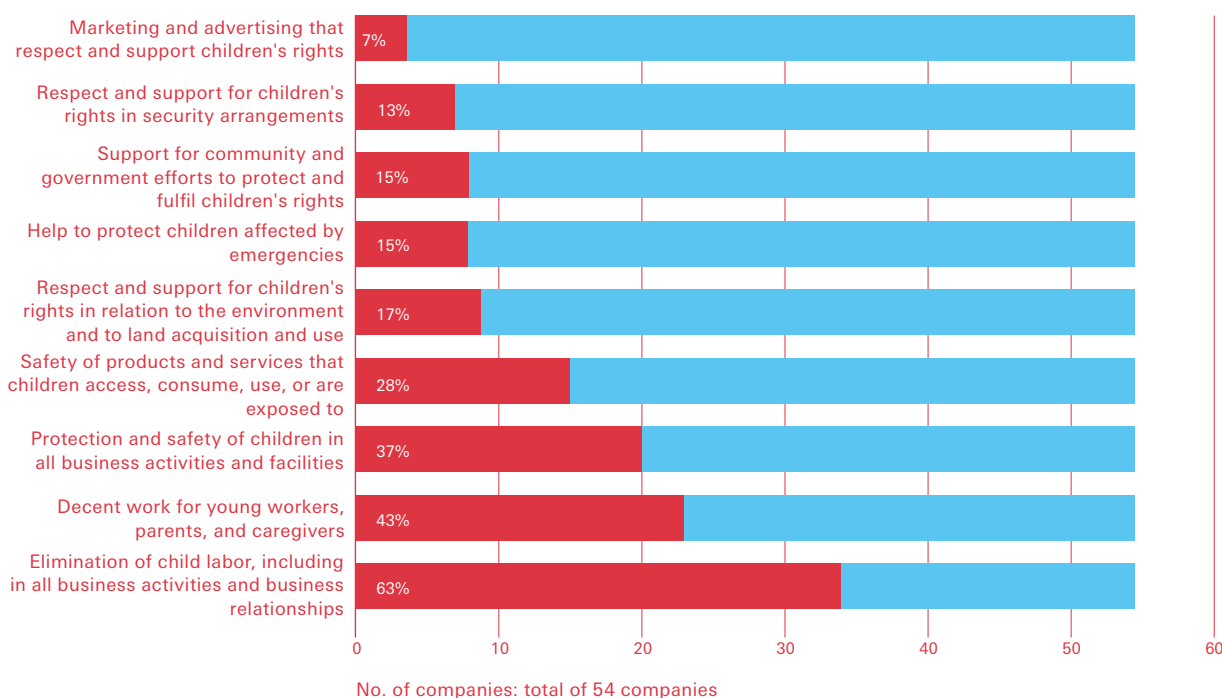
Very few go beyond monitoring child labor. Only one interview partner from the industrial goods industry explicitly mentions children’s rights: "We monitor children’s rights as part of our general human rights impact assessments. One of our salient children’s rights issues is child labor in the extended supply chain, but we also monitor and track additional children’s rights, including education, health, and a healthy environment."

**Business and children’s rights in practice**

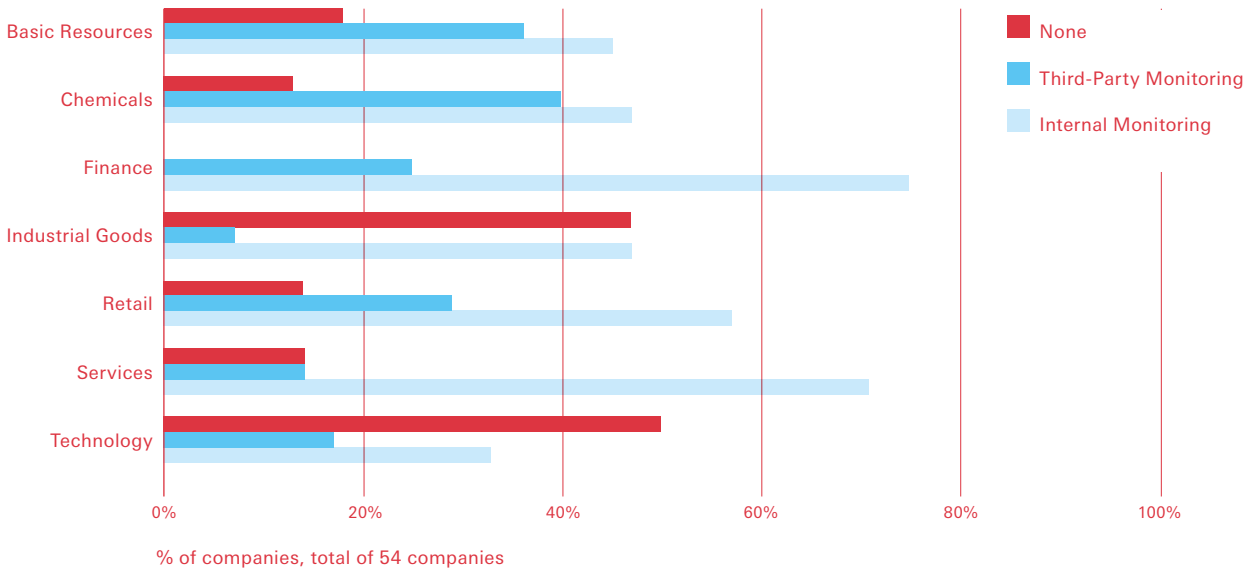
Detecting children’s rights risks is just the first step that requires short-, medium-, and long-term remediation. If companies identify or are alerted to child labor, a remediation process needs to follow to address the complex root causes. A representative from the retail industry explains that "when one of our third-party auditors reported having seen children working on a farm in Latin America, we followed up and escalated the issue. It turned out that the situation happened during the Covid-19 pandemic, and bringing the children to work appeared safer to the parents than leaving the children at home and exposed to supposedly graver risks, e.g., from drug dealers." Resolving complex children’s rights concerns requires companies to understand the root causes and the ecosystem that increase children’s rights risks.

A company from the basic resources industry explains that "**it is important to understand where the risks are and what root causes drive the risks.** Generally, sending children in communities to school addresses one of the root causes of child labor. However, at times schools are the place where children are exploited."

**Graph 13: Children’s rights aspects that companies monitor**



Graph 14: Types of monitoring by industry

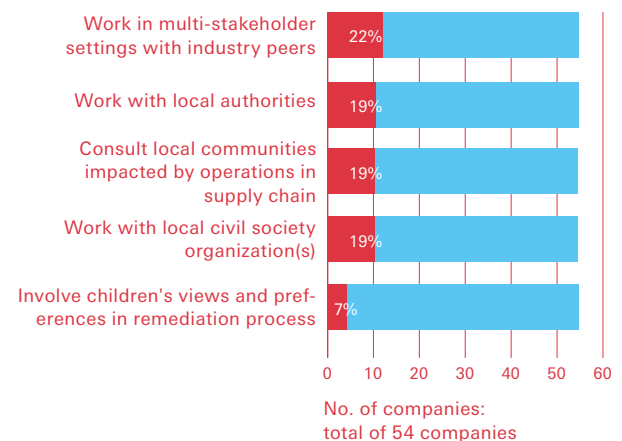


There are minor differences between industries with regards to the involvement of external parties (see Graph 14). Those industries that directly work with materials that are associated with significant risks of child labor (such as basic resources) and industries with risks of potentially grave consequences for children (such as chemicals) appear to be more likely to conduct third party monitoring. These industries also face stricter legal regulations for monitoring on issues that affect children’s rights.

**Remediation.** Despite the considerable number of survey respondents with risk monitoring processes in place, **remediation processes in relation to children’s rights issues seem to be less common: less than half of the respondents report that they remediate children’s rights abuses.** Most companies engage in remediation work with external partners and more than half of them involve several stakeholders (see Graph 15). However, children are very rarely involved in the remediation process. Instead, companies choose to work in multi-stakeholder settings with peers, work with local authorities or local civil society, or consult impacted local communities but not necessarily the children in those communities. The reasons for the low levels of remediation need further exploration.

**Level of awareness.** During interviews, we identified a **broader recognition of children’s rights risks among companies in industries with known links to child labor** (e.g., companies in the retail or basic resources industries). These companies were also the ones that have comparatively more advanced implementation of children’s rights in place to identify and address children’s rights issues and were more transparent about acknowledging risks that they have identified but cannot yet manage.

Graph 15: Types of remediation for children’s rights





# Challenges & Opportunities

3.3.

## Challenges and opportunities for children's rights in business

In this part, we report how companies assess challenges and opportunities for advancing children's rights in business. The next section provides an overview of the obstacles that companies currently perceive as limiting them in their engagement with children's rights. We also describe what opportunities companies see to advance children's rights.

### 3.3.1. Challenges

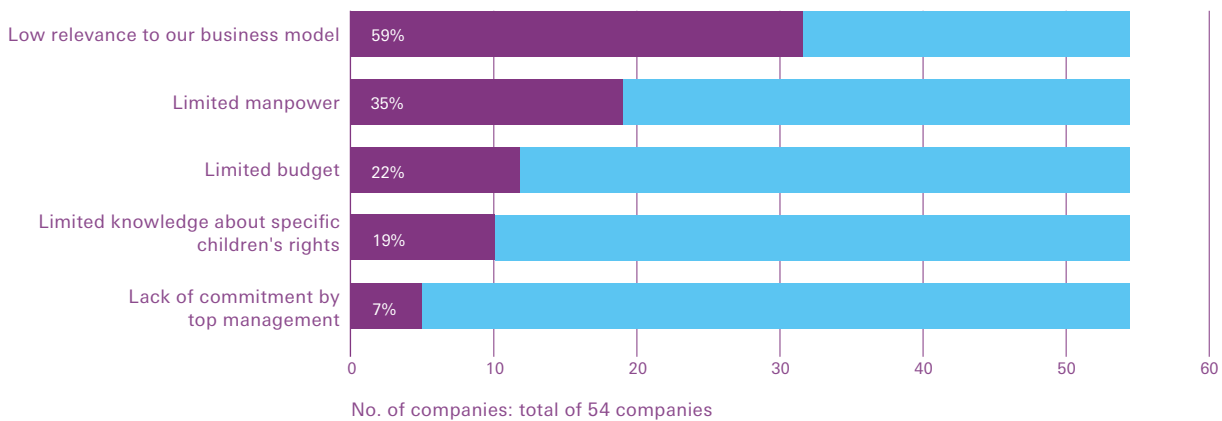
The main obstacle to advancing children’s rights in companies is the perceived low relevance of children’s rights to the company (see Graph 16). To a lesser degree, respondents consider limited human resources as an obstacle.

**Over half of the companies in the survey regard their business model as the main reason for not advancing children’s rights further.** One-third mention limited staffing capacity as an obstacle to doing more. Budgetary constraints and knowledge gaps are minor concerns that matter for approximately one-fifth of respondents. The companies’ perceived low relevance of children’s rights to their business model may hinge upon low levels of knowledge about the broad spectrum of children’s rights. By corroborating insights from across the study, it is possible to determine that companies underestimate the ways in which their operations affect children.

In interviews, corporate representatives reported that complex value chains and the lack of a level playing field hinder their progress. Advancing children’s rights at supplier level requires building capacity, which is time-consuming and costly.

*The main obstacle to advancing children’s rights in companies is the perceived low relevance of children’s rights to the company.*

**Graph 16:** Perceived obstacles to advancing children’s rights in business



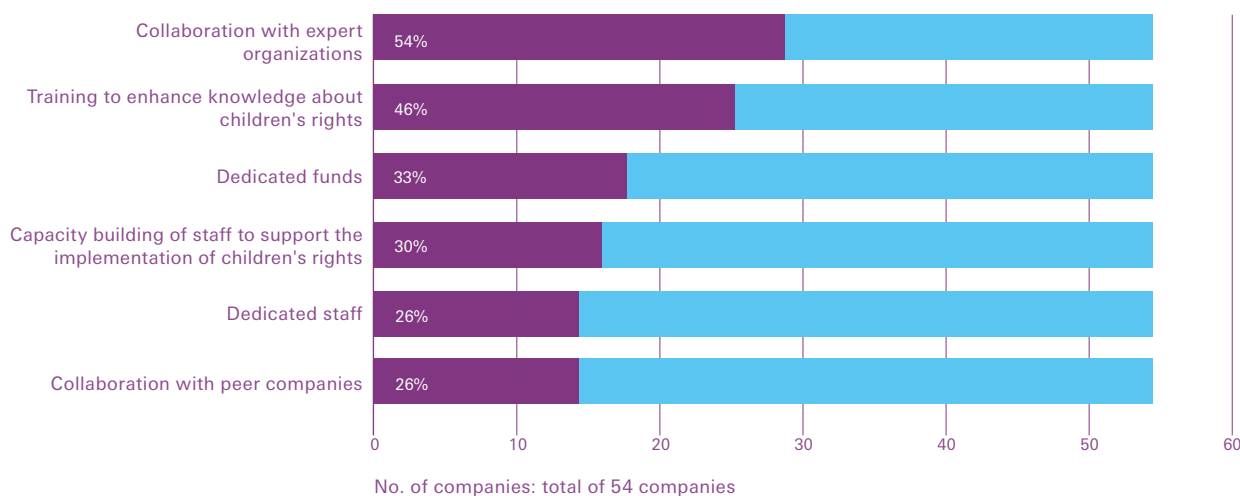
### 3.3.2. Opportunities

According to our study, companies also see some opportunities for further engagement with children’s rights.

The survey responses suggest that **gaining additional expertise on children’s rights is considered most impactful** (see Graph 17). About half of the survey respondents indicate that collaborations with expert organizations and training would enable them to do more for children’s rights. One-third of companies also consider internal capacity building for their own staff as relevant. This likely explains why one-third of the survey respondents view dedicated funds and dedicated staff as enabling factors. Only one-quarter of the respondents consider collaboration with industry peers as critical for advancing children’s rights. These results are similar between industries and similar for large and small companies.

**Generally, companies in industries that are more publicly exposed to child labor risks are more advanced in installing procedures to assess and address children’s rights.** Most companies have started or completed a risk assessment to identify salient children’s rights concerns along their value chains, often within the scope of their human rights impact assessment. Companies that operate in industries that are associated with high risks for child labor report more activities that go beyond regular supplier audits and include greater engagement with the communities to understand and address root causes. Similarly, companies that offer products or services that are directly used by children tend to have more elaborate quality checks, e.g., scientific studies on health and nutrition in the retail industry.

**Graph 17:** Perceived enablers for children’s rights in business





#### Challenges and opportunities for children's rights in corporate practice

Companies see various challenges and opportunities for advancing children's rights and most of them are related to tackling child labor risks. While companies are aware of child labor risks, interview partners report that insufficient capacity and expertise are key obstacles to effectively prohibiting child labor in value chains.

Most companies in this study focus their risk assessment on Tier 1 suppliers and have only a vague idea of the likelihood of child labor risks in deeper layers of the value chain. **Interview partners from different industries expect their Tier 1 suppliers to enforce a zero-tolerance policy for child labor in the deeper supply chain, with limited reflection on how their own business models drive systemic human rights risks into their supply chains.**

Lack of expertise on children's rights in the company is widely mentioned as a challenge. A representative from an industrial goods company emphasizes that they **"need to further develop an understanding of child labor both on the supplier side and internally."** Similarly, an interview partner from a different company in the industrial goods industry explains that "product safety is a more tangible aspect, thus, companies address it more. All the other aspects in our value chain are less relatable – including child labor at subcontractors or manufacturing sites. Companies often consider child labor in their value chain as unlikely even though they have no data. This is something that companies need to work on – not to turn a blind eye."

For many companies, the emerging mandatory HRDD legislations creates the impetus to develop a greater understanding of children's rights. Particularly in the context of child labor risks, companies raise many questions, such as: How do we detect cases? How can we reach beyond Tier 1? How well do our audits capture the supplier's daily operations? How much leverage do we have for remediation? If we receive no complaints, are our monitoring processes effective? These questions indicate that most companies are still in the early stages of implementing child labor due diligence.

Representatives from the retail industry refer to the range of their product portfolio as a key obstacle to scaling efforts to eliminate child labor. One interview partner states that they "buy the majority of [their] products on the global market and do not have visibility where they come from." A representative from a different company notes that they "focus the monitoring of child labor risks on the last processing stage of the products [they] buy, meaning that [they] audit the factories but not yet the farm level." The same representative adds: "We know our next priorities, but currently we do not have the resources to address them." An interview partner from another industrial goods company stresses that "good business relationships with suppliers are key. It is about how much trust we are able to establish. We try to raise awareness where we work and hope that this will create ripple effects."

Companies that have more experience with children's rights due diligence processes emphasize that effective children's rights management **"requires an ecosystem that includes clear policies and controls, as well as the right incentives and partners. It is not enough to say that children's rights are important. You need to say why and be more specific in your argumentation, discussion, and engagement** – including with legislators, investors, and customers," as a representative from the retail industry describes it.

A corporate representative from a different sector in the retail industry highlights the challenge of ensuring impact at scale: "One of our key objectives is to create measurable social impact. We will only be able to scale our projects to improve children's rights with partnerships and a long timeframe. **The emerging laws merely demand installing management systems and a risk-based approach: however, reaching those who are in most immediate need also requires adopting transformative business approaches."**

# 4. Key insights

1

## Engagement

Most companies do not engage specifically with children's rights but are generally committed to human rights.



5

## Management

Tools and management systems to implement children's rights in business (e.g., governance, monitoring, remediation) require further development.

2

## Awareness and policies

Companies' awareness of children's rights goes beyond child labor. However, in corporate policies, children's rights are mostly reduced to child labor in the value chain.

4

## Philanthropy

Most corporate activities in relation to children are philanthropic in nature. These activities focus mostly on providing for children (e.g., education or health-care), and less on the protection and participation of children.

6

## Due diligence legislations

Emerging due diligence legislations raise companies' awareness of children's rights and create momentum for advancing children's rights in business.

3

## Priorities

Companies prioritize three children's rights and business principles: 1) elimination of child labor, 2) product safety, and 3) safety of children on-site and in business facilities. Overall, companies have limited awareness of the full range of children's rights in business.

