

# WHAT'S AT STAKE?

## Children's Rights in Sweden's Corporate Sustainability Reporting

Lessons learned from first  
implementation of CSRD



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för alla barn

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## Disclaimer

Featuring examples of company practice in this report does not imply endorsement by UNICEF of their policies and practices. This information is solely included to illustrate current company practices in disclosure on children's rights. UNICEF does not endorse any company, brand, product or service.





# Foreword

Children represent around thirty percent of the world's population today, but one hundred percent of our future. Every child, and the rights they hold, is influenced by companies' actions.

Yet companies often miss to consider their impact on children. Which is a loss for business, for children, and for the society as a whole.

Children today face several challenges and threats. From wars and conflicts, climate change and rising inequality to health challenges and online risks. With just five years to go until 2030 – only 15 percent of the Sustainable Development Goals that affect children are on track, while most risk being missed.

Companies and the financial sector are playing a crucial role alongside governments in meeting these challenges. Their decisions, investments and priorities can shape childhood and determine children's health, development, and future.

The new EU rules on sustainability reporting mark a critical time of transition. It sets new standards for how companies must evaluate and disclose their social, environmental and economic impacts. This is the moment when children's rights can be built into the foundation for sustainability disclosures. Or continue to be overlooked.

At this critical time, we have reviewed the sustainability reports of 43 of Sweden's largest companies who have begun to adopt the new standards. Our aim is to see how children's rights are addressed and to highlight the need to include children systematically. Children depend on adults to safeguard their health, development, and their future. Their unique rights are enshrined in the UN Convention on the Rights of the Child, which in 2020 was incorporated into Swedish law.

When children are not seen or treated as stakeholders, companies risk missing both serious risks and key opportunities.

Prioritising children's rights and well-being is not a niche issue. It is the foundation of taking responsibility. It is how companies secure their own future. It is the key to building strong, stable and thriving communities.

We hope this report will be used to spark greater understanding, stronger collaboration, and bolder actions from business and the government. Putting children's rights at the centre is one of the best – and smartest – ways to secure long-term sustainable development, for both business and society.

Pernilla Baralt  
Executive Director, UNICEF Sweden



## Executive summary

Children are affected by business activities as consumers, workers, community members and dependents of employees. They are also future talents, leaders and shapers of our societies, whose health, skills and life outcomes are significantly shaped by their experiences during childhood. Yet children and their rights are still largely overlooked when companies report on their sustainability work.

This study reviews current sustainability reporting practices from 43 Swedish companies to see how children's rights are addressed, where gaps remain and what opportunities exist. These findings aim to support companies better capture their impacts, risks and opportunities linked to children as Sweden moves toward implementing the [Corporate Sustainability Reporting Directive \(CSRD\)](#). The study also provides timely lessons from companies that are already working on this area and contributes to the ongoing EU-level discussions on the future shape of CSRD and the requirements in the European Sustainability Reporting Standards (ESRS).

The analysis shows that 44 percent (19 companies) identified at least one issue related to children's rights as material. Reporting on children's rights mainly focused on child labour in supply chains. Other important issues, such as young workers, family-friendly workplaces, product safety for children, or children's role in society, were largely missing.

Only three companies (7 percent) mentioned children as stakeholders in their materiality assessments, whereas two (5 percent) reported having consulted children or organisations representing children's interests.



Companies in digital technology and ICT show more extensive disclosure on children's rights, while the health and pharmaceutical sector reported least. References to international frameworks on children's rights, such as the Children's Rights and Business Principles, were uncommon. Only a few companies reported measurable goals or assigned clear internal accountability for children's rights.

Reporting on child impact of companies' climate and environmental work, as well as their political engagement and lobbying, particularly missing, despite the clear relevance of these issues. A small number of companies stand out with more systematic approaches, offering potential learnings for other Swedish companies. These companies are in consumer-facing sectors and are likely more exposed to explicit expectations from customers and external scrutiny compared to some others.

The CSRD provides a critical opportunity for Swedish companies to strengthen their sustainability efforts and to systematically incorporate children's rights into sustainability reporting and – crucially – business

operations. By embedding children's rights at the core of strategy and reporting, companies can future-proof their operations, strengthen trust and resilience, and create long-term value. However, current practices remain narrow and inconsistent, which risks children's rights being overlooked unless stronger guidance, regulation, and oversight are in place. While some companies are reporting holistically, most limit attention to child labour in value chains, leaving broader impacts unaddressed.

Stronger commitments, integration of children's rights into double materiality assessments, and adoption of measurable targets are essential to ensuring children's rights are respected and promoted in business practices. The limited and uneven quality of children's rights disclosures broadly reflects the shortcomings observed in early CSRD-inspired reporting among Swedish companies overall. Because Sweden has postponed its implementation of CSRD, all reviewed statements were voluntary and often only partially aligned with ESRS, resulting in wide variations in quality.



## Recommendations

### For companies:

- Recognise children as stakeholders in double materiality assessments and consult with children or their representatives.
- Strengthen the understanding of children's unique vulnerabilities and roles across the value chain in order to meaningfully identify and address risks and opportunities. Pay attention to critical areas such as environmental impact and political activities.
- Translate findings into meaningful commitments, policies and measures, set measurable targets and indicators, and disclose relevant information on material issues.
- Connect with child rights experts, collaborate within and across industries, and partner with civil society to improve data and methodologies.

### For investors:

- Incorporate children's rights into ESG assessments and decision-making, extending beyond child labour to the full spectrum of issues.
- Engage investee companies and other systemic stakeholders on disclosure, policies, risks, and impacts on children, and encourage development of comparable indicators across industries.
- Support transparency in value chains, particularly in high-risk geographies and industries, ensuring children's rights risks are not hidden deep in value chains.

### For the Swedish government:

- Implement recommendations from the UN Committee on the Rights of the Child on children's rights and the private sector.
- Ensure that children's rights are not weakened or overlooked in the EU-level negotiations around sustainability legislations.
- Task national agencies to develop guidance, sector-specific tools, and reinforce capacity-building support for companies, especially SMEs.
- Integrate requirements to consider and disclose on children's rights in policies such as the ownership policy for state-owned companies and the public procurement processes.
- Strengthen supervisory oversight to ensure disclosures are meaningful.

## About the study

The study analysed the annual reports, including sustainability statements of 43 large Swedish companies across six key sectors:

- Consumer goods,
- Digital technology and ICT,
- Food and Beverage,
- Energy, Utilities and Transportation,
- Industrials and Manufacturing, and
- Health and Pharmaceuticals.

Companies were selected based on sector relevance, size, and availability of 2024 reports referencing ESRS. Companies with headquarters outside of Sweden as well as all holding and investment companies were excluded from the study.

The analysis is based on

- a quantitative review, checking for explicit mention of children's rights across relevant ESRS standards (General disclosures (ESRS 2), Own workforce (S1), Workers in the value chain (S2), Affected communities (S3), Consumers and end-users (S4), Climate change (E1), Pollution (E2) and Business conduct (G1)
- a qualitative analysis was conducted to identify illustrative examples of ESRS reporting on children's rights which are highlighted throughout this report.

Besides highlighting examples of some company reporting practices, the research focused solely on whether companies report on children's rights, without assessing the quality or accuracy of the disclosures or the effectiveness of the underlying risk management measures. The scope was limited to annual reports, meaning that broader policies or actions outside reporting were not assessed.

► *Read the full conclusions and recommendations [here](#).*







# Key findings

There is an urgent need for systematic corporate disclosure on children's rights in sustainability reporting to demonstrate and understand the accountability of businesses impact. Below is an outline of the key findings from the review:

## 1. Child rights issues not identified as material

Fewer than half of the reviewed sustainability statements of large Swedish companies identified any children's rights issues as material. Reporting is largely limited to child labour in supply chains, while other topics – such as young workers, child protection, and children's rights more broadly – were identified as material only by a handful of companies, usually the same ones already reporting on child labour. This is despite the fact that children's rights should be material to most companies, carrying both financial and impact materiality, and providing a valuable lens for understanding many other sustainability topics. This is particularly important given the growing emphasis on the materiality assessment as a key filter for report content.

## 2. Children rarely recognised as stakeholders

While around 20% of companies (eight in total) identified children and youth as customers or vulnerable groups, only three companies (7%) recognised children and/or parents as key stakeholders. Children's broader role as stakeholders remains largely overlooked – a blind spot that requires immediate attention and addressing. This lack of recognition is likely also a key reason why disclosure on children's rights remain low across several topical standards.

## 3. Lack of consultation with children or their representatives

Identifying salient children's rights issues requires consulting relevant stakeholders, yet only two companies reported engaging children or their representatives in their double materiality assessments. Notably, both of these companies identified children's rights issues as material beyond child labour.

## 4. Children's rights most often linked to value chains and customers

Most disclosures on children's rights were reported under 'workers in the value chain' (primarily child labour) and 'customers and end-users' (covering issues such as product safety, online protection, and health and well-being). By contrast, children's rights were rarely reported under 'own workforce' even if this standard was identified as material by all reviewed companies. Overall, there is low recognition of material issues under 'affected communities' among the companies studied, and children's rights are rarely made explicit – even by the majority of companies that do report on this standard. This likely reflects gaps observed in how companies conduct their materiality assessments as well as a broader lack of knowledge and understanding of children's rights beyond child labour.

## 5. Industry differences with strong company-specific variation

Sector patterns are visible, but company-level differences are even more pronounced. Based on the studied sample, digital technology and ICT companies are leading in reporting on children's rights in Sweden, while health and pharmaceutical companies reported very little.

## 6. Few systematic and holistic approaches

The study found that few Swedish companies reported on children's rights in a systematic and holistic way beyond supply chain risks. These companies are all in customer-facing sectors or industries, and probably subject to strong consumer expectations and reputational scrutiny. The companies that reported most holistically on children's rights also reported on collaborating with children's rights organisations, which likely strengthened their understanding and capacity to respect and promote these rights. Their practices offer potential learnings for industry peers.

► *Read the full conclusions and recommendations here.*









# Overview and methodology

## Introduction

**Children make up one third of the world's population** – around 2.3 billion globally and roughly 2.4 million in Sweden.<sup>1</sup> As children are still developing physically, mentally, and emotionally, they are entitled to special protection and care, as outlined in the UN Convention on the Rights of the Child (CRC), in order to grow up healthy and safe into adulthood. Supporting children to reach their potential benefits not only individuals but also the long-term sustainability of society.

**From a business perspective, children are both current and future stakeholders** – as consumers, future workforce, family members of workers, and community members. At the same time, children are also particularly vulnerable to various impacts linked to business activities. Beyond preventing child labour, children's rights encompass a wide range of issues, including protection of young workers, family-friendly workplaces, product safety, responsible marketing, children in affected communities, children's heightened vulnerability to environmental impacts, and rights in supply chains. Across these dimensions, all companies influence children, either directly or indirectly. No company can claim to be truly sustainable unless it actively considers and addresses its impact on future generations and the most vulnerable members of society.

**To support businesses in respecting and supporting children's rights, UNICEF, the UN Global Compact, and Save the Children developed the [Children's Rights and Business Principles \(CRBPs\)](#) in 2012.** Based on international conventions and frameworks, the ten principles provide guidance for companies, investors, and policymakers to prevent harm and actively safeguard children's interests in the workplace, market-place, community and environment.

**One key way to show how companies address children's rights is through their sustainability reporting.** Systematic corporate disclosure on children's rights is crucial to achieving greater understanding of and accountability for business impacts on children. UNICEF has recently published a [global review of the current state of children's rights disclosures](#), analysing corporate sustainability reports of over 800 companies globally, including some of the largest companies in the world. The review shows that while sustainability reporting has become more common and improved over the years, children's rights are still often overlooked. Reporting on children's rights was found to be stronger in regulated, globally connected industries and in sectors that are more customer-facing. In these cases, either the regulation push companies to improve their reporting or higher consumer expectations and reputational considerations create stronger incentives for companies to demonstrate responsibility.

1) Swedish population distribution, SCB, 2025

**The European Union has taken a leading role in corporate sustainability reporting by setting common standards and harmonising reporting requirements particularly for large and public-interest companies.** The European Union's Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS) require certain companies operating in the European Union (EU) to disclose information on a broad range of environmental, social and governance (ESG) issues, including children's rights, where deemed material. To this end, UNICEF has developed a set of guidance briefs to support companies reporting under the ESRS to better disclose information on impacts, risks, and opportunities related to children's rights.

According to the Swedish implementation timeline for the CSRD<sup>2</sup>, most Swedish companies will first report under CSRD in fiscal year 2025 (reports published in 2026). However, as this report shows, many large and public-interest Swedish companies have already begun integrating elements of the ESRS into their reporting for the 2024 fiscal year.

## Goals and objectives

This study examines how large Swedish companies across six selected industries have begun to address children's rights in their ESRS-inspired reporting during the 2024 fiscal year. It provides a snapshot of how some large Swedish companies in selected industries

understand and report on their impacts on children as they move towards ESRS-based reporting.

**The objective of this review is to give companies, investors, policymakers, and other stakeholders evidence of current reporting practices, highlighting both emerging trends, existing gaps and opportunities.** With these insights, UNICEF Sweden seeks to strengthen awareness of children's rights in the business and investor community and support the development of CSRD-aligned sustainability reporting that more fully captures and integrates children's rights into both disclosure and responsible business practices.

**The timing of this analysis offers an important opportunity to draw lessons from early movers and to provide recommendations** on how Swedish companies can integrate children's rights more systematically into their forthcoming CSRD-aligned reporting. In addition, the findings offer timely evidence and insights to support EU-level discussions on the future direction of the CSRD and ESRS, including ongoing negotiations that may influence how the requirements are shaped. At the date of writing this report, EFRAG – the association tasked with developing the ESRS – has published new ESRS drafts for consultation, but there is not information yet on the final version of the ESRS requirements.

## Methodology for the analysis



### 1. Industry selection

- 6 industries selected in collaboration with UNICEF Sweden
- Selection done based on their **prominence** in the Swedish economy and their **relevance** for child rights



### 2. Company selection

- 43 companies selected
- **Selection criteria** included geographic location, availability of 2024 annual report and ESRS-inspired sustainability statement, structure and size of the company



### 3. Performing the analysis

- **Quantitative:** review of ESRS standards and topics selected based on their relevance for children's rights
- **Qualitative:** illustrate company examples

<sup>2</sup>) Sweden is implementing the CSRD largely in line with the broader EU framework but has deferred its effective start date by approximately one year as compared to most other EU countries. This means that the first tranche of Swedish companies is required to start reporting based on CSRD requirements on the fiscal year beginning after June 30th, 2024.



## Company selection criteria



## Methodology

This report is the result of an **analysis of sustainability statements**<sup>3</sup> – included in companies' annual reports – of **43 selected Swedish companies across six key industry categories**<sup>4</sup>, from a child rights angle. The research focused solely on the sustainability statements and did not assess any other information provided by the analysed companies in other documents or on corporate webpages.

**Industry selection.** The six industries were selected based on their prominence in the Swedish economy (ensuring inclusion of large public-interest companies falling within the first wave of CSRD reporting) as well as the relevance of the selected industries to children's rights. In practice, this meant choosing industries where children's rights issues were more likely – or at least reasonably should have been – considered material in sustainability statements. To ensure sufficient coverage, some related industries were grouped together, allowing for a larger pool of companies that had already started preparing their reports following the ESRS guidance.

The selected industries are:

- Consumer goods (seven companies)
- Digital technology and ICT (eight companies)
- Food and Beverage (seven companies)
- Energy, utilities and transportation (six companies)
- Industrials and manufacturing (eight companies)
- Health and pharmaceuticals (seven companies)

**Company selection.** After the industries were selected, companies were screened with regards to the following factors:

- **Geographic location** – companies with headquarters in Sweden. Subsidiaries of international companies were left out.
- **Availability of a 2024 annual report and sustainability statement** – companies with a broken fiscal year were left out since their annual reports were not published by April 2025, i.e. the time of the analysis.
- **The annual report stated to be ESRS-inspired**<sup>5</sup> and **included a double materiality assessment (DMA)**.

Holding and investment companies were excluded from the study, as their operations span multiple industries and therefore do not provide sector-specific insights. Relevance to UNICEF's mission was also considered in the company selection.

From the remaining companies after the initial screening, **six to eight were selected from each industry based on annual turnover**, i.e. those meeting the criteria and representing the largest companies in their sector. The number of companies per industry varies, as not all industries had enough companies that fulfilled the selection criteria.

**Performing the analysis.** The 43 sustainability statements were analysed based on quantitative review, checking for explicit mention of children's rights across relevant ESRS standards. The quantitative analysis focused solely on whether companies report on children's rights, without assessing the quality or accuracy of the disclosures or the effectiveness of the underlying risk management measures. In addition, a qualitative analysis was conducted to identify illustrative examples of ESRS reporting on children's rights which are highlighted throughout this report.

3) Since companies' sustainability statements are integrated in their annual reports, these two terms as well as the term sustainability reporting will be used interchangeably throughout this report.

4) The list of analysed companies is provided in the Annex 1.

5) In this study, an ESRS-inspired sustainability report refers to a company disclosure that is not yet fully compliant with the ESRS but voluntarily incorporates key elements of the framework. Reports were considered ESRS-inspired if they either self-identified as such or made explicit reference to CSRD/ESRS while integrating central concepts, such as the double materiality assessment (DMA) and selected disclosure requirements. The study did not evaluate the depth or quality of alignment with ESRS.

**ESRS standards.** The ESRS includes 12 standards, consisting of two cross-cutting standards (ESRS 1 and 2) and ten topical standards, divided into environmental, social and governance standards. Please see the picture below for more information.

The analysis of this report focused on the five standards most relevant for children’s rights, namely General disclosures (ESRS 2), and all the four social standards: Own workforce (S1), Workers in the value chain (S2), Affected communities (S3) and Consumers and end-users (S4). In addition, a limited review was conducted on Climate change (E1), Pollution (E2) and Business conduct (G1) standards of the companies’ sustainability statements. Disclosure requirements and data points for each of the reviewed ESRS standards were selected based on their connection to and relevance for child rights. Inspiration for the selection was drawn from UNICEF’s guidance briefs, published in October 2024. Please see Annex 2 for more information on the details of how children’s rights are connected to relevant ESRS sub-topics.

The analysis applied the following approach:

- 1. Review of double materiality assessments (DMA):** Examined how companies identified material topics related to children’s rights.
- 2. Review of recognition of children as stakeholders:** Checked whether companies had recognised children as key stakeholders in their stakeholder listing, as well as whether children, parents, child rights organisations or other relevant actors were consulted.
- 3. Review of ESRS 2 disclosures:** Additional disclosures under ESRS 2 were reviewed, including references to child rights standards.<sup>6</sup>
- 4. Detailed review of relevant ESRS standards:** Focused on standards under which children’s rights were identified material.
- 5. Keyword scan:** Applied predefined search terms across the entire sustainability statements to capture additional references to children’s rights. The used search terms can be found in Annex 3.



6) During the review, it turned out that companies also mentioned children's rights related topics in their reports even when these issues were not identified as material in their double materiality assessments. Because of this, the report considers all references made to children's rights topics, whether or not they were explicitly identified as material. Issues explicitly included in double materiality assessments are described as material, whereas terms like reported or stated are used to describe issues that were referenced in the reports even if it was at times unclear whether how they were classified under the materiality assessment.

## Scope and limitations

The analysis is subject to certain limitations which are described in this section.

Some interpretation was needed because company reports were inconsistent. While all claimed to be at least inspired by CSRD/ESRS, the degree of alignment varied greatly. Differences appeared in the level of detail, terminology, and how material topics were identified. Key ESRS concepts were sometimes misinterpreted – for instance when serious human rights issues were treated only as reputational risks, without recognising their direct impact on people. Some companies also considered issues material only when both financial risk and impact were present, even though impacts alone should qualify. These inconsistencies meant that interpretation was required during the quantitative analysis.

**Focus on quantity, not quality.** The scope of this research was limited to assessing whether companies reported on children's rights, not how well they did so. While illustrative company examples were selected based on the quality of their disclosures, the study did not evaluate the overall quality, robustness or accuracy of reporting, nor the effectiveness of underlying risk management measures.

**Explicit reference to children's rights.** The quantitative analysis only considered reports where children, young people, or families were explicitly mentioned. In some cases, companies might have reported more broadly on sustainability – such as impacts on communities, customers, or end-users – and regarded these actions as relevant to children, but without making this connection explicit.



**Focus only on sustainability statements.** The study examined only annual reports and their sustainability statements. Other company materials – such as standalone policies, processes, or additional documentation – were beyond the scope of this analysis. As a result, there may be instances where companies have addressed children's rights in their policies or processes that are not reflected here.

**Sample size.** The relatively small sample size does not allow for broad generalisations about all Swedish companies, given that even a few companies in one sector increase the overall figures for the sector. However, it provides a snapshot of how some large Swedish companies in selected industries understand and report on their impacts on children as they move towards ESRS-based reporting.

## Double materiality

The double materiality assessment (DMA) is a core requirement of the ESRS under the CSRD. It requires companies to assess sustainability topics from two perspectives:

- 'impact materiality,' which considers a company's actual and potential impacts on people and the environment (positive and negative, across its own operations and value chain).
- 'financial materiality,' which considers how sustainability matters may affect the company's financial performance, risks, and opportunities.

A topic is considered material if it meets either criterion, meaning companies must report on issues that are significant to society and the environment even if they do not pose immediate financial risks, and vice versa.

The DMA process should be systematic, transparent, and stakeholder-informed, forming the foundation for determining which ESRS disclosures are relevant to each company.

Under the ESRS, companies have the liberty to define the level of granularity of their material topics, based on what is considered material to them. Issues can be reported at very general level (i.e. standard-level, such as S1: Own workforce), sub-topic level (such as working conditions) or even sub-sub-topic level (such as work-life balance). This causes large variation on the level of detail of the identified material topics.

Forthcoming changes to the ESRS framework might also affect the requirements for the DMA process, for example by simplifying the identification of key material topics and introducing a more top-down approach. Nevertheless, it is likely that conducting a DMA will continue to be a central requirement of the ESRS.





# Findings

## GENERAL FINDINGS

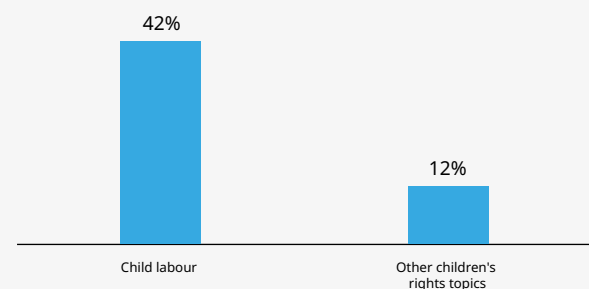
### Child labour the most recognised topic

**Despite growing expectations for sustainability reporting, children's rights are not identified as material by majority of companies.** Only 44% of the reviewed sustainability statements (19 in total) recognised at least one issue related to children's rights as material. In line with internationally observed trends, child labour was the children's rights issue most frequently identified as material by large Swedish companies in their first CSRD-inspired reports. It was identified material by 42% of the companies studied (18 in total)<sup>7</sup>, primarily in relation to their supply chains.

Other children's rights topics – such as children's rights more broadly, children's rights in the supply chain, young workers, and child protection and safety – were identified as material by only 12% of the companies studied (five companies in total), and primarily by the same companies that also identified child labour as material.

Only a small number of companies report on children's rights in a systematic and holistic way beyond supply chain risks. In the studied sample, these companies were found to be in customer-facing sectors or industries probably subject to stronger consumer expectations and reputational scrutiny. The companies that reported most holistically on children's rights also reported on collaborating with children's rights organisations, which likely strengthens their understanding and capacity to respect and promote these rights.

Children's rights topics identified as material



7) This includes also any description text providing more details on the material topics.

## Children are often overlooked as stakeholders

**Children are more often identified as vulnerable group than key stakeholders of companies.** Children were recognised as a vulnerable group by 21% of the studied companies (nine companies in total), but only 7% (three companies in total) explicitly acknowledged children or their parents as key stakeholders in their reports. One additional company recognised employees and their families as stakeholders, though without explicit reference to children.

The ESRS recognises children as a group of persons in vulnerable situations, alongside women, migrants, persons with disabilities, and indigenous peoples. In the sample of Swedish companies reviewed, **children and youth were most often identified as vulnerable within supply chains** – either as workers (child labour or young workers) or as members of local communities whose rights may be at risk due to business operations. In addition, **some digital technology and ICT companies also recognised children’s heightened vulnerability to online threats.**

None of the companies in the food and beverage or health and pharmaceuticals sectors identified children as a vulnerable group – whether in their own operations, supply chains, as customers and end-users, or within affected communities. This finding is somewhat surprising given that children can be reasonably expected to be at least end-users of products in both industries. Moreover, numerous international studies highlight the significant risks children face in agricultural supply chains – ranging from hazardous child

labour and pesticide exposure to indirect impacts as family members of agricultural workers and environmental impacts caused by the sector.

A clear indicator of children not being recognised as key stakeholders is that only two of the companies studied (5%) reported consulting children or their representatives to inform their double materiality assessments. Both companies engaged children’s rights organisations and consulted directly with children in some situations. They also reported partnerships with children’s rights organisations, which likely facilitated their ability to conduct such consultations.

## Stakeholder consultations as part of double materiality assessments

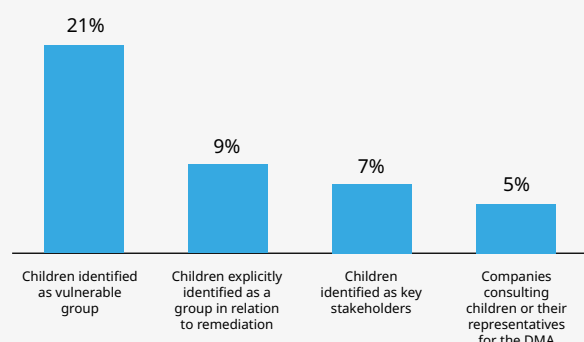
The ESRS require companies to engage with stakeholders as part of their double materiality assessment (DMA), ensuring that both impact materiality and financial materiality are informed by those potentially affected by, or able to influence, the company’s activities.

A first step is to systematically identify all relevant stakeholder groups such as employees, local communities, customers, suppliers, investors, civil society actors as well as potentially affected and vulnerable groups such as children – before engaging with them.

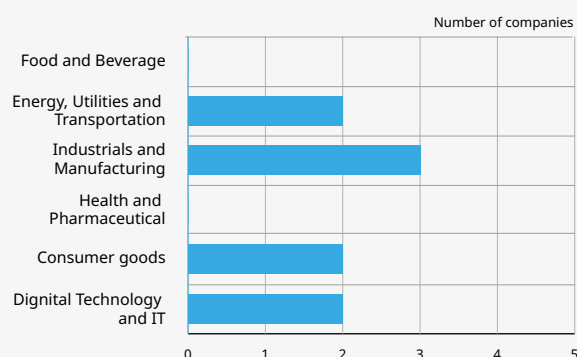
Stakeholder consultation process should be systematic, inclusive, and transparent. The process is intended to capture perspectives on actual and potential impacts, risks, and opportunities, including those that may otherwise be overlooked.

The ESRS emphasise that meaningful stakeholder engagement is essential to identifying material topics and to ensuring that reporting reflects both the company’s external impacts and the expectations of stakeholders.

Children as stakeholders

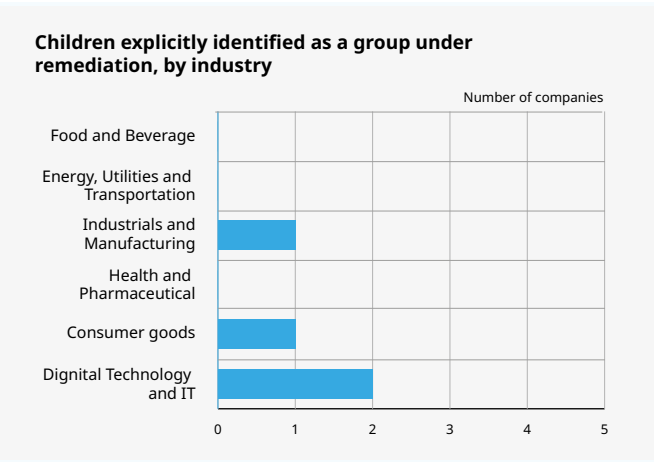


Children identified as vulnerable, by industry





Children are among the most vulnerable groups in global supply chains, yet they often face the greatest barriers to accessing remedy when their rights are violated. Under ESRS S2 (Workers in the value chain), one disclosure requirement asks companies to explain how they contribute to remedy in cases where they have caused or contributed to negative impacts on value chain workers. However, **children’s particular vulnerability in remediation processes is rarely recognised or reported**. Only 9% of the companies studied (four in total) identified children as a distinct group in relation to remedy. These companies – operating in the manufacturing, consumer goods, and digital technology & ICT sectors – acknowledged children as vulnerable either in cases where child labour is identified or in relation to how grievances could be raised and addressed.



#### EXAMPLE OF COMPANY PRACTICE

### H&M (Consumer goods)

H&M identified vulnerable groups (including children) in connection with listing their salient human rights issues across their operations. Below are examples of salient human rights issues where children were listed among vulnerable groups:

- Health, Safety & Well-being: Vulnerable groups include young workers, children, female and pregnant workers, temporary workers, informal workers, homeworkers and migrant workers.
- Child labour: Vulnerable groups include children, young workers, migrant workers, religious and ethnic minority groups.
- Discrimination and Equal Treatment: Vulnerable groups include women, indigenous women, migrant workers, temporary workers, the LGBTQIA+ community, minority groups, people with disabilities, trade union member ship, teenagers and children, and varies by market
- Communities access to water & clean and healthy environment: Vulnerable groups include potential indigenous populations and children in neighbouring local communities.

(H&M Annual Report 2024, p. 92-93)

### Tele 2 (Digital technology and ICT)

Tele 2 consulted children and their representatives in the development of the Double Materiality Assessment as well as to providing input into their overall operations as follows:

- Proxy organisations: Tele 2 consulted child rights proxy organisations, including ECPAT, the Prince Carl Philip and Princess Sofia's Foundation, with whom they also have partnerships. "To eradicate violence and abuse against children, Tele2 is an active, co-founding member of ECPAT's Tech coalition. Tele2 works actively to block access to websites containing child sexual abuse material" (Tele2 Annual Report 2024, p. 16).
- Direct engagement with children:

*"Furthermore, Tele2 receives regular input from children and young people by engaging both with child rights experts, and by conducting surveys and focus groups directly with this user group. In 2024, Tele2 engaged children and their parents in a survey on their approach to children's digital lives. Additionally, Tele2 engaged children and parents in focus groups and interviews to receive more detailed input into children's approach to life online, parents' views and how Tele2 can help support families on this topic"*

(Tele2 Annual Report 2024, 120).

### SKF (Indrials and manufacturing)

SKF has set a specific remediation process for child labour cases. This is how they report on the process in the company's annual report:

*"If child labour is discovered in the supply chain, the company's remediation process will be followed to protect child workers from further harm"*

(SKF Annual Report 2024, p.136).

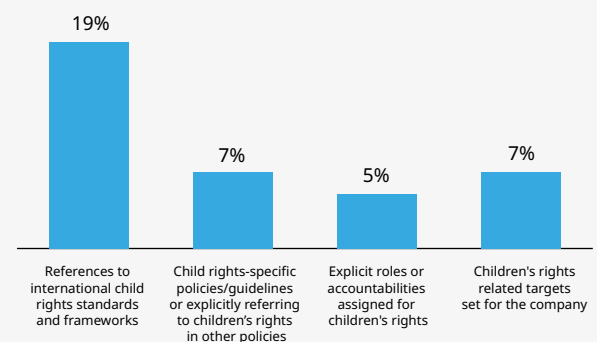


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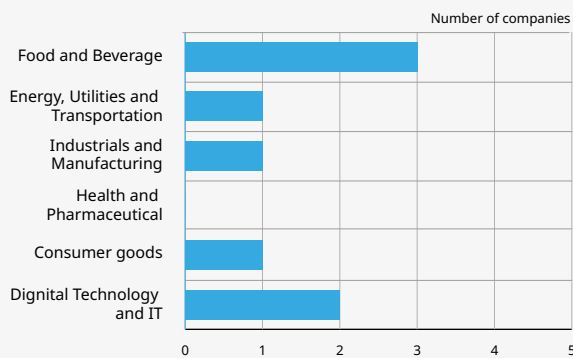
## Need of stronger governance for children's rights

International child rights standards and frameworks – such as the UN Convention on the Rights of the Child and the Children's Rights and Business Principles (developed by UNICEF, Save the Children, and the UN Global Compact) – are rarely referenced in companies' annual reports. **Only 19% of the Swedish companies studied (eight in total) included references to these standards.** This limited use of internationally recognised frameworks suggests that many companies have yet to anchor their reporting on children's rights in the globally accepted principles that define corporate responsibility towards children.

Children's rights under governance and targets



Reference to relevant child rights standards, by industry



**Companies in the Food and Beverage sector refer to these standards most frequently.** In the other sectors studied, at least some companies referred to child rights standards in their reports – with the exception of the Health and Pharmaceuticals sector, where no company made any reference to relevant child rights standards.

**Companies rarely disclose having specific or separate policies, process descriptions, or guidelines that address children’s rights.** In this study, only three companies (7%) reported having child rights-specific policies or explicitly referred to children’s rights within their broader policy frameworks. Consumer goods and digital technology and ICT are the only sectors with companies explicitly referring to child rights in their policies. This suggests that while many companies

may have general human rights policies or guidelines, few are tailoring these to the unique vulnerabilities and needs of children.

**Although companies are increasingly reporting on roles and responsibilities for sustainability matters in line with the ESRS framework, very few assign explicit responsibility for children’s rights.** Out of all the companies analysed, only two (5%) – both in the digital technology and ICT sector – identified a specific person or function accountable for children’s rights. These same companies also report relatively systematically and holistically on children’s rights, suggesting that clear accountability structures may be linked to more comprehensive and consistent reporting in this area.

Under the ESRS framework, companies are expected to set clear and measurable targets for material sustainability issues, including human rights and, where relevant, children’s rights. Targets are essential for demonstrating progress over time and for holding companies accountable to their commitments. **In this context, only three companies (7%) – all within the digital technology and ICT sector – stand out for setting child rights-related targets.** One company has established three dedicated targets on children’s rights, while two others have set one specific target each. This makes the sector an exception, as most companies studied do not yet translate their commitments on children’s rights into concrete, measurable objectives.

#### EXAMPLE OF COMPANY PRACTICE

##### Nibe Industrier (Industrials and manufacturing)

Nibe Industrier has a policy addressing zero tolerance to sexual exploitation and abuse of children. This is how it’s described in the annual report:

*“This policy describes NIBE’s zero tolerance approach to sexual exploitation and abuse, and our commitment to prevent and manage such incidents. The policy expressly prohibits sexual exploitation, abuse and sexual activity with a child. We undertake to ensure compliance through increased awareness, supervisory mechanisms and rapid investigation of any reported cases. Violations of the policy will lead to strict actions, including disciplinary procedures or termination of contract.”*

(Nibe Industrier Annual Report 2024, p. 104)

##### Telia (Digital technology and ICT)

Telia sets three child-rights specific targets:

- “Continuously block child sexual abuse material in all markets and detect in IT systems in own operations
- Provide child safeguarding services to Telia customers in all markets
- Empower children through digital skills initiatives”

(Telia Annual Report 2024, p. 73)



## TOPICAL STANDARDS

### Children's rights within own workforce

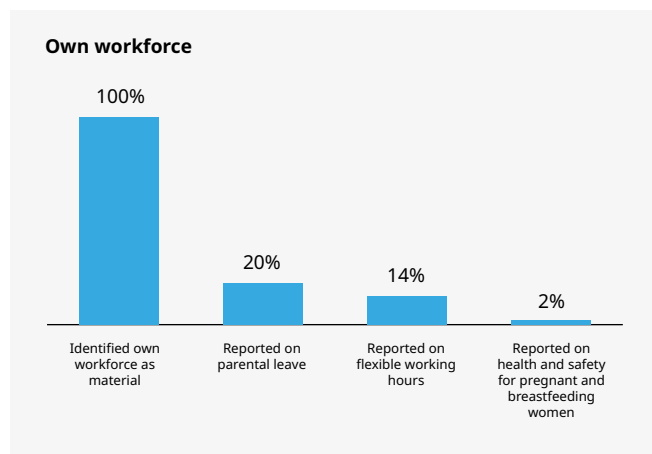
Although the 'own workforce' standard is consistently identified as the most material social standard in company reports (with all studied companies recognising it as material), **children's rights issues are rarely included under it**. The most common topics reported under the standard in the studied ESRS-inspired reports were working conditions, health and safety, and equal treatment of employees.

**Parental leave and flexible working arrangements were the most frequently reported** children's rights related issue under own workforce, even though they were not always identified as material in double materiality assessments. **Over 20% of the companies studied (nine in total) reported on providing parental leave for their own workforce**. In Sweden, all employers are required by law to provide parental leave to their employees. However, most companies do not report on parental leave when they are simply meeting the legal requirements, choosing instead to disclose information only when they offer provisions that go beyond the statutory minimum. It was observed that **companies explicitly reporting on their parental leave policies and practices are often those with workforces outside Sweden**, particularly in countries with less generous parental leave regulations and practices.

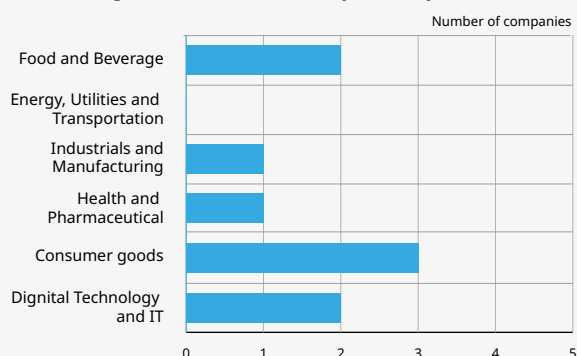
Only 14% of the companies studied (six in total) explicitly stated that they offer **flexible working** arrangements. One company reported providing flexibility for employees experiencing menopause – such as adjusted working hours – but did not report offering similar arrangements for other groups, including parents, and was therefore not counted among the

six. Overall, companies tend to report flexible working arrangements in general terms rather than specifically for any groups such as parents. The relatively low number of companies disclosing offering flexible work practices does not necessarily mean that others lack them; many Swedish companies may simply view flexible working options as standard practice and therefore not noteworthy for reporting.

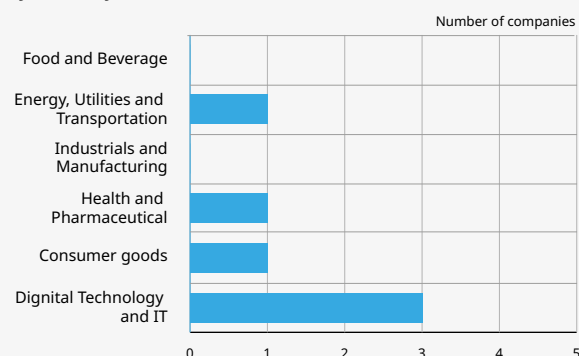
Only one company addressed health and safety of pregnant and breastfeeding employees in their report. Besides this being an issue that is not so frequently reported by companies globally, one probable reason for the low reporting is also Sweden's well-developed parental leave system. Many working women can remain at home during late pregnancy and breastfeeding, reducing the immediate workplace relevance of such measures. As a result, companies may not prioritise or highlight specific policies for pregnant and breastfeeding employees, even though such measures can be crucial for employees outside Sweden or in contexts with less comprehensive parental leave provisions.



### Companies reporting on paid maternity, paternity and parental leave among their own workforce, by industry



### Companies reporting on flexible working arrangements, by industry



### EXAMPLE OF COMPANY PRACTICE

#### Electrolux (Consumer goods)

*"Electrolux Group is committed to its Parental Leave Policy. All 40,894 Group employees have access to parental leave, either through a global Minimum Parental Leave Policy, or as provided by the public system in their countries. All mothers and fathers, same sex parents, parents to adopted children or through surrogacy, are covered by the Group Parental Leave Policy. The policy provides a minimum of four weeks paid leave and brings added benefits for employees in 41 countries where the Group has operations"*

(Electrolux Annual Report 2024, p. 94).

#### SSAB (Industrials and manufacturing)

*"SSAB developed a process in Luleå to ensure better health and safety for pregnant and breastfeeding women."*

(SSAB Annual Report, p. 105)

## Children's rights in the value chain

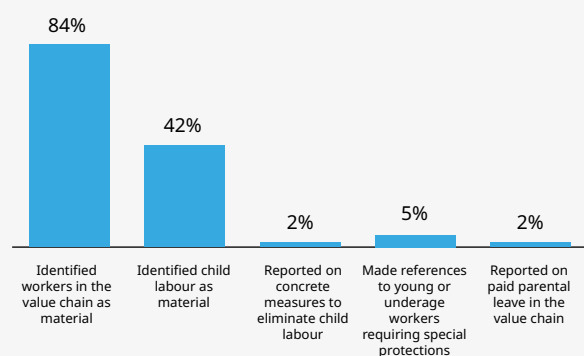
A large majority (84%) of the companies studied (36 in total) considered workers in the value chain (S2) to be material. However, significant gaps remain, as seven companies (16%) did not report on this topic at all – including one with suppliers in high-risk countries such as Pakistan and Ukraine.

**Child labour emerged as the most frequently recognised children's rights issue across all reporting, particularly under the value chain standard.** Even some companies that did not identify child labour as material still made references to it in their reports. Companies in the digital technology and ICT sector as well as in consumer goods most often recognised child labour as material. In most cases, companies limited their reporting to policies or monitoring of their direct suppliers, with very little information on risks deeper in their supply chains, where the likelihood of child labour is often greatest. Furthermore, only one company reported any concrete measures it is taking

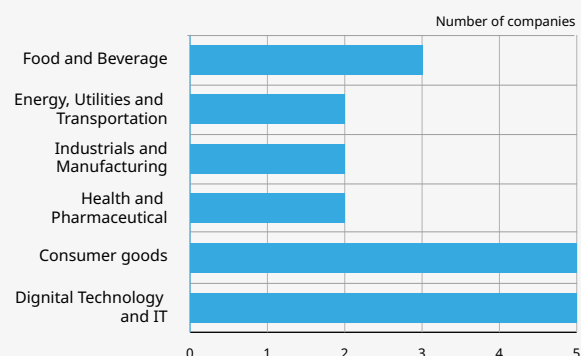
to eliminate child labour, going beyond the common practice of prohibiting child labour through a Code of Conduct or Supplier Code of Conduct.

Beyond child labour, companies reported very little on other children's rights issues within their value chains. Only two companies (5%) referred to **young or underage workers requiring special protections**. While parental leave is a relatively common disclosure in relation to companies' own workforces, just **one company reported on paid parental leave in its value chain**. No company reported measures such as flexible working arrangements for parents, breastfeeding breaks and facilities, or access to childcare for workers in their supply chains. These kinds of provisions are particularly important for supporting working parents, especially women, who face the challenge of balancing employment with family responsibilities, and they represent an area where companies could significantly strengthen their commitments to children's rights.

Workers in the value chain



Child labour identified material, by industry







## EXAMPLE OF COMPANY PRACTICE

### H&M (Consumer goods)

H&M reports on its actions to eliminate child labour, beyond banning child labour in its Supplier Code of Conduct or other relevant policies. *"We do not accept any form of child labour in our supply chain. This is clearly stated in our sustainability commitment. To underline the importance of this requirement, we have specific child labour case handling guidelines stating our standards and remedial action if the use of child labour is discovered. In tier 1 and tier 2 supplier factories, we manage the risk of child labour by monitoring working conditions through own and third-party assessments and improving grievance mechanisms."*

*"During minimum requirement assessments, a factory tour and worker interviews are conducted to detect potential child labour. In addition, we see that our strategy to increase wages in tier 1 factories can have indirect, preventive effects on child labour as higher wages in the family reducing the need for children to work. We recognise that the risk exists in our industry, with higher risks in our raw material supply chain. We continuously strengthen our due diligence in raw material sourcing. We are participating in the multi-stakeholder collaborative project 'Harvesting the Future – Cotton in India' to improve the working and living conditions of cotton farmers and workers in two districts in Madhya Pradesh"*

(H&M Annual Report, p. 98).

### Tele2 (Digital technology and ICT)

*"Tele2 identified child rights risks also deeper in its supply chains, including raw material extraction. 'Tele2's supply chain may expose workers and children to harm in the absence of adequate safeguards. In upstream processes like raw material extraction and manufacturing, poor conditions, forced labor, and child labor are prevalent, especially in mining. Children may face violations of their rights, including protection from harmful work, exploitation, and lack of access to basic needs like health, food, and housing.'"*

(Tele2 Annual Report, p. 63)

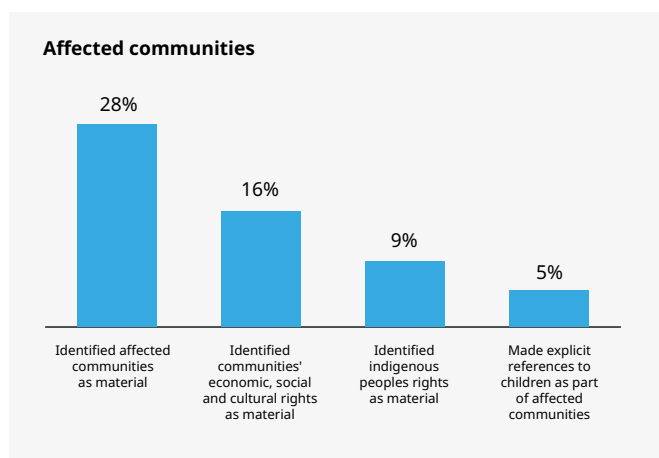
*"The largest risk of negative impact in the value chain relates to extraction of ore, stone and minerals. Here, workers are at risk of child labor, forced labor and discrimination, while health and safety is not a priority. There are few labor rights for mine workers. Geographically, the mines are usually located in China and in various countries in Africa. We do not have detailed knowledge of this complex part of the value chain, which makes our impact difficult to assess. What is known is that economic vulnerability entails a risk of children going to work instead of school, women being subjected to harassment and workers being forced to move to the area, subjected to violence and forced to work. To contribute to a positive development, we are striving to ensure that the mines and smelting plants our suppliers purchase materials from should be controlled and approved by means of external systems and certifications, see Supplier evaluation under S2-4 for more information about this work."*

(Tele2 Annual Report, p. 103).

## Child rights and affected communities

It is somewhat surprising that **only 28% of the companies studied (12 in total) identified affected communities (S3) as material**, particularly given that the sample includes some of Sweden's largest companies with extensive community footprints. Among the topics reported under this standard, 16% of companies (7 in total) referred to issues linked to communities' economic, social, and cultural rights – such as adequate housing, land-related impacts, and security risks – while only 9% (4 in total) identified the rights of Indigenous peoples as a material issue.

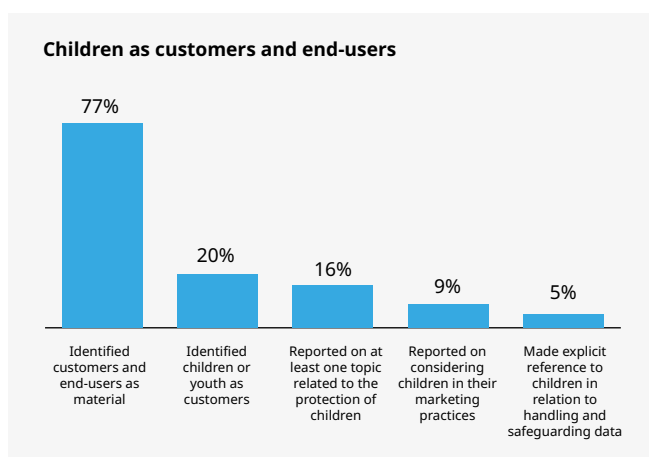
**Children and families are even less visible in the reporting under this standard:** only two companies (5%) explicitly referred to children in their reporting on affected communities. Of these, one recognised children as a vulnerable group in neighbouring communities, while the other dedicated an entire section of its report to children's rights within affected communities. This limited recognition highlights a significant gap, as children are often among the most affected when communities face challenges related to land use, environmental degradation, or lack of basic services.



## Children as customers and end-users

A strong majority of companies (77%, 33 in total) considered **customers and end-users** to be a material standard, including many that primarily operate in business-to-business markets. **Nearly one in five companies (20%, or eight in total) explicitly recognised children or youth as customers** – all of them in consumer-facing industries such as Food & Beverage, Digital Technology and ICT, and Consumer Goods.

Out of the studied companies, **16% (seven in total) included the protection of children in their report**,



mainly in the Food & Beverage, Consumer Goods, and Digital Technology and ICT sectors. Reporting under this theme focused on issues such as product safety for children, protecting children in digital environments, and promoting health and well-being through nutrition and healthy food. Most of the companies offering products and services targeted directly at children reported on this topic, though a few such companies did not report on this topic at all.

**Responsible marketing for children was addressed even less frequently.** Only four companies (9%) explicitly considered children in their marketing practices – two in the Digital Technology and ICT sector and two in the Food & Beverage industry. This low level of disclosure is noteworthy, given the particular importance of responsible marketing for protecting children from harmful or misleading advertising.

Privacy is a relatively common issue reported under customers and end-users, with 28% of companies (12 in total) addressing it. However, **only two companies (5%) recognised the need for special protection when handling and safeguarding children's data.** One company identified children as a group particularly vulnerable to negative privacy impacts, while the other reported compliance with minimum age and parental consent requirements as outlined in the GDPR.

### EXAMPLE OF COMPANY PRACTICE

#### Arla Foods (Food and beverage)

*"ATNi makes a specific mention of our responsible marketing and labelling policies, recognising Arla's commitment to protecting children and enabling all consumers to make informed dietary choices"*

(Arla Foods Annual Report 2024, p. 83).



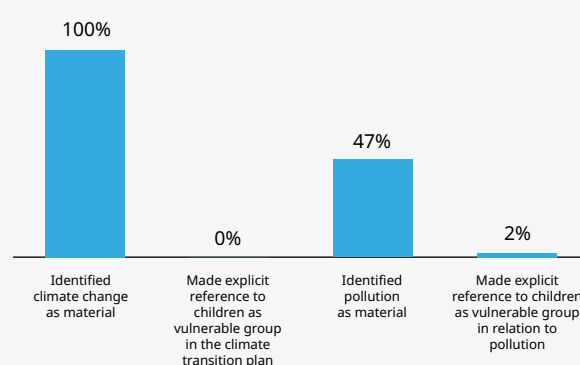


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## Child rights and the environment

Although all 43 companies (100%) identified climate as a material topic, **none reported including children or other vulnerable groups in their climate transition plans**. This is an area where more attention could be paid, as children are among the most affected by climate change, facing long-term health, development, and livelihood risks.<sup>8</sup> Similarly, while nearly half of the companies (47%, 20 in total) identified pollution as a material topic, **only one company explicitly recognised babies and young children as a vulnerable group**. For instance, global data shows that exposure to air pollution was linked to more than 700,000 deaths of children under five, making it the second-leading risk factor for death globally for this age group.<sup>9</sup> This shows that companies are yet to fully connect its social and environmental agenda and to holistically consider how climate and environment related issues disproportionately impact children.

### Child rights and the environment



8) The Climate Crisis is a Child Rights Crisis: Introducing the Children's Climate Risk Index. New York: United Nations Children's Fund (UNICEF), 2021.

9) Health Effects Institute. 2024. State of Global Air 2024. Special Report. Boston, MA:Health Effects Institute.

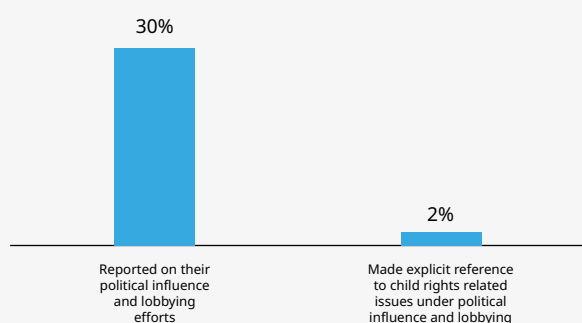


## Child rights and companies political influence

Many companies engage in political influence and lobbying in various ways, yet only a minority report about these activities. Among the companies reviewed, 30% (13 in total) reported on their political influence and lobbying efforts. The most commonly disclosed areas include influencing sector-specific issues, EU and national regulations, broader political and societal matters, as well as climate change and decarbonisation related matters. While these advocacy and political influence activities may directly or indirectly affect children, **only one company mentioned children's rights-related issues within the context of its political influence and lobbying.** This highlights an important gap and potential blind spot, as corporate advocacy could play an important role in promoting and safeguarding – but also negatively impacting – children's rights at scale.

Children often face significant barriers in having their voices heard in political lobbying, even when the outcomes directly affect their lives. Among the companies reviewed, only one reported collaborating with an NGO in its advocacy and lobbying activities, and none reported consulting children's rights representatives in such efforts. This lack of engagement underscores a blind spot as well as missed opportunity for companies to ensure that children's perspectives are represented in policy debates and to strengthen the legitimacy and inclusiveness of their lobbying practices.

### Child rights and businesses' political influence



### EXAMPLE OF COMPANY PRACTICE

#### Arla Foods (Food and beverage)

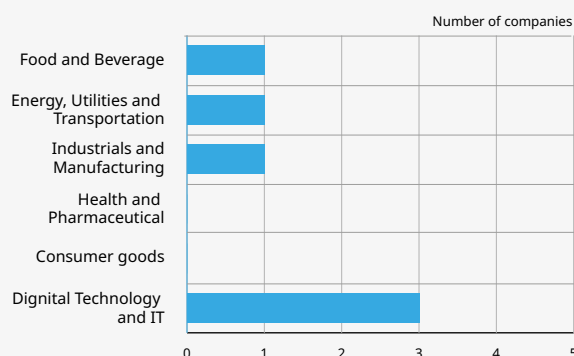
Arla Foods works with NGOs in their advocacy work: *"We also focused on product labelling to ensure consumers can make informed choices, and we worked with authorities and NGOs to promote sustainable, healthy diets globally and highlight dairy's role in this"*

(Arla Foods Annual Report 2024, p. 88).

## Positive impacts

In addition to mitigating negative impacts on children and their rights, companies can also play a vital role in promoting positive outcomes and advancing children's rights through their core business, influence, and other activities. Out of the studied companies, **14% (six in total) reported on positive impacts or actions that explicitly referenced children, young people or families.** These reported initiatives covered a wide range of areas, including improved nutrition for vulnerable groups such as infants, malnourished children, and low-income consumers; the provision of educational content; and opportunities for children to socialise, play, and learn through enhanced internet access. Many of these initiatives were implemented through companies' corporate citizenship programmes, often in partnership with other organisations, with the goal of delivering tangible benefits for children.

### Positive impacts for children and families, by industry



### EXAMPLE OF COMPANY PRACTICE

#### Ericsson (Digital technology and ICT)

Ericsson describes some of its positive impacts for the society, including specific references to children under its reporting on 'affected communities' (S3) as follows:

*"Ericsson has identified impacts on the communities in which it operates. These include technology ethics, corporate citizenship and emergency response, and the broader socioeconomic impacts of information and communications technology (ICT) on communities and digital education."*

#### "Corporate citizenship and emergency response"

*Ericsson and its technology positively impact people and communities in several ways, from facilitating access to education for children and young people, making donations to selected charitable causes, to providing necessary communications infrastructure to support humanitarian response in crisis situations. In addition to the benefits to the receiving parties, meaningful community engagement also contributes to enhancing the employee experience for the people working for Ericsson.*

(Ericsson Annual Report 2024, p. 88).



## INDUSTRY-LEVEL FINDINGS

Child rights reporting varied significantly across industries. **While some clear sector-level trends could be observed, company-specific differences were even more pronounced.**

Based on this sample of 43 Swedish companies, **the digital technology and ICT sector showed a higher degree of child rights related disclosure**, with the highest overall coverage, especially on child labour, broader children's rights, and online safety. This sector was the only one in which companies recognised children as key stakeholders in their double materiality assessments (DMAs), consulted children or their representatives, and included children's rights-specific targets in their reports. Two companies stood out for reporting on children's rights in a systematic and holistic way across their operations.

**The food and beverage sector acknowledged children as customers and end-users more frequently than the other reviewed sectors** as 4 out of 7 companies in the sector recognised children under ESRS S4. Despite this, none of the studied companies in the sector recognised children as key stakeholders who should, for instance, be consulted on material issues. The same four companies that recognised children as customers and end-users reported on issues related to children's health and well-being, young workers and child protection. Furthermore, two of them made

explicit references to responsible marketing practices in relation to children or youth.

**In the consumer goods sector, children's rights were surprisingly underreported given the nature of the industry.** Only one company reported on children's rights in a holistic and systematic way across its operations, and it was also the only company in the sector to recognise children as customers and end-users. While two companies made references to product safety for children, the low recognition of children as customers and end-users is surprising – especially given that the eight companies studied in this sector include companies selling apparel, health and beauty products, and strollers, with many of these aimed specifically for children.

**The health and pharmaceuticals sector showed the least reporting on children's rights.** No company in this sector recognised children as customers, end-users, stakeholders, or a vulnerable group. Child labour was the only children's rights issue identified as material in the sector. Similarly, **the manufacturing and energy, utilities and transportation sectors reported on children's rights in a very limited way.** Beyond child labour, references to children were largely restricted to identifying them as a vulnerable group, with little reporting on other topics.







# Conclusions and recommendations

The CSRD is transforming corporate sustainability reporting in Sweden by introducing common standards and harmonising requirements across European companies. While aiming to improve the quality and comparability of corporate reporting, the framework also serves to support companies in identifying material impact and thereby driving meaningful action and disclosures. If implemented well, the reporting framework has the potential of driving business practices that protect children today and safeguard their future.

## Close the materiality gap and make children count

Consistent with UNICEF's global findings<sup>10</sup>, most Swedish companies associate children's rights primarily with child labour risks in their supply chains, while only a small number reports systematically and holistically on children's rights. The latter category of companies is generally in customer-facing sectors or industries subject to higher consumer expectations and reputational scrutiny. They may also already collaborate with children's rights organisations, which further strengthens their understanding and capacity to respect and promote children's rights. A greater exchange between business and child rights organisations, and civil society at large, is therefore crucial for such understanding and enables businesses to better identify material child rights topics.

By collaborating strategically with child rights organisations and civil society at large, based on companies' material impacts on children and societies, companies can also strengthen their disclosures and performance through better data, insights and methodologies. This will in turn improve not only the quality and credibility of corporate reporting but also ensures that initiatives are targeted, evidence-based and deliver measurable and meaningful outcomes for children.

Judging from this initial analysis of how large Swedish companies have begun to report on children's rights in their adoption of ESRS, there is a significant risk that systematic reporting on children's rights will continue to remain limited to a small number of companies unless companies gain a more holistic understanding of where they may be exposed to child rights risks and impacts.

It is also worrisome that many inconsistencies were observed in the ways which companies identified and classified material topics in their early CSRD implementation. For example, the analysis found instances where key terms like risks and impacts were used interchangeably and where serious human rights issues were framed only as reputational concerns.

10) Corporate reporting on children's rights: a global review of the current state of children's rights disclosures, UNICEF (2025)



Some of these gaps may reflect the learning curve as companies prepare to fully adopt the framework, but it is worrying if they persist, because this may prevent companies from properly identifying and prioritising relevant child rights impacts. At best, this leads to missed opportunities and misdirected resources; at worst, it means overlooking serious risks for both children and business outcomes. It is therefore important to support companies in strengthening their materiality processes to ensure children's rights are not overlooked in the transition to more sustainable business practices.

### **Turn blind spots into a strategic advantage**

At the time this report was finalised, the CSRD and its reporting standards were undergoing significant revisions to reduce administrative costs and reporting burdens for companies. However, the obligation to conduct a double materiality assessment, as well as to report under the ESRS framework, is expected to remain in place. Attention to these disclosures from

key stakeholders such as investors and consumers is also likely to grow. This creates a strategically important moment for Swedish companies to integrate children's rights into their analysis and reporting.

Sweden was among the first countries to sign the UN Convention on the Rights of the Child (CRC) and has incorporated the convention into national law in 2020. Building on this foundation, Sweden should continue to champion children's rights as a driver of competitiveness. This means integrating children's rights in national policies and to advocate for such integration in forthcoming EU sustainability frameworks that promote responsible business practices.

To mainstream and reinforce the consideration of children's rights in corporate reporting, action is needed from many actors. The following recommendations aim to guide companies and investors in strengthening their preparedness and reporting on children's rights.

# Recommendations

## For companies

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### 1. Recognise children as stakeholders and in double materiality assessments

Recognise the multiple roles children play in companies' value chains. Start engaging with child rights organisations and experts to gain a more holistic understanding on children's unique needs and vulnerabilities and how they intersect with business risks and opportunities. Refine the process to make sure that children, especially in instances where they are known to be end-users or consumers, are also considered a stakeholder group who should be consulted, directly or through their representatives. Ensure that children are considered in both impact materiality and financial materiality assessments. Use [UNICEF's guidance briefs](#) developed to support companies to assess and disclose these dimensions in the context of the ESRS.

### 2. Turn materiality into actions and accountability

Translate materiality findings on children's rights into tangible actions. Set relevant policies, processes, and measurable targets that reflect and direct actions towards the most important impacts and risks and align them with disclosure requirements. Look beyond child labour as an isolated reputational risk and consider the full range of ways children are affected across global supply chains. Consider how to address risks and impacts on other stakeholder groups by focusing on children's rights and needs. Pay attention to potential blind spots, such as how children are affected by a company's environmental footprint and its political or public affairs activities.

### 3. Disclose actions taken

Place more focus on disclosing actions to prevent, address and remedy impacts on children. In addition to own operations, report on impacts across the value chain, with particular attention to high-risk geographies, sectors, and vulnerable groups such as children and young workers. Capture the broader efforts to prevent risks to children, parents and families, to address root causes and to drive systemic change.

### 4. Join forces to improve data availability and quality

Move beyond narrative descriptions toward comparable, data-driven reporting. Collaborate with industry peers, investors and standard setters, and partner with academia and civil society to develop metrics and tools and to pool knowledge and methodologies. Work with child rights organisations to obtain perspectives from and data on children in a safe and ethical way. Focus on systematic improvements and progress over time rather than perfection.

### 5. Don't overlook potential opportunities

See children's rights not only as potential human rights risks or reputational issues, but also as a pathway to long-term thinking and a means of building business resilience. Drive and highlight meaningful positive impact – such as how family-friendly policies can increase employee retention and wellbeing, how child-sensitive marketing can help promote healthy generations, how safe and empowering digital environments can foster customer trust and digital competency, or how strategic community programmes and advocacy can contribute to growth and social impact.



### 1. Integrate children's rights into ESG analysis

Explicitly consider children's rights as part of environmental, social, and governance (ESG) assessments, going beyond child labour to include the full spectrum of children's rights, including young workers, family-friendly workplaces, product safety, marketing practices, children in affected communities, environmental impacts on children, and children's rights in global supply chains. Analyse how children's rights relate to or overlap with other sustainability topics – such as climate change, water risk, land use, health & safety, consumer protection and privacy. Utilise [UNICEF's Tool for Investors on Integrating Children's Rights Into ESG Assessments](#) to identify the most high-impact sectors and to take advantage of questions and indicators to help the analyses.

### 2. Consider children's rights in investment decisions

Articulate specific expectations to companies and publicly communicate your approach to managing child rights impacts both proactively and reactively. Include child-related indicators in corporate risk screening and when evaluating the ESG profile and performance of investee companies. Avoid investing in companies whose business idea is inherently detrimental to children's rights. As appropriate, consider investing in companies whose products or services positively contribute to the respect and support of children's rights and/or that demonstrate a clear commitment to respecting and supporting children's rights.

### 3. Engage with companies on children's rights impacts

If an investee company, particularly in sectors with heightened child rights risks and impacts, is not reporting on its related processes and performance, engage with the company on the topic. Use investor influence to encourage relevant companies to identify, assess, and address children's rights risks and opportunities, and to disclose the related measures in line with CSRD/ESRS requirements (as a minimum). Ask for clarity on policies, governance, and concrete actions. Push for disclosures that extend beyond direct operations to include value chains, especially in high-risk geographies and industries, ensuring children's rights risks are not hidden deep in supply chains. Encourage leading companies to share best practice examples and raise the bar on the industry level.

### 4. Promote comparable indicators among investee companies

Support the development and use of standardised indicators for children's rights, enabling performance comparison across companies and sectors and enabling better and more informed decision making. Besides investee companies, raise the topic of disclosures with ESG data providers, conveying to them what information and metrics on children's rights are needed for investors to integrate related issues in their company analyses and investment processes. Support the inclusion of child rights metrics in benchmarks used to guide investment decisions.

### 5. Take a systemic approach

Through using their voice and leverage, investors have the potential to make a powerful contribution beyond investee companies, to create long-term conditions where future generations and responsible companies can thrive. Engage with states, other authorities, standard setters and industry forums to create policies and disclosure frameworks that enable meaningful efforts to respect children's rights within business and society. Collaborate with other investors in stewardship initiatives promoting children's rights. Engagement with child rights organisations can help build internal children's rights capacity and to bridge gaps with external expertise. Consider also your own policies and ensure that they are in line with the interests of children and families.

### 1. Adopt recommendations from the Committee on the Rights of the Child

Recognise and take actions to implement the UN Committee on the Rights of the Child's concluding observations to Sweden<sup>11</sup>, with particular focus on strengthening legislation, accountability, disclosure and oversight of the private sector's impact on children's rights.

### 2. Implement comprehensive national action plan for business and human rights

Review and update the Swedish National Action Plan for Business and Human Rights – last reviewed in 2017<sup>12</sup> – with specific attention to how companies identify, address, and report on their risks and impacts related to children's rights, to identify gaps and needs to strengthen implementation and capacity building.

### 3. Champion children's rights at the EU level

Actively engage in the negotiations in the Council of the EU on the Omnibus Directive to ensure children's rights are not weakened or overlooked in the revised ESRS, as well as in other related sustainability and human rights legislations.

### 4. Equip companies to act on children's rights

Task relevant authorities to provide clear guidance, practical tools, and other decision-useful materials in collaboration with subject-matter experts on children rights to help Swedish companies understand, act and report on children's rights. Provide training, resources, and partnership opportunities for companies – particularly SMEs – to integrate children's rights into their due diligence, materiality assessments, and reporting processes. Enable platforms for companies to collaborate around joint projects and share practices on children's rights due diligence and reporting.

### 5. Incentivise and drive transparency and accountability

Include clear expectations on child rights considerations and disclosures in policies such as the ownership policy for state-owned companies and criteria for public procurements. Encourage standardised indicators and disclosure formats on children's rights, so that company reports are comparable within and across sectors and useful to investors, civil society, and regulators. Task supervisory authorities with reviewing how companies report on children's rights, ensuring that disclosures are meaningful and not treated as a box-ticking exercise.



### UNICEF sources on corporate disclosures on children's rights:

- ▶ Corporate Reporting on Children's Rights: A Global Review of the Current State of Children's Rights Disclosures (2025)
- ▶ Corporate reporting on child rights impacts in relation to the digital environment: Guidance for businesses (2025)
- ▶ Unpacking children's rights under the European Sustainability Reporting Standards (2024)
- ▶ Tool for investors on integrating children's rights into ESG assessment (2021)

11) Concluding observations on the combined sixth and seventh periodic reports of Sweden\* (2023)

12) Follow up on Sweden's Action Plan for Business and Human Rights, Ministry of Foreign Affairs (2017)

# Annex 1

## List of analysed companies

### Food and Beverage

1. Axfood
2. ICA Sverige
3. Scandi Standard
4. Arla Foods
5. Lantmännen
6. Cloetta
7. Greenfood

### Energy, Utilities and Transportation

1. Vattenfall
2. Volvo
3. Scania
4. SJ
5. Ellevio
6. Svevia

### Manufacturing

1. SSAB
2. Saab
3. Epiroc
4. Atlas Copco
5. Assa Abloy
6. SKF
7. Beijer Ref
8. Nibe Industrier

### Health and Pharmaceutical

1. Swedish Orphan Biovitrum
2. Arjo
3. Medicover
4. Attendo
5. Getinge
6. Mölnlycke
7. Vitrolife

### Consumer Goods

1. Electrolux
2. Husqvarna
3. H&M
4. Essity
5. Thule Group
6. Boost
7. Dometic Group

### Digital Technology and ICT

1. Telia
2. Tele2
3. Ericsson
4. Sinch
5. Viaplay
6. Hexagon
7. Yubico
8. Elanders



## Annex 2

### Analysed child rights issues under social topics

| S1 Own workforce                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | S2 Workers in the value chains                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | S3 Affected communities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | S4 Consumer and end-users                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Working conditions</b> <ul style="list-style-type: none"> <li>• Flexible working arrangements for parents and caregivers</li> <li>• Limitations on overtime for parents and caregivers</li> <li>• Limitations on overtime for young workers</li> <li>• Living wage benchmarks aligned with an approach that takes into consideration the needs of workers' dependents</li> <li>• Paid maternity, paternity and parental leave</li> <li>• Breastfeeding breaks and facilities</li> <li>• Access to childcare</li> <li>• Health and safety protections for pregnant and breastfeeding workers</li> <li>• Health and safety protections for young workers</li> </ul> <b>Equal treatment and opportunities</b> <ul style="list-style-type: none"> <li>• Non-discrimination on basis of pregnancy, maternity and family responsibilities</li> <li>• Training and skills development for young workers</li> </ul> <b>Other work-related rights</b> <ul style="list-style-type: none"> <li>• Child labour</li> <li>• Decent working conditions for young workers</li> <li>• Contribution to the elimination of child labour</li> <li>• Adequate housing for workers with families</li> </ul> | <b>Working conditions</b> <ul style="list-style-type: none"> <li>• Flexible working arrangements for parents and caregivers</li> <li>• Limitations on overtime for parents and caregivers</li> <li>• Limitations on overtime for young workers</li> <li>• Living wage benchmarks aligned with an approach that takes into consideration the needs of workers' dependents</li> <li>• Paid maternity, paternity and parental leave</li> <li>• Breastfeeding breaks and facilities</li> <li>• Access to childcare</li> <li>• Health and safety protections for pregnant and breastfeeding workers</li> <li>• Health and safety protections for young workers</li> </ul> <b>Equal treatment and opportunities</b> <ul style="list-style-type: none"> <li>• Non-discrimination on basis of pregnancy, maternity and family responsibilities</li> <li>• Training and skills development for young workers</li> </ul> <b>Other work-related rights</b> <ul style="list-style-type: none"> <li>• Child labour</li> <li>• Decent working conditions for young workers</li> <li>• Contribution to the elimination of child labour</li> <li>• Adequate housing for workers with families</li> </ul> | <b>Communities' economic, social and cultural rights</b> <ul style="list-style-type: none"> <li>• Adequate housing for workers with families</li> <li>• Access to basic services for children and families</li> <li>• Protection of children and basic services (e.g., education) disrupted by displacement of communities</li> <li>• Child safeguarding and protection in security contexts</li> </ul> <b>Particular rights of indigenous communities</b> <ul style="list-style-type: none"> <li>• Ensuring children's needs and concerns are voiced in free, prior and informed consent</li> </ul> | <ul style="list-style-type: none"> <li>• Children and/or youth identified as one customer group</li> </ul> <b>Information-related impacts for consumers and/or end-users</b> <ul style="list-style-type: none"> <li>• Handling and protection of children's data</li> </ul> <b>Personal safety of consumers and/or end-users</b> <ul style="list-style-type: none"> <li>• Health and wellbeing of children/youth</li> <li>• Protection of children</li> <li>• Product safety for children</li> <li>• Protection of children in digital environments</li> </ul> <b>Social inclusion of consumers and/or end-users</b> <ul style="list-style-type: none"> <li>• Responsible marketing to children</li> <li>• Responsible use of children in marketing and product development</li> <li>• Limitation of marketing to children and access to harmful products</li> </ul> |

### Analysed child rights issues under environment and business conduct topics

| E1 Climate change                                                                                                     | E2 Pollution                                                                                  | G1 Business conduct                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Inclusion of children &amp; vulnerable groups in transition plans</li> </ul> | <ul style="list-style-type: none"> <li>• Impacts of pollution on vulnerable groups</li> </ul> | <b>Political engagement and lobbying</b> <ul style="list-style-type: none"> <li>• Lobbying activities reflective of children's perspectives</li> <li>• Lobbying activities including children's rights representatives</li> </ul> |

## Annex 3

### Key search terms

| Search terms                                       | Key words                                                                                                               |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| Key search terms                                   | Child(ren), Boy, Girl, Youth, Young, Kid, child rights, children's rights, child protection, CRC/UNCRC                  |
| Sub-key search terms                               | Parent(s), mother, female, father, male, care(r/giver), family, school, matern(ity/al), patern(ity/al), breastfeed(ing) |
| Sub-key search terms covered by above search terms | Parental leave, leave, childcare, flexible work, marketing to children, CSAM (Child Sexual Abuse Material)              |
| Other                                              | UNICEF, Save the Children, Child Rights and Business Principles (CRBP)                                                  |





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för alla barn