



# DO YOU HAVE A BLIND SPOT ON CHILDREN'S RIGHTS?

RECOMMENDATIONS TO ADDRESS CHILDREN'S RIGHTS IN COMPANIES' VALUE CHAINS

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voor ieder kind

# Accounting for Children's Rights in CSRD-Compliant Reports

In spring 2025, the first reports under the Corporate Sustainability Reporting Directive (CSRD) were published, providing insight into companies' Environmental, Social and Governance (ESG) performance from both financial and impact perspectives. While environmental issues are often comprehensively addressed, social issues - particularly those extending beyond a company's direct workforce - tend to receive less thorough attention.

The European sustainability framework defines four key social standards, each focused on a specific stakeholder group: the company's own workforce (S1), workers in the value chain (S2), affected communities (S3), and consumers or end-users (S4). As one of the most vulnerable population groups, children are relevant across all four categories and should be a central consideration in corporate sustainability efforts.

Although many companies acknowledge the impact of their own operations - and those of their business partners - on children's wellbeing, children's rights often receive limited attention in CSRD reporting. While most companies include a child labour policy in their supplier or business code of conduct, the question remains: are they effectively addressing the full spectrum of children's rights? In this article, we present findings from our review of CSRD disclosures



by 16 Dutch publicly listed companies<sup>1</sup>, focussing on how they work to prevent or mitigate adverse impacts on children across their value chains. The analysis highlights key trends as well as significant opportunities for improvement.

## Child-Related Rights in the CSRD First-Reporters

Our analysis of CSRD reports from first-time reporting companies in the Netherlands shows that while all acknowledge human rights and have adopted human rights policies, only a minority specifically address children's rights. Nearly all companies (14 out of 16) have policies targeting child labour, but just two explicitly refer to broader child rights policy. Companies commonly recognise issues that affect children's well-being - such as health and safety, working hours and fair wages - yet topics such as employment security, maternity leave, childcare, pollution, and other environmental concerns are rarely assessed or reported from a child-centred perspective. Overall, more detailed disclosure is needed to fully understand how companies manage their specific impacts on children.

A closer look at the reports reveals the following insights into how companies are currently addressing children's rights across the stakeholder groups defined by the CSRD framework:

- **Own workforce** - All multinational companies reported extensively on social topics related to their own employees, including working conditions, health and safety, gender pay gaps, and learning and development opportunities. These policies, while primarily focussed on employees, often have an implicit positive impact on children's rights.

1. UNICEF Netherlands and Deloitte Netherlands reviewed 16 Annual Reports published in 2025 of Multi National Enterprises that were screened in 2024 in the inaugural AEX\_Future Proof Index, a representation from each sector: Food/Drinks – Services – Technology – Resources – Financial. The screening of these Annual Reports was done using the UNICEF Children's Rights Due Diligence and Issue Indicators, such as policies, impact measurement, action planning and remedy with focus on family friendly working conditions, remuneration, community, stakeholder engagement, product and marketing practices.

- **Workers in the value chain** - While all companies reviewed have policies addressing child labour, broader assessments of working conditions that affect children's rights remain limited. Annual reports primarily focus on working hours, child labour prevention, and compensation. Although general measures related to working hours, health and safety, and grievance procedures are included in supplier codes of conduct, family-friendly policies are notably scarce. Only one company mentioned breastfeeding support, four referenced maternity leave and two addressed youth employment regulations and training opportunities. Monitoring practices largely depend on supplier codes, sectoral sustainability platforms, and audit processes. Although some companies outlined action plans to improve social standards within their value chains, these plans often lacked clear defined baselines, measurable targets and timelines - making it difficult to assess their effectiveness. Furthermore, while most companies have implemented grievance mechanisms, these are not always accessible to upstream stakeholder groups.
- **Affected communities** - Some companies identify water scarcity and pollution as material impacts on local communities, but the performance is inconsistently measured - often presented anecdotal rather than against defined goals and benchmarks. Despite children's heightened vulnerability to environmental harms such as toxins and water shortages, the specific impact on children's rights is rarely considered. Companies tend to overlook the distinct needs of children as

well as the long-term consequences these environmental issues may have on their health, development and overall well-being.

- **Consumers and end-users** - Most companies conduct product testing for material safety and performance under standard conditions. However, critical factors such as frequency of use and long-term effects - especially on children - are often overlooked. Issues related to health risks, addiction, privacy, and potential harm to children are not adequately assessed or reported. Annual reports rarely include child-specific product safety analyses, nor do they provide evidence of responsible marketing practices or how such practices are measured and monitored.

Although the root causes of this underreporting are difficult to pinpoint, our analysis suggests that stakeholder engagement is largely concentrated at the headquarters level and typically involves internal stakeholders, suppliers, and external partners. Few companies actively engage with community-level stakeholders or value-chain stakeholders that go beyond their direct suppliers. Children are rarely recognised as stakeholders in their own right. In some cases, civil society organisations - such as UNICEF - are invited to represent children's interests during assessments and reviews. In day-to-day operations, most companies rely on third-party institutions to monitor value chain practices through audits and action planning. Too often these assessments lack the necessary questions that bring the impact on children to the surface.

## You Can't Manage What You Don't Know

Our analysis of the initial CSRD reports reveals a persistent blind spot on how children's rights are addressed and reported. There are significant gaps between policy commitments and practical implementation, indicating that the key due diligence indicators related to children's rights are often overlooked. The CSRD presents a valuable opportunity for companies to reshape their approach - moving beyond compliance to actively promoting and protecting children's rights through meaningful action and transparent reporting.



In support of this, UNICEF and Deloitte convened two roundtable sessions last year, bringing together 25 partners to examine how children's rights can be more effectively integrated into corporate due diligence processes. These discussions aimed to generate

actionable outcomes by focusing on challenging and reflective questions listed in the table to the right.

By discussing these questions, the roundtable sessions resulted in a set of clear and actionable steps to better safeguard children's rights within value chains, outlined below:

It is important to note that children constitute one-third of the world's population and represent half of the population in many of the poorest countries. We must collaborate to ensure that their rights are safeguarded. UNICEF has developed these [tools](#) and [guidance documents](#) to adequately address children's rights.

We invite you to reach out to us for further inquiries and remain open to start a conversation on how we can guide you through the next steps putting children's rights into reporting.

Pragmatic Actions for Better Business with Children		
Putting policy into practice	Stakeholder engagement	Increasing leverage
<p><b>Key Take Aways:</b> Start as early as possible with putting your policy into practice – experiment and learn from mistakes.</p> <p>Explain why you are setting up a policy, highlight the benefits it brings to the company and identify ambassadors.</p> <p>Develop a maturity model to assess your current position and chart your path forward.</p> <p>Provide for a constant feedback loop—practice should inform policy, and policy should evolve with practice.</p>	<p><b>Key Take Aways:</b> Engage stakeholders at every stage of the due diligence process. Address time and cost concerns early.</p> <p>Secure internal buy-in and ensure the right stakeholders are equipped.</p> <p>Encourage suppliers to adopt a 'learning by doing' mindset - start acting together and refine along the way.</p> <p>Thoroughly investigate the root causes of stakeholders' behaviors and identify the barriers preventing alternative actions.</p>	<p><b>Key Take Aways:</b> You only know the leverage you might have, once you start using it</p> <p>Pursue upstream collaboration with civil society organizations to drive positive impact.</p> <p>Initiate advocacy efforts with peers to develop standards, partnerships, and government policies.</p> <p>Companies can act as a collective voice change to make a positive impact on human rights.</p>
<p><b>Example Questions</b> How has your human rights policy influenced your business operations?</p> <p>How is the current policy embedded within your organization and who is responsible?</p> <p>How do you monitor the effectiveness and compliance of the policy?</p>	<p><b>Example Questions</b> Who are your stakeholders, and how do you identify them?</p> <p>How and at what stages of your due diligence process do you engage with stakeholders?</p> <p>How do you ensure that your stakeholder engagement is meaningful?</p>	<p><b>Example Questions</b> Do you collaborate with your peers on human rights topics?</p> <p>What do you need to further increase your leverage in promoting human rights?</p> <p>Could you share best practices and examples that have worked well?</p>

Contact UNICEF

Pauline Neeffjes - pneefjes@unicef.nl  
Sophie van de Loo – svandeloo@unicef.nl

Contact Deloitte

Thijs van Brussel - tvanbrussel@deloitte.nl  
Rebecca van Zuijlen- rvanzuijlen@deloitte.nl