

A row of colorful paper cut figures in shades of pink, yellow, and cyan, holding hands in a circle against a warm orange background. The figures are stylized with simple shapes for heads and limbs.

# Children's rights Expectations for companies

SpareBank 1

# Children's rights

## Introduction

Our overall vision for the investment area is to achieve "sustainable returns for a sustainable future". Managing risk is the backbone of our business, and identifying and quantifying environmental, social and governance risk has always been an integral part of our business practice. We believe that active and responsible ownership will play a key role in the allocation of capital, engagement and value creation and thereby achieve a much more rapid transition to a sustainable economy. SpareBank 1 Forsikring recognizes that we have a responsibility to ensure that children's rights are respected by the companies in which we invest. We carry this responsibility through our investment decision making, stewardship activities, collaborations with other investors and policy dialogue. We expect our external managers and the companies we invest in to demonstrate an active commitment with regards to children's rights to ensure that they prevent or mitigate the risk of adverse impact on these rights in all their activities, including supply chain.

## Definition and Legal Framework

Children under the age of 18 account for almost one third of the world's population. Businesses impact children both directly and indirectly through their products and services, supply chains, marketing, and investments in local communities. Safeguarding children's rights helps build the strong communities which is an important element in creating stable and inclusive business environment. It is broadly anticipated that companies have the responsibility to protect children's rights in its own operations and supply chains. By integrating support for children's rights into company's strategies and operations, it can strengthen sustainability initiatives and company reputation.

While the association between business and human rights is becoming increasingly acknowledged and addressed by companies, the attention to children's rights specifically is still rather low. Even though child labour remains a serious problem across different sectors and regions, this is still only parts of the overall issues regarding children's rights.

The main international legal instruments:

- UN Convention on the rights of the Child and protocols
- ILO Conventions on the Worst Forms of Child Labour and Minimum Age

Guidance for companies:

- Children's Rights and Business Principles
- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises

Children's Rights and Business Principles, developed by UNICEF, the UN Global Compact and Save the Children, are the first comprehensive set of principles to guide companies on the full range of actions they can take in the workplace, marketplace, and communities to respect and support children's rights.

## Expectations of the portfolio companies:

- Policies and commitment: make genuine and appropriate policy commitments to respect children's rights and implement this into company operations. Board engagement is key to the successful integration of children's rights issues into operations and supply chains
- Implementation: develop procedures and due diligence process to implement policies
- Assess on-the-ground compliance with policy commitments, established procedures and children's rights norms
- Reporting: being transparent on the company's impact on children in their own operations and supply chain.