Asia Pacific Economic Growth

<table>
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<th>Year</th>
<th>Asia Pacific</th>
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<tr>
<td>2016</td>
<td>5.0%</td>
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<td>2017</td>
<td>6.0%</td>
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<td>2018E</td>
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<td>2019E</td>
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**Key Indicators**

**Poverty**
- 400 mn – or one in ten – people in Asia Pacific live in extreme poverty
- 52% Of the world’s extremely poor lived in Asia Pacific in 2010 - 2013

**Unemployment**
- 4.2% Unemployment rate in Asia-Pacific in 2018
- 23 mn Number of persons expected to gain employment between 2017-19 in Asia Pacific

**Gender pay-gap**
- 1.5-49.6% Range of difference in earnings between men and women across Asia-Pacific

**Climate Change**
- $49 bn Annual adaptation costs due to climate change in a business-as-usual scenario

**Key Challenges**
- Population Growth
- Poverty and Hunger
- Youth Unemployment and Illiteracy
- Access to Quality Healthcare
- Rural-Urban Developmental Gaps
- Uneven Progress Across Countries

**Top Regional Actions**
- The Asian Development Bank (ADB) pledged to provide $80 billion in climate financing to Asia Pacific under Strategy 2030
- Tehran to host Asia-Pacific Regional Conference to address rapid population ageing and policy implications in the region from 23-25 October, 2018
- International Finance Corporation (IFC) has launched the Guiding Principles for Impact Investing in Bali, Indonesia to enhance private sector investment

Source:
- UN ESCAP GDP Growth Annual %
- Source: UN ESCAP
- Source: ILO
- Source: UN Women
- Source: Reuters
- Source: UNFCCC
- Source: Tehran Times
- Source: World Bank
How Local Networks Help Business Drive Global Goals
Implementation on the Ground

There are five key ways in which the UN Global Compact is mobilising business to engage systematically over the long term to contribute to the Global Goals in Asia Pacific through its Local Networks:

Organizing Local Awareness-Raising Events
173 multi-stakeholder events on the Global Goals were organised. Which reached 3063 companies in Asia Pacific.

Develop and Disseminate Tools & Resources
Build the capacity of business through sharing know-how and resources to embed the Ten Principles in business models and operations, and foster leadership through aligning strategies with the SDGs. 205 capacity building workshops were held reaching 1517 companies.

Facilitate Public-Private Partnerships and Dialogues
Facilitate engagement with Governments, UN country teams, civil society, academia and other stakeholders around public policy dialogues to contribute to the development of a National SDG Action Plans.

Participation in Public-Private Partnerships
12 Local Networks were involved in Public-Private Partnerships in the region in total these partnerships involved 2065 companies.

Mobilise Financing
Contribute to mobilise private financial resources to advance the Global Goals. 6 Local Networks have some engagement with Principles for Responsible Investment.

Asia Pacific companies find the Local Networks helpful in receiving assistance with implementation of the Global Compact principles

Asia Pacific Local Networks are prioritizing Human Rights

Global Compact Local Networks in Asia Pacific

Bangladesh  China  India  Indonesia  Japan  Malaysia  Mongolia  Philippines  Republic of Korea  Singapore  Sri Lanka  Thailand  Viet Nam  Australia

78%
70%
91%

Source: UN Global Compact Annual Survey 2018; UN Global Compact Local Network Survey Data (Synthesis Report)
UN GLOBAL COMPACT: AN ANALYSIS OF CORPORATE PROGRESS IN ASIA PACIFIC | 2018 KEY FACTS

**Overview**

69% Asia Pacific companies report that corporate responsibility policies and strategies are developed and/or implemented by the Chief Executive Officer.

**171** Asia Pacific Company Respondents

**16** Asia Pacific Local Networks

**Why companies report publicly**

- 83% Helps integrate corporate responsibility commitments
- 85% Improves corporate reputation
- 73% Promotes internal information sharing among departments

**Barriers to public reporting**

- 49% Insufficient internal process to monitor, measure and report
- 42% Too many reporting standards and frameworks
- 40% Lack of standard performance metrics

**Companies reporting to have a positive impact on the Global Goals**

89% Asia Pacific companies report to take specific actions to advance the Global Goals.

**Top Goals Targeted**

- No Poverty: 63%
- Zero Hunger: 57%
- Good Health and Well-Being: 85%
- Quality Education: 73%
- Gender Equality: 87%
- Clean Water and Sanitation: 87%
- Affordable and Clean Energy: 77%
- Decent Work and Economic Growth: 87%
- Industry, Innovation and Infrastructure: 80%
- Reduced Inequalities: 74%
- Sustainable Cities and Communities: 51%
- Responsible Consumption and Production: 78%
- Climate Action: 78%
- Life Below Water: 41%
- Life on Land: 57%
- Peace, Justice and Strong Institutions: 70%
- Partnerships for the Goals: 70%

**Top Actions Taken to Implement the Ten Principles**

- 91% Asia Pacific companies report to have policies and practices in place related to Human Rights.
- 75% Address Human Rights within an overall corporate code
- 73% Address Environment through sustainable consumption
- 89% Address Labour through non-discriminatory policies
- 85% Address Anti-Corruption within overall corporate code

**Source:** UN Global Compact Annual Survey 2018
UN GLOBAL COMPACT: AN ANALYSIS OF CORPORATE PROGRESS IN ASIA PACIFIC | 2018 KEY FACTS

Source: UN Global Compact Annual Survey 2018

### Supply Chain Alignment

- **Include Expectations in Contractual Documents**
  - Asia Pacific: 62%
  - Global: 64%

- **Assist in Setting and Reviewing Goals**
  - Asia Pacific: 16%
  - Global: 25%

- **Reward Good Performance**
  - Asia Pacific: 15%
  - Global: 26%

- **Staff Training on Supply Chain Sustainability**
  - Asia Pacific: 36%
  - Global: 46%

- **Conduct Due Diligence**
  - Asia Pacific: 42%
  - Global: 44%

- **Provide Supplier Training**
  - Asia Pacific: 18%
  - Global: 26%

### Implementing Sustainability

- **Take Actions to Advance Global Goals**
  - Asia Pacific: 89%
  - Global: 80%

- **Risk and Opportunity Assessment for Global Goals**
  - Asia Pacific: 59%
  - Global: 40%

- **Impact Assessment**
  - Asia Pacific: 30%
  - Global: 28%

- **Integration into Annual Financial Report**
  - Asia Pacific: 48%
  - Global: 45%

- **Monitor and Evaluate Performance**
  - Asia Pacific: 64%
  - Global: 56%

- **Public Communication of Commitments**
  - Asia Pacific: 72%
  - Global: 79%

### Why Join the UN Global Compact?

**TOP THREE REASONS ASIA PACIFIC COMPANIES JOIN THE UN GLOBAL COMPACT**

- **Increase trust in company through public commitment to sustainability**
  - 84%

- **Promotes action on sustainability within the company**
  - 60%

- **Acquire knowledge to advance sustainability into operations and strategy**
  - 57%

**CHALLENGES COMPANIES ARE FACING IN INTEGRATING SUSTAINABILITY IN THEIR SUPPLY CHAIN**

- **Lack of capacity** – 27%
- **Not a priority** – 55%
- **Lack of knowledge** – 27%
- **CR data unavailable** – 9%
- **No clear link to business value** – 9%
- **Lack of financial resources** – 18%