

Towards the SDG Summit and Beyond: Leading Practices from Asia-Pacific

Private Sector trends in the SDGs era

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Global Compact
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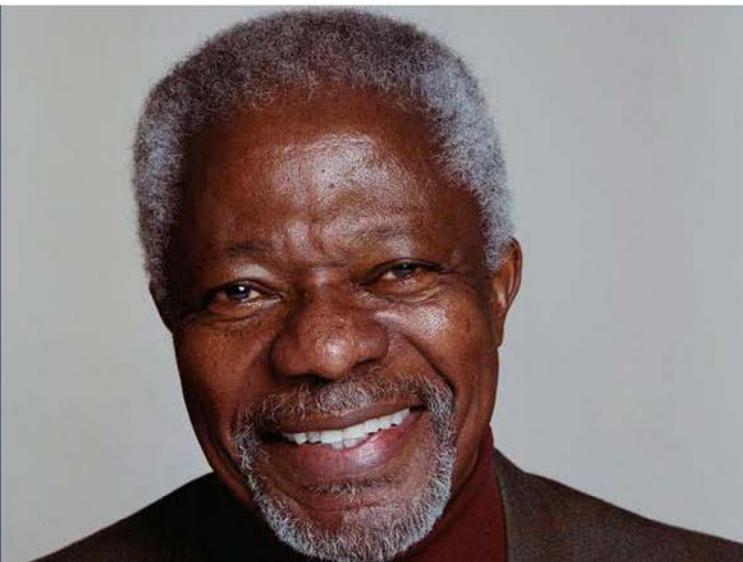


2000: UN GLOBAL COMPACT

THE WORLD IN 1999... A HUMAN FACE TO THE GLOBAL MARKET

"I propose that you, the business leaders... and we, the United Nations, initiate a **global compact of shared values and principles**, which will give a human face to the global market"

Kofi Annan, UN Secretary-General
(1997-2006)



> **9,000 BUSINESS PARTICIPANTS**
&
> **3,000 NON-BUSINESS PARTICIPANTS**
in
159 COUNTRIES
with
68 LOCAL NETWORKS

TEN PRINCIPLES IN FOUR AREAS



- 7.** Businesses should support a precautionary approach to environmental challenges;
- 8.** undertake initiatives to promote greater environmental responsibility; and
- 9.** encourage the development and diffusion of environmentally friendly technologies.

2006:



Principles for
Responsible
Investment

AND ESG INVESTMENT



Global Compact
Network Japan

ENVIRONMENTAL

- Climate change
- Resource depletion
- Waste and pollution
- Deforestation
- Biodiversity
- Energy efficiency

SOCIAL

- Working conditions
- Community relations
- Labor standards
- Gender and diversity
- Human rights

GOVERNANCE

- Board diversity
- Executive compensation
- Audit structure
- Political lobbying and donations
- Tax strategy

Environmental, Social, and Governance (ESG)

2015-2017: WAVES OF CHANGE

2015: ADOPTION OF UN AGENDAS

March



SENDAI FRAMEWORK

FOR DISASTER RISK REDUCTION 2015-2030

September



December



PARIS2015
UN CLIMATE CHANGE CONFERENCE
COP21·CMP11

2015: GPIF becomes signatory to PRI



2017: **TCFD** | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Recommendations

2019: SDGs recognition reaches mainstream

Table 3: Level of awareness in organisations

Q. Please select the applicable status of SDGs awareness in your company/organisation (multiple responses).

	2015	2016	2017	2018
Well known by CSR staff	61%	84%	86%	84%
Well known by top management	20%	28%	36%	59%
Well known by middle management	4%	5%	9%	18%
Well known among employees**	—	—	8%	17%
Well known across affiliated companies and other stakeholders*	—	3%	2%	4%
Do not know	15%	12%	7%	3%

Table 4: Activities to raise awareness on SDGs

Q. What activities are in place to raise awareness on the SDGs in your company/organisation? (multiple responses)

	2016	2017	2018
Training (including e-learning)	24%	31%	39%
Communication on website	24%	31%	44%
Communication in company newsletters (print medium)	28%	40%	52%
Message from the top	27%	40%	56%
Launch of a specific organisation	1%	2%	8%
Orientation for new hires**	—	23%	36%
Management training**	—	15%	24%
Linked to performance reviews**	—	1%	2%
Inclusion in corporate charter/code of conduct**	—	4%	5%
Mentions at management policy explanatory meetings **	—	17%	32%
Distribution of promotional items, like SDG badges, to employees***	—	—	27%
Promotional posters, etc.***	—	—	10%
Other	20%	21%	24%

Mainstreaming the SDGs in Business (2019)

Global Compact Network Japan (GCNJ) and Institute for Global Environmental Strategies (IGES)



A study of SDGs-related business trends, among Japanese and 5 international companies

2019: Global Risks Report 2019 (WEF)

Top 5 Global Risks in Terms of Likelihood

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1st	Asset price collapse	Asset price collapse	Storms and cyclones	Severe income disparity	Severe income disparity	Income disparity	Interstate conflict with regional consequences	Large-scale involuntary migration	Extreme weather events	Extreme weather events	Extreme weather events
2nd	Slowing Chinese economy (<6%)	Slowing Chinese economy (<6%)	Flooding	Chronic fiscal imbalances	Chronic fiscal imbalances	Extreme weather events	Extreme weather events	Extreme weather events	Large-scale involuntary migration	Natural disasters	Failure of climate-change mitigation and adaptation
3rd	Chronic disease	Chronic disease	Corruption	Rising greenhouse gas emissions	Rising greenhouse gas emissions	Unemployment and underemployment	Failure of national governance	Failure of climate-change mitigation and adaptation	Major natural disasters	Cyber-attacks	Natural disasters
4th	Global governance gaps	Fiscal crises	Biodiversity loss	Cyber-attacks	Water supply crises	Climate change	State collapse or crisis	Interstate conflict with regional consequences	Large-scale terrorist attacks	Data fraud or theft	Data fraud or theft
5th	Retrenchment from globalization	Global governance gaps	Climate change	Water supply crises	Mismanagement of population	Cyber-attacks	High structural unemployment or underemployment	Major natural catastrophes	Massive incident of data fraud/theft	Failure of climate-change mitigation and adaptation	Cyber-attacks

Top 5 Global Risks in Terms of Impact

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1st	Asset price collapse	Asset price collapse	Fiscal crises	Major systemic financial failure	Major systemic financial failure	Fiscal crises	Water crises	Failure of climate-change mitigation and adaptation	Weapons of mass destruction	Weapons of mass destruction	Weapons of mass destruction
2nd	Retrenchment from globalization (developed)	Retrenchment from globalization (developed)	Climate change	Water supply crises	Water supply crises	Climate change	Rapid and massive spread of infectious diseases	Weapons of mass destruction	Extreme weather events	Extreme weather events	Failure of climate-change mitigation and adaptation
3rd	Oil and gas price spike	Oil price spikes	Geopolitical conflict	Food shortage crises	Chronic fiscal imbalances	Water crises	Weapons of mass destruction	Water crises	Water crises	Natural disasters	Extreme weather events
4th	Chronic disease	Chronic disease	Asset price collapse	Chronic fiscal imbalances	Diffusion of weapons of mass destruction	Unemployment and underemployment	Interstate conflict with regional consequences	Large-scale involuntary migration	Major natural disasters	Failure of climate-change mitigation and adaptation	Water crises
5th	Fiscal crises	Fiscal crises	Extreme energy price volatility	Extreme volatility in energy and agriculture prices	Failure of climate-change mitigation and adaptation	Critical information infrastructure breakdown	Failure of climate-change mitigation and adaptation	Severe energy price shock	Failure of climate-change mitigation and adaptation	Water crises	Natural disasters

■ Economic
 ■ Environmental
 ■ Geopolitical
 ■ Societal
 ■ Technological

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Belief in:

- Infinite resources and economic growth
- Ability of markets to self-regulate, freeing businesses to pursue profits



Recognition of:

- Finite resources and room for growth
- Need to actively work towards sustainable financial systems, sustainable and circular economy

Thank you



BRINGING A SUSTAINABLE FUTURE ONE STEP CLOSER
THROUGH GEOSPATIAL INFORMATION TECHNOLOGY

