

*South East Asia's results on the SDGs engagement survey indicate that citizens are supportive of businesses that support the global Goals, but are businesses ready?*

# SDGs Paving the Way Towards Market Leadership

## October 2015



**80%**

of citizens are more likely to use an organisations' goods and services if it signed up to the SDGs

**97%**

of businesses have plans to address the SDGs in the next five years

**45%**

of businesses plan to assess their impact on the SDGs

# Sustainable Development Goals Survey Highlights for South East Asia

## Themes of the Sustainable Development Goals



Source: United Nations Sustainable Development Knowledge Platform

In 2001, governments adopted the Millennium Development Goals (MDGs) in an effort to alleviate poverty in less economically developed countries. Since then, the United Nations (U.N.) has dubbed the MDGs as “the most successful anti-poverty movement in history”. Even though the MDGs were a success amongst initial adopters, improvements, such as expanding the reach and relevant indicators, could still be made.

To meet these needs, the Sustainable Development Goals (SDGs) were developed. These follow from the MDGs, and U.N. member states will be expected to use them to frame their agendas and political policies over the next 15 years. The SDGs’ indicators are centred around economic, social and environmental progress – areas of improvement that are applicable to all member states, regardless of their economic development level.

To achieve these Goals, governments are likely to change the landscape by implementing new regulations and taxes in order to measure and monitor progress.

Businesses should recognise the potential impacts the SDGs can bring to the economic landscape, business marketplace and regulatory environment, and hence, be prepared to leverage the associated opportunities.



# SDG Survey

## Highlights

PwC conducted a survey in order to understand business and citizen perceptions of the SDGs in advance of the launch by the U.N. in September 2015. The questions were developed by PwC's Sustainability and Climate Change team with input from SDG Compass (comprised of U.N. Global Compact, the Global Reporting Initiative and World Business Council for Sustainable Development). Businesses can use the survey results to realign their goals more effectively by understanding the issues that are most important to citizens.

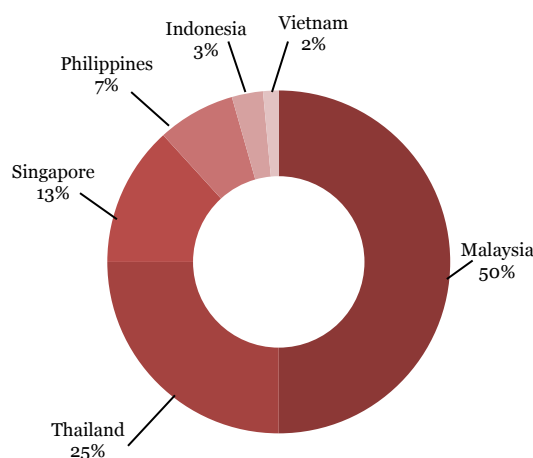
### Survey Demographics

This report displays results for South East Asian regions that includes Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam.

The survey gathered views of both individuals in business and members of the general public, recognising that business individuals are also citizens. In total, 73 businesses and 230 citizens responded to the survey.

The highlights compare findings between businesses and citizens in order to gain further insights on their preparation and expectations when it comes to the SDGs.

### Distribution of Business Respondents by Region



### Distribution of Business Responses by Industries in South East Asia

<b>Professional services</b> 10%	<b>Communication</b> 8%	<b>Banking, Capital markets</b> 7%	<b>Energy</b> 7%	<b>Asset management</b> 6%
<b>Chemicals</b> 6%	<b>Hospitality, Leisure</b> 6%	<b>Manufacturing</b> 6%	<b>Metals, Mining, Extraction</b> 6%	<b>Power, Utilities</b> 6%
<b>Entertainment, Media</b> 3%	<b>Retail, Consumer</b> 3%	<b>Automotive</b> 1%	<b>Education</b> 1%	<b>Engineering, Construction</b> 1%
<b>Government, Public sector</b> 1%	<b>Healthcare Payer</b> 1%	<b>Technology</b> 1%	<b>Transportation, Logistics</b> 1%	<b>Other</b> 20%

## Businesses and citizens believe that identifying the relevant SDGs is a top action to support the Goals.

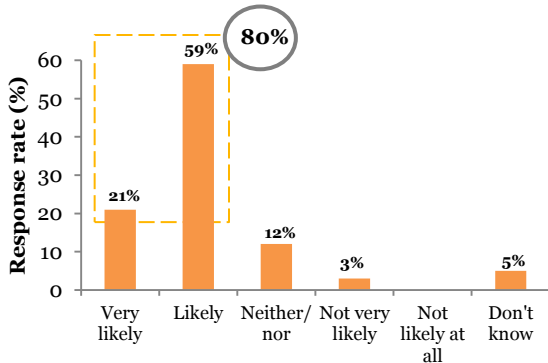
*Businesses: What actions is your business taking to prepare for the launch of the SDGs?*



*Citizens: What actions do you think businesses should be taking to support the SDGs?*



*Citizens: If you knew that an organisation had signed up to the SDGs, would that make you more or less likely to use their goods or services?*



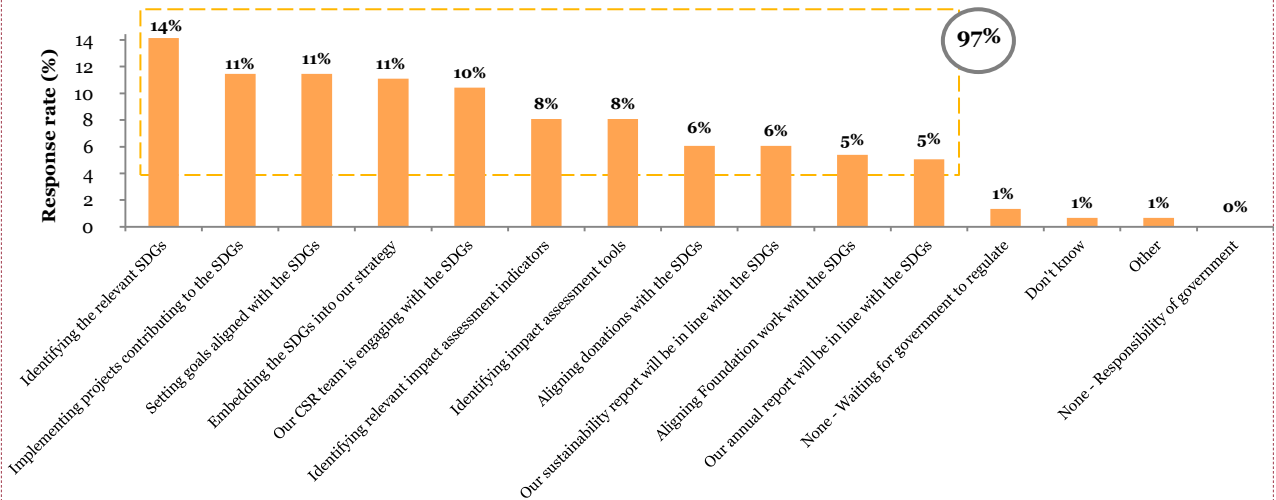
Amongst the top three actions that businesses will conduct in order to implement the SDGs in the short-term, identifying the Goals relevant to the business aligns with citizens' opinions of how businesses should take action on the SDGs. This action, however, is the businesses' top-ranked point of view, whilst citizens rank this third.

Businesses that embrace sustainability in their strategies are more likely to have a favourable standing with citizens. This is supported by the fact that citizens are **80%** more likely to use an organisations' goods and services if it signed up to the SDGs, which suggests that citizens are becoming increasingly aware of the importance of balancing business profit with environmental impact and fair social contribution.

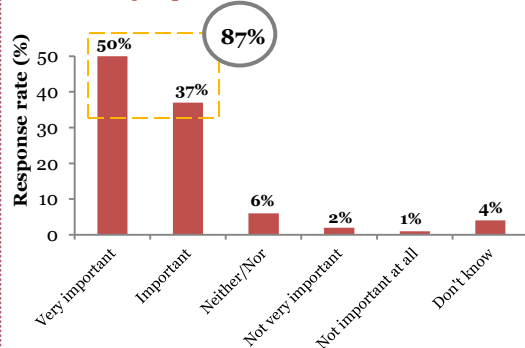
The pressure on business is increasing, as globalisation and new technologies have allowed for greater transparency of businesses' plans to engage the SDGs, which allows citizens to keep track of implementation progress against commitments.

***Businesses initially appear aligned to citizens on the importance of the Goals, however, only 45% of businesses plan to assess their impacts on the Goals.***

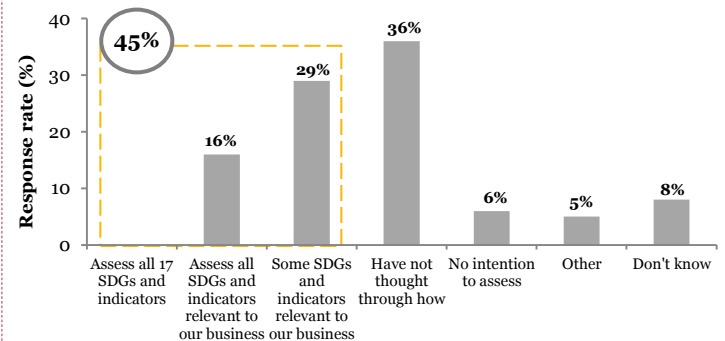
*Businesses: What actions do you think your business will be taking within the next five years to implement the SDGs?*



*Citizens: How important do you think it is that businesses sign up to the SDGs?*



*Businesses: How do you plan to assess your impact on the SDGs?*

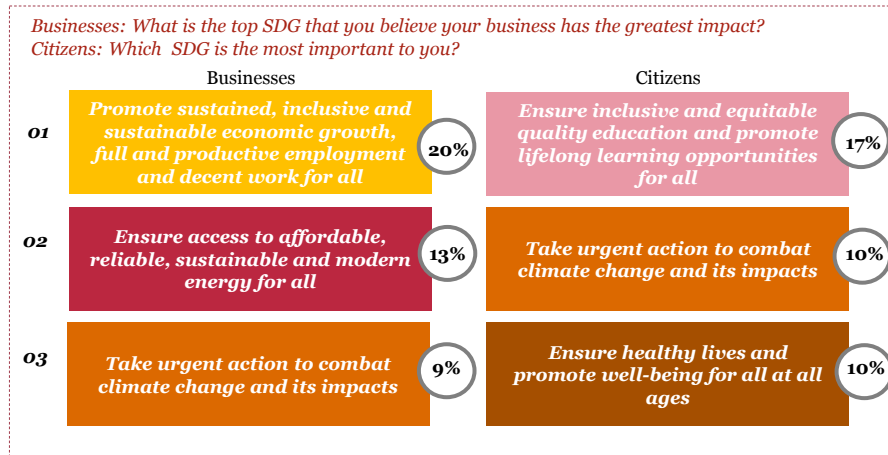


Encouragingly, **97%** of businesses have plans to address the Goals in the next five years, however, only **45%** plan to assess their impact on the SDGs, which could lead to poor prioritisation of efforts and reduced impact. The gap can be reduced if the majority of the **36%** who have not thought through how to assess their impact yet take strategic action to respond to more relevant SDGs.

Citizens and businesses are aligned in their aspirations – **87%** of citizens believe it is important for businesses to sign up to the SDGs.

Businesses should adopt the Goals and integrate them in their strategy and consider the impact on their customers' needs. Businesses that have adapted to changing market needs in the past have been rewarded, and now the business landscape in South East Asia is changing once again, this time towards greater sustainability.

***“Taking urgent action to combat climate change and its impacts” is ranked high for impact and importance by businesses and citizens respectively.***



Businesses believe that they have the greatest impact on “promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”. Citizens, on the other hand, have a strong focus on SDGs impacting learning and health. Both businesses and citizens ranked “taking urgent climate action” very high, indicating a common intent to address this issue. Ultimately, businesses should be engaging with their key stakeholders to understand which Goals matter the most to them and why.

The current disparity between the perceptions of businesses and citizens could be reduced if businesses not only address the Goals that are most relevant to them, but also extend strategies to those that citizens think are most important. This way, they will not be seen as just ‘cherry picking’ Goals, but instead, be recognised for taking a holistic approach to supporting the sustainable development agenda.

Businesses have the ability to influence sustainable development by adopting the SDGs, and citizens are becoming increasingly aware of this. In order to successfully adopt the Goals, businesses need to be clear on the next steps to take, which should include identifying and ranking the most important Goals, followed by implementing an impact monitoring system, which can be used for long-term strategy development.

## ***SDGs: A Challenge For Businesses?***

There is no doubt that the SDGs will bring about change at both the global and regional level. For Governments, it will pose a challenge in fostering an environment which encompasses sustainable growth. For businesses, it presents opportunities for further value creation. As such, making a smooth transition to this model where SDGs play a crucial role could make the difference in helping to achieve the Sustainable Development Goals in the next 15 years.

So what's the starting point for business? How does this translate into action and next steps?

**Successful engagement with the SDGs need to cover these 7 steps:**

