

# C ANNUAL REPORT





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# TABLE OF CONTENTS

Message from the Chairperson	1
Message from the CEO	2
ACN Highlights of 2017	3
About ACN	4
Trustees	6
Board of Advisers	6
Corporate Partners 2017	7
Network Members 2017	7
ACN Secretariat 2017	8
Admin & Finance Updates	9
ASEAN CSR Vision 2020	10
Priority Thematic Areas	12
Progress and Achievements	13
Sustainable Development Goals	25
ASEAN CSR Vision 2025	27
Acknowledgements	30

# GLOSSARY

ABAC	ASEAN Business Advisory Council		
ACE	ASEAN Business Advisory Council ASEAN Confederation of Employers		
ACN	ASEAN Confederation of Employers		
AICHR			
APINDO	ASEAN Intergovernmental Commission on Human Rights Employers Federation		
ASEAN	Association of Southeast Asian Nations		
ASETUC	ASEAN Services Employees Trade Union Council		
ATUC	ASEAN Trade Union Council		
BHR	Business and Human Rights		
CGIO	Centre for Governance, Institutions and Organisations		
CSR	Corporate Social Responsibility		
DOLE	Department of Labor and Employment (Philippines)		
ESG	Environmental, Social and Governance		
FES	Friedrich Ebert Stiftung		
GRAISEA	1 5		
IBL	Indonesia Business Links		
ICJ	International Commission of Jurists		
IGCN	Indonesia Global Compact Network		
ILO	International Labor Organisation		
ISO	International Organization for Standardization		
KADIN	Indonesia Business Federation		
LCF	League of Corporate Foundations (Philippines)		
LNCCI	Lao National Chamber of Commerce and Industry		
MOU	Memorandum of Understanding		
MSMEs	Micro, Small and Medium Enterprises		
NAPs	National Action Plans		
NHRI	National Human Rights Institutions		
NUS	National University of Singapore		
OECD	Organisation for Economic Co-operation and Development		
SASP0	Southeast Asia Alliance on Sustainable Palm Oil		
SBF	Singapore Business Federation		
SCOPE	Sustainability Consortium of Professionals and Educators		
SGF	Small Grants Fund		
SLOM	ASEAN Senior Labour Ministry Officials		
TAFEP	Tripartite Alliance for Fair and Progressive Employment Practices		
TI-S	Transparency International Secretariat		
VCCI	Vietnam Chamber of Commerce and Industry		
UN	United Nations		
UNDP	United Nations Development Programme		
UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific		
UNFCCI	Union of Myanmar Federation of Chamber of Commerce and Industry		
UNGC	United Nations Global Compact		
UNGP	United Nations Guiding Principles		
WWF	World Wildlife Fund		
YEAC	Young Entrepreneurs Association of Cambodia		

## **MESSAGE FROM THE CHAIRPERSON**

years, Corporate Social many or Responsibility (CSR) has been known and adopted by business for sustaining their long-term goals. However, in recent years, the interpretation of stakeholders on CSR has been skewed towards charity. Companies have since been judged by the way they spent their money rather than how they earn wealth. Since then, responsible business has been more relevant globally, which has led to profitability and long-term competitiveness. Companies around the world are beginning to go beyond charity and philanthropy, and instead are looking inward to how their business operation affects employees, communities, the environment and other stakeholders.

The same phenomenon is also happening in Southeast Asia. As our regional economy improves, responsible business is also proving to be one of the most important topics in ASEAN. However, our region is still embroiled in issues that are exacerbated by the private sector's unbridled pursuit of profit: modern day slavery, corruption, social inequality, environmental degradation and exploitation of our natural resources. The year 2017 was no different, as we continued to suffer from the ill-effects of these long-standing problems.

That is why the ASEAN CSR Network (ACN) remains steadfast in its commitment to promote responsible business conduct in the region. Through our work, we encourage more companies to care about the well-being of its stakeholders and of the planet. That is what we did this year, and that is what we intend to deliver in the future.

We at ACN are delighted to report another successful year, as we made strides in strengthening our network, in increasing public awareness on responsible business, and in driving efforts for collective action through our activities and partnerships. We still fought to answer the important questions: Why should businesses act responsibly? What do weak governance, human rights and climate change have to do with business? How can doing good also help businesses do well?

Moving forward, our network will continue to focus on pursuing our mission: to promote and enable responsible business conduct in ASEAN to achieve sustainable, equitable and inclusive social, environmental and economic development. With ACN's belief that collaboration is the key to achieve our goals, we will also continue supporting relevant local, regional and global initiatives for development, specifically the UN Sustainable Development Goals, the Ten Principles of the UN Global Compact, the UN Guiding Principles for Business and Human Rights, and the ISO 26000 Guidance on Social Responsibility, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration). Our expanded work plan and refined strategic direction will enable us to carry our agenda to the years ahead.

From all of us at ACN, thank you to our generous sponsors, corporate partners, network members who have provided us with invaluable aid that make our work possible. Our appreciation also extends to all other key experts and institutions that help us along the way. Together, we have pushed for responsible business practices. May we continue to empower each other to make our vision of a better ASEAN a reality.

> Ms. Yanti Triwadiantini Chairperson ASEAN CSR Network



## **MESSAGE FROM THE CEO**

he year 2017 was a year of strategic review and planning for ASEAN CSR Network, as we mark the end of the network's main programme framework. We are proud of the successes and the significant progress in the targets we set 3 years ago and for 2017, and we are ensuring to continue the momentum by developing new strategies and work plans for the years to come. We also used the opportunity to develop a new strategy and work plan for the next 4 years. All of these achievements were made possible by the generous financial support from our donors: the Government of Sweden, which has provided us with our core funding; the Governments of the United Kingdom, and of Canada; the Rockefeller Foundation; and the National Youth Council Singapore.

This Annual Report contains an overview of our achievements in 2017. Among these was our official accreditation with ASEAN, which has enabled us to be more involved in the ASEAN process and influence the regional agenda for a much stronger promotion of corporate social responsibility. This includes greater linkages with ASEAN bodies, entities and stakeholders to help us advocate and push for the responsible business agenda. Our partnerships with other notable regional and international organisations have also been deepened in 2017 through collaborations with leading institutions to conduct meaningful and relevant projects that advanced our agenda. The support we got from these respectable organisations not only helped to strengthen ACN's reputation and credibility, but also helped us to move the agenda on specific CSR topics. We have made significant strides in raising awareness on inclusive business and on building capacity of our stakeholders through the ASEAN CSR Fellowship and the Integrity Has No Borders Pledge--all of which reflect our network's work areas.

As we embark on a new year, we are confident that our achievements in 2017 can only propel us forward and upward. Guided by the new strategy we had developed in 2017, ACN is ready to take on new challenges, and to achieve greater results in the coming years.

Mr. Thomas Thomas Chief Executive Officer ASEAN CSR Network





# ACN HIGHLIGHTS OF 2017

**2017** was a fruitful year of accomplishments and trumping challenges. The ASEAN CSR Network (ACN) dared to wrap-up the year's work for the ASEAN CSR Vision 2020 in full force, utilising the year to continue promoting the responsible business agenda in the region through its programmes, initiatives, and partnership building.

This year, we continued to work to grow the network, to strengthen our institutional partnerships, and to plan for a better year ahead.

As we look forward to a bright future ahead, let us review the highlights of ACN in 2017:

- ✤ Accreditation of ACN as ASEAN Entity
- ✤ Wrap-up of the ASEAN CSR Vision 2020
- Inauguration of the ASEAN CSR Fellowship
- Strong efforts to boost collective action for business and human rights, business integrity, sustainable agriculture and environmental sustainability
- \* Strengthened partnerships with key stakeholders
- Increased awareness on responsible business conduct
- Contributions to critical discourse through research publications
- Empowered relevant organisations and partners through grants
- \* Focused on strategic planning and review for years ahead
- Aligned our work with global sustainable development goals



## **ABOUT ACN**

**ASEAN CSR Network (ACN)** is an accredited ASEAN entity acting as the region's network for responsible business. We aim to create change by influencing and working with different actors, ranging from ASEAN bodies, ASEAN member states to the private sector, civil society and international organisations, who can influence the way businesses operate.

ACN provides a platform for networking and cooperation, support capacity building and training activities, help catalyse collective action on key issues including business integrity and anti-corruption, business and human rights, gender equality and women's empowerment, sustainable agriculture and environmental sustainability, as well as provide linkages to regional and international bodies in supporting the advancement of CSR in the region.

#### VISION

A responsible business community that makes ASEAN a better place to live for all

#### MISSION

To promote and facilitate the adoption of responsible business conduct in ASEAN to achieve a sustainable, equitable, and inclusive ASEAN community

ACN is a company limited by guarantee in Singapore, and a registered International Charitable Organisation. Through our network members from 7 ASEAN countries, ACN brings together over 30,000 companies, business associations and civil society organisations; and serve as a regional platform for those looking to achieve sustainability, well-being and economic growth.

ACN is an accredited ASEAN entity under Annex 2 of the ASEAN Charter.

ACN takes pride in being:

#### 🗖 redible

ACN is a thought-leader that shapes and advances the responsible business agenda in ASEAN.

### S trong Connector

ACN is a business and multi-stakeholder platform that works to mainstream responsible business through collective action.

### R egional

ACN has strong regional presence that provides ASEAN perspectives and expertise on responsible business.



#### COMMITMENTS

- The UN Global Compact (UNGC) 10 Principles, as a signatory
  Ethical and anti-corrupt practices, as stated in the Code of Conduct of ACN's Employee Handbook
- Fair Employment Practices, as a signatory of the Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP)

#### 2010

Formation of ACN: 6 founding members – ASEAN Foundation, League of Corporate Foundations (Philippines), Singapore Compact for CSR (now Global Compact Network Singapore), Indonesia Business Links, International Chamber of Commerce Malaysia, CSR Club of Thai Listed Companies Associations – signed off on ACN's framework and agreed to work together for the advancement of CSR in ASEAN. Registered on 8 December 2010.

#### 2011

ACN Launch: On 11 Jan 2011, ACN was launched by Singapore's Senior Minister of State for Foreign Affairs, Mr Zainul Abidin Rasheed with Board of Trustees and representatives from the region.

#### 2013

Started the **Business Integrity initiative** with support from the UK Government.

#### 2014

ACN **Expansion to Vietnam and Myanmar**: Vietnam Chamber of Commerce and Industry (VCCI) and Union of Myanmar Federation of Chamber of Commerce and Industry (UMFCCI) joined ACN, expanding ACN's representation to 7 out of 10 ASEAN countries.

Launch of the **ASEAN CSR Vision 2020** – 3-year work plan (2014-2017) that guided the work of ACN to mainstream responsible business in the region, with support from the Swedish Government.

Establishment of the **Regional Working Group on Business Integrity** in ASEAN: Comprises of 7 members from 6 ASEAN countries who are committed to promote business integrity and fight against corruption in the private sector through collection action.

#### 2015

CSR is recognised as a cross-cutting issue in 3 community pillars in the ASEAN 10-year work plan **ASEAN 2025: Forging Ahead Together**.

Organised the **ASEAN Next Gen CSR Forum** in Bali to shape the direction for ASEAN. It had high level participation and support.

Launch of the **Small Grants Fund Programme** to provide supplementary funding to local and regional organisations who are engaged in work to promote CSR and with an interest to link their work to regional objectives.

Launch of the Corporate Partnership.

#### 2016

Launch of the Integrity Has No Borders – a regional advocacy campaign promoting business integrity in ASEAN: http://integrityhasnoborders.com

ASEAN Guidelines for CSR on Labour adopted by ASEAN Labour Ministers.

Formation of the **Sustainability Consortium of Professionals and Educators** (SCOPE) – a platform to advance the agenda and application of sustainability among institutions and organisations in the business and social communities.

Development of the **Regional Strategy on CSR and Human Rights** to promote and enable CSR and Human Rights among businesses in ASEAN.

#### 2017

Accreditation with ASEAN to be an ASEAN Entity under Annex 2 of ASEAN Charter.

Launch of the ASEAN CSR Fellowship to build up the next generation of ambassadors for responsible business in Southeast Asia.

Formation of the Southeast Asia Alliance on Sustainable Palm Oil (SASPO) to support the use of sustainable palm oil.

Launch of the Regional Integrity Pedge – Integrity Has No Borders Pledge to encourage companies and organisations to show their commitment and support for the business integrity movement in ASEAN.



### TRUSTEES

Chair: Ms. Yanti Triwadiantini, *Associate Sustainability Adviser, Indonesia Business Links (IBL)* 

Deputy Chair: Ms. Pensri Suteerasarn, President, *Thai Listed Companies Association* 

#### Trustees:

- Ms. Elaine Tan, *Executive Director, ASEAN* Foundation
- Mr. Frederick Ho, *Deputy Director, Singapore* National Trades Union Congress
- Ms. Helen Orande *Executive Director, League of Corporate Foundations (LCF), Philippines*
- Ms. Khine Khine Nwe, Joint Secretary-General, Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)
- Mr. Nguyen Quang Vinh, Secretary General of Vietnam Chamber of Commerce and Industry (VCCI), Director General, Office of Business Sustainable Development, VCCI
- Ms. Tengku Ida Adura Tengku Ismail, *Vice Chair of International Chamber of Commerce (ICC)*-*Malaysia*

### **BOARD OF ADVISERS**

Ambassador Ong Keng Yong

- Former ASEAN Secretary-General
- Executive Deputy Chairman of the S. Rajaratnam School of International Studies at the Nanyang Technological University in Singapore
- Ambassador-at-Large at the Singapore Ministry
  of Foreign Affairs
- Non-resident High Commissioner to Pakistan
- Non-resident Ambassador to Iran

#### Mr. Rafendi Djamin

• Former Representative of Indonesia, ASEAN Intergovernmental Commission on Human Rights (AICHR)

#### Mr. Noke Kiroyan

- President Director and Chief Consultant, Kiroyan Partners,
- Chairman, International Chamber of Commerce, Indonesia
- Vice Chairman, Partnership for Governance Reform in Indonesia

# **CORPORATE PARTNERS 2017**

#### HITACHI Inspire the Next





SUNTORY

SUNTORY BEVERAGE & FOOD





# **NETWORK MEMBERS 2017**

















### Auditors

KPMG LLP, Singapore

Bankers OCBC Bank Ltd

### **Company Secretary**

Ramdas & Wong, Advocates and Solicitors



From left: Ester, Lynda, Melissa, Liza, Thomas, Karen, Marya, Thao, Princess

# **ACN SECRETARIAT 2017**

Mr. Thomas Thomas, *Chief Executive Officer* Ms Lynda Lim, *Programme Director* Ms Karen Sim, *Senior Programme Manager* Ms Melissa Chong, *Programme Manager* Ms Marya Malek, *Programme Manager* Ms Nguyen Thi Phuong Thao, *Senior Manager – Advocacy, Research and Communications* Ms Princess Meeralith Celestino, *Communications Manager* Ms Liza Yong, *Finance Manager* Ms Ester Tjahjadi, *Office Manager* 

#### Former Staff

- Ms Braema Mathi, Programme Director (December 2016 – April 2017), and Director of Advocacy, Research, and Communications (May – September 2017)
- Ms Angeline Kwong, Assistant Director for Communications and Partnership (September 2016 – March 2017)

#### Temporary Staff

- Mr. Bryan Khoo, *Communications Executive* (*February – August 2017*)
- Mr. Tan En, Project Manager (March – September 2017)

#### Interns

- Mr. Chong Wee Teng (January 2017)
- Mr. Brandon Chung Howe (March July 2017)
- Mr. Putera Zenata Ignastia Soegiri (November December 2017)

# **ORGANISATIONAL UPDATES**

#### Accreditation of ACN as an ASEAN Entity



This year, ACN formally became an official ASEAN Entity. This accreditation is significant in our goal to gain more support, and to push for our agenda on a larger platform. Being accredited opens opportunities to stronger links within ASEAN, which could provide more resources to realise our vision of responsible business being mainstreamed in ASEAN.

#### **Expansion of Secretariat**



ACN Secretariat with facilitators during ACN's Staff Retreat (14 December 2017)

With the support of the Government of Sweden, ACN was able to expand our Secretariat and fill in key positions that are vital to the plans of ACN. This refers to the recruitment of four (4) new additional persons, which brings the Secretariat to a total of 9 members by the end of 2017. Our staff are from 6 of the 10 ASEAN countries and have working knowledge in the national languages of 7 countries. With more highly-qualified staff in our rank, ACN will be able to ensure better work and more effective strategies that would carry out our plans to fruition.

#### **Relocation of ACN Secretariat Office**



The ACN office was housed in the former office of the Singapore Business Federation (SBF) since inception in 2010. However, the expansion of ACN Secretariat also necessitated more space for its staff, which the new SBF office could not accommodate. Thus, this year, the ACN Secretariat moved to a new and larger office. After 6 years of residence in a shared space on the 21st floor of Keppel Towers, ACN transferred to its own unit on the 8th floor of the same building--a more spacious office that accommodates the growing needs of ACN.

#### **Financial Overview**

Revenue for 2017 was **\$\$1,270,086**, up 23% from 2016. Expenses for the whole year **\$\$1,250,955** thus generating a small surplus of **\$\$19,131**.

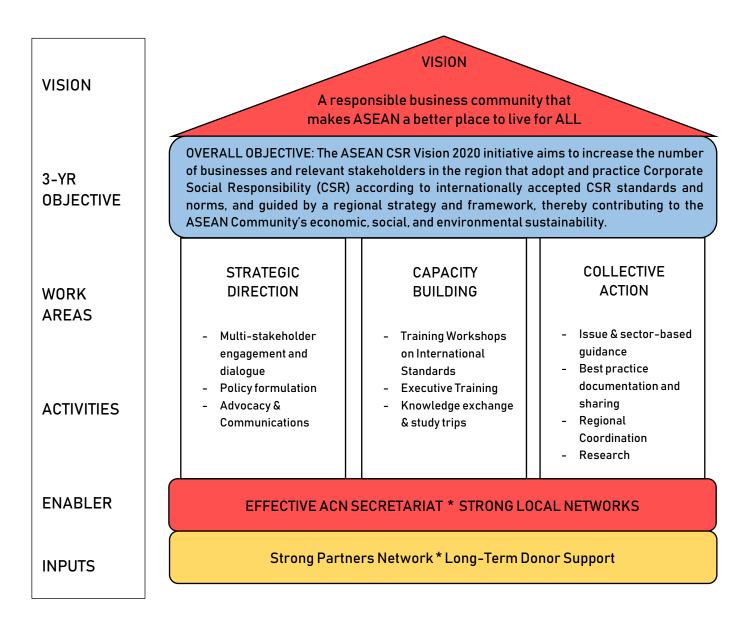
ACN would like to thank donors for their support. The Swedish International Development Agency (SIDA) contributed core funding for our activities with a contribution of **S\$1,062,042**. The other supporters include the UK Foreign and Commonwealth Office's Prosperity Fund, the Rockefeller Foundation, Government of Canada and the National Youth Council of Singapore. Other funds came from corporate partners and activities.



# ASEAN CSR VISION 2020

ASEAN CSR Vision 2020 was the basis of ACN's work from 2014-2017. Created as a programme in 2014, the Vision was developed to leverage on the momentum created by the ASEAN Community 2015 integration

# **ACN CSR VISION 2020**



#### ASEAN CSR Vision 2020 identified three **work areas** for ACN's work:

Work Area 1	Formulation and adoption of a regional framework and strategy on CSR – ASEAN CSR Vision 2020
Work Area 2	Awareness raising and capacity building on how to implement international principles, frameworks and standards on CSR by businesses operating in ASEAN, supported by key stakeholder from governments and civil society
Work Area 3	Initiating and coordinating implementation of regional collective action initiatives to address key challenges facing ASEAN

### **PRIORITY THEMATIC AREAS**

#### **BUSINESS INTEGRITY**

ACN works with relevant stakeholders to promote the UN Convention against Corruption, the UN Global Compact's 10th Principle and other internationally accepted standards, moving towards harmonising business integrity standards across the region.

ACN supports national and regional collective action initiatives that aim to uphold the principles of transparency, accountability, ensure good corporate governance and create fair market conditions.



"Creating a culture of integrity in the ASEAN business community"

#### **BUSINESS AND HUMAN RIGHTS**

ACN supports the adoption and implementation of internationally accepted standards and norms on business and human rights, particularly the UN Guiding Principles on Business and Human Rights.

ACN works towards the endorsement of the Regional Strategy on CSR and Human Rights by ASEAN, and the adoption of National Action Plans (NAPs) by AMS. It also supports the implementation of the ASEAN Guidelines for CSR on Labour and promotes the International Labour Organisation (ILO)'s Tripartite Declaration. This includes promoting ILO Decent Work Agenda.



#### ENVIRONMENTAL SUSTAINABILITY

ACN works with its partners to identify and address the most pressing environmental issues in the region by supporting targeted solutions and opportunities for sustainable growth. Where awareness is lacking, ACN works to help businesses understand the importance of environmental sustainability.

Given the importance of the agriculture sector to the majority of AMS, supporting initiatives that promote sustainable agriculture is a growing area of work for ACN. ACN promotes responsible behaviour that supports economic empowerment for farmers.



Under the ASEAN CSR Vision 2020, ACN has made good progress in advancing CSR in ASEAN. It has expanded and strengthened relationships with the ASEAN Secretariat, bodies and entities, the United Nations' agencies and partners in the regions and internationally. At the same time, through its country networks and the ASEAN **Business Advisory Council** (ABAC), ACN has reached out and assisted ASEAN to business<u>es</u> in raising understanding awareness. and building up capacity to do CSR.

An external Independent Mid-Term Evaluation and internal Strategic Review were carried out in 2017 to take stock of the ASEAN CSR Vision 2020's implementation. It was concluded that: ACN had made progress. This included establishing itself as a credible organisation in a relatively short period of time by gaining members in most ASEAN countries, forming strategic partnerships and engaging in a wide range of activities, and most importantly managing to "keep CSR on the table in ASEAN instead of it getting marginalised."

As 2017 marks the final year of the implementation of the Vision. ACN Board of Trustees, network members, staff members and partners worked hard to achieve the remaining targets.

### **PROGRESS & ACHIEVEMENTS**

#### Work Area 1

ACN focused on the formulation and adoption of a regional framework and strategy on CSR -ASEAN CSR Vision 2020.

To ensure the adoption and realisation of the ASEAN CSR Vision 2020, it is crucial to earn buy-in and support from key CSR players at national, regional, and international levels. ACN works to ensure that the CSR dialogue is open to all relevant stakeholders that align with the ASEAN CSR Vision 2020. It appreciates the different capacities and experiences that are brought by a wide range of stakeholders and seeks to synergise the efforts.

#### Built partnerships at the national level

At the national level, ACN has succeeded in gaining and strengthening partnerships with eight (8) participating organisations who are key business and CSR organisations in seven (7) ASEAN countries.

- Indonesia Business Links (Indonesia)
- International Chamber of Commerce, Malaysia (Malaysia)
- Union of Myanmar Federation of Chambers of Commerce and Industry (Myanmar)
- League of Corporate Foundations (Philippines)
- Global Compact Network Singapore (Singapore)
- CSR Club of Thai Listed Companies Association (Thailand)
- Vietnam Chamber of Commerce and Industry (Vietnam)
- The ASEAN Foundation (Regional)

ACN communicates with network members regularly through meetings, monthly updates and newsletters. These meetings and communication have not only provided members with informed dialogues where members can discuss their own priorities for the production plans and share their experience, but also enabled ACN to align its work plan to the need, interest and priorities identified by network members, and encouraged them to participate and implement relevant activities in order to best support the regional CSR work. Through network members, ACN is able reach out to over 30,000 companies, and increasingly attract more participation, facilitating favourable institutional changes at the local level.

To drum up interest in our responsible business agenda and to help us achieve better results, we initiated multi-stakeholder dialogues and meetings of key CSR players in the ASEAN states to explore opportunities for collaboration and collective action. These include but not limited to:

Meeting with key CSR/business organisations in Indonesia in partnership with IBL (16 May 2017, Jakarta)

Joint CSR workshop in partnership with Sok Siphana, Advisor for the Cambodian Government at his Office (11 August 2017, Phnom Penh)

Joint CSR Workshop with a focus on human rights in partnership with Laos National Chamber of Commerce and Industry (LNCCI) (19 December 2017, Vientiane)

Joint CSR Seminar in partnership with Young Entrepreneurs Association of Cambodia (YEAC) (21 December 2017, Phnom Penh)

These initiatives received positive responses and participation from targeted organisations, paying the way for practical collaborative actions.



ACN met with its participating network IBL and other CSR/business organisations in Indonesia to explore ways of working together and make a bigger impact (16 May 2017, Jakarta)

For example, at the meeting with business organisations in Indonesia held on 16 May 2017 in Jakarta, all participants including IBL, Indonesia Business Federation (KADIN), Employers Federation (APINDO), and Indonesia Global Compact Network (IGCN) recognised the need for collaboration, and committed to seek alignment and work together. Following this meeting, KADIN proposed a plan on using the ISO26000 Guidance on Social Responsibility to encourage businesses to adopt CSR. ACN is currently working with KADIN to develop a guidebook for use by businesses.



Participants at Lao CSR Workshop (19 December 2017, Vientiane)

ACN continued to strengthen relations with Laos through the Lao National Chamber of Commerce and Industry (LNCCI). In order to raise awareness on business and human rights issues in the country, including the UN Guiding Principles on Business and Human Rights. ACN co-organised with LNCCI a seminar on CSR, with a focus on human rights (19 December 2017, Vientiane). This is the second workshop co-organised by the two organisations, with the first held in 2015.



ACN CEO Thomas Thomas speaking at ACN-YEAC Seminar on CSR (21 December 2017, Phnom Penh)

On 21 December 2017, ACN worked with the Young Entrepreneurs Association of Cambodia (YEAC) to organise a workshop to introduce CSR to YEAC member companies. About 20 local companies attended and showed interest in ACN's work and on CSR as a whole.

### Established role as the leading convener and coordinator for responsible business in ASEAN



ACN and partners at ABAC's ASEAN Inclusive Business Summit (6 September 2017, Manila)

At the regional level: ACN has successfully established its unique role as the only and leading convener and coordinator for responsible business/CSR agenda in ASEAN. It has contributed to the inclusion of CSR in the ASEAN agenda, including the new regional blueprint in which CSR was identified as one of key measures across all pillars to achieve sustainable, equitable and inclusive ASEAN Community. The official ASEAN accreditation has enabled ACN to be more involved in the agenda-setting processes in ASEAN, further strengthening its voice and influence in the region while establishing relationships with key ASEAN organisations, such as ASEAN Intergovernmental Commission on Human Rights (AICHR), ASEAN Business Advisory Council (ABAC). ASEAN Secretariat, and ASEAN sectoral bodies to achieve CSR advocacy goals.

ACN is now ABAC's sectoral champion for responsible and inclusive business agenda, including sustainability, good business practice, governance, decent work and migrant workers and related issues. This will enable ACN to submit CSR proposals to the ASEAN leaders. It will also enable ACN to work with ASEAN dialogue partners and to promote responsible business conduct. Furthermore, ACN continued to work with ASEAN bodies and entities to raise awareness and support the implementation of the Guidelines. For instance, ACN supported the ASEAN Services Employees Trade Union Council (ASETUC) Regional Workshop on Promoting ASEAN Guidelines for CSR on Labour held on 4-5 September 2017 in Kuala Lumpur, in partnership with the ASEAN Confederation of Employers and the Malaysian Human Resource Ministry representing ASEAN Senior Labour Ministry Officials (SLOM). ACN spoke about the challenges and opportunities the CSR Guidelines gives the tripartite partners in ASEAN. The unions agreed that the CSR guidelines are a positive development and committed to support the implementation of the Guidelines.



Ms Khine Khine Nwe, UMFCCI Joint Secretary – General, Trustee of ACN speaking at 8th ASEAN Regional Tripartite Social Dialogue (18-19 October 2017, Manila)

On 18-19 October 2017, ACN was invited to present its work at the 8th ASEAN Regional Tripartite Social Dialogue held in Manila by the Department of Labor and Employment (DOLE) Philippines, ASEAN Services Employees Trade Union Council (ASETUC), ASEAN Secretariat, ASEAN Confederation of Employers (ACE) and Friedrich Ebert Stiftung (FES) Germany. The outcome of the Dialogue was the Manila Tripartite Joint Statement towards Strengthening Social Partnership in an Integrating ASEAN. The joint statement called for better private-public collaboration to tackle emerging challenges in industrial relations, including migration and technological disruption. ACN supports the Tripartite Statement and it is in line with the ASEAN Guidelines for CSR on Labour.

### Strengthened engagement with key international partners to promote the ASEAN CSR Vision 2020

With <u>international partners</u>: ACN has been proactive in building and strengthening its partnerships with key international agencies and organisations to promote the ASEAN CSR Vision 2020. Support from these respectable organisations has enabled ACN to move the agenda on specific CSR issues like business integrity, business and human rights, food security and sustainable agriculture.

For example: Our partnership with Oxfam remains strong. In July 2017, we reviewed the MOU signed in 2015 between 2 organisations. Both parties confirmed the provisions of the MOU and agreed to strengthen collaboration, including developing plans and relationships at the ASEAN level and CSR at the business level. Collaboration with Oxfam has ensured the meaningful participation of civil society in the ASEAN process, particularly on the development and advocacy of the Regional Strategy on CSR and Human Rights. Initiated by ACN in 2016 for AICHR and ASEAN, the Regional Strategy aims to promote the business and human rights agenda, including UN Guiding Principles on Business and Human Rights.



Review meeting on collaboration between ACN and Oxfam (24-25 July 2017, Singapore)

In October 2017, a Memorandum of Understanding (MOU) on Promoting Business Integrity in ASEAN was signed between ACN and Transparency International Secretariat (TI-S). With the MOU, ACN and TI-S signify commitment to work together to develop and deliver activities that are aligned to the agendas and thematic areas of concerns. An overall framework for cooperation will be established in order to advance business integrity in ASEAN through collaborative advocacy, research, capacity building initiatives and fundraising.



Transparency International National Chapters in Southeast Asia participating at the Meeting of the Regional Working Group on Business Integrity in ASEAN (7 March 2017, Singapore)

ACN continued to work with the UN and international agencies such as International Labour Organisation, UN Global Compact, UN Development Programme, UN Economic and Social Commission for Asia and the Pacific, Office on Drugs and Crime, UN Industrial Development Organisation, UN Working Group on Business and Human Rights to promote the awareness and understanding of CSR and related issues while ensuring ACN's regional and supported national programmes are in line with international standards.



Participants discussing at an UNDP-led breakdown workshop on Mitigating Risks in Public Procurement, during the Regional Business Integrity Conference organised by ACN (6 March 2017, Singapore)

#### Work Area 2

ACN intensified efforts to raise awareness and built capacity on implementing international principles, frameworks and standards on CSR by businesses operating in ASEAN.

### Mentored the Next Generation of CSR Champions with the ASEAN CSR Fellowship



This year, ACN launched the inaugural ASEAN CSR Fellowship. The Fellowship seeks to train the participants to be the next generation of ambassadors for responsible business in South East Asia, raising their awareness of the private sector's role in addressing key regional and national issues in anti-corruption, environmental degradation, poverty and human rights.

This year-long programme took promising young professionals as fellows to 4 ASEAN countries--from Singapore to Indonesia to Myanmar to the Philippines. Every quarter of the year, the fellows spent a week in each of the 4 selected countries, attending a series of study tours to learn from top business leaders, government officials, academics and civil society practitioners. This cohort of 16 selected individuals came from the private sector, government and civil society. Through the programme, they were equipped with both theoretical and practical concepts in sustainability and responsible business.

With the help of mentors, the fellows developed and kick-started their individual Capstone Projects – a long-term CSR project with measurable outcomes to be implemented in their home countries. The "Best Capstone Award" was awarded to a project on "Responsible Agricultural Investments" by a group of Laotian Fellows who received S\$10,000 as part of the Small Grants Fund for their project implementation.

The ASEAN Blueprint 2025 has specifically identified responsible business/CSR as one of the strategic measures to help achieve inclusive. equitable and sustainable development in ASEAN. However, many ASEAN businesses and stakeholders are still stuck in an outdated understanding of CSR, often equating it to philanthropy and charitable giving. There is interest in the international frameworks including UN Global Compact 10 Principles, Social IS026000 Guidance on Responsibility, OECD Guidelines for Multinational Enterprises, and GRI Sustainability Reporting Frameworks, among others, but businesses, especially home-grown ASEAN companies, need support in formal training on how to adopt and implement the standards. Other stakeholders, such as business networks, NGOs and government agencies, also need support in capacity-building on the fundamental principles and technical aspects of CSR, so that they can advocate and develop the right policies and engagement strategies. It is also important educate and invest to in young professionals, especially those who have potential leadership and influence on the CSR agenda and practice.

Through a number of advocacy activities, evidence-based research and recommendations, consultations, training workshops, and peer learning activities across ASEAN,

ACN has contributed to the increased awareness and capacity on CSR among target groups. Well-received flagships programmes such as the Small Grants Funds, the ASEAN CSR Fellowship and SCOPE have helped ACN reach out to and support more organisations and CSR professionals with the required knowledge and skills to embed CSR. ACN has taken the lead in facilitating the momentum, and shaping the responsible business agenda at the regional level, especially through continuous engagement with ASEAN bodies. business networks and international partners. With these, ACN is able to contribute significantly to the promotion of responsible business in the region which has benefited its nartners



As a result of the Fellowship, the Fellows reported an increase of their understanding of CSR and its related concepts, and of their awareness of the responsible business efforts of their own companies and of other actors in different industries.

A strong bond of friendship has been forged among the Fellows, and an alumni network has also been established to maintain relations and support with past, present and future Fellows. In addition, the alumni network has proven to be an invaluable resource for ACN to strengthen its work at national and regional levels. Within a few months of the completion of the Fellowship 2017, a few initiatives by ACN were held successfully with the strong support from the alumni. For example, during the CSR Workshop that ACN co-organised with LNCCI on 19 December 2017 in Vientiane, three Laotian Fellows San Saephan, Philly Vongpraseuth and Vanida Khouangvichit were actively involved and supported the event as resource persons.

The Fellowship Programme and its alumni network is a valuable initiative which ACN will continue to invest in and nurture. For more information about the Fellowship, please visit:

www.asean-csr-network.org/c/programs/fellowship

A pre- and post- survey form was created to measure the impact of the programme on Fellows. The following results were collected which indicated knowledge acquired:

Qualitative increase in understanding among Fellows on the definition of CSR, as well as their understanding on the driving forces for companies to behave responsibly.

Increase in knowledge among Fellows on CSR concepts and related issues, with the following % increase in Fellows stating that they knew these well or very well before and after the Fellowship.

- On CSR basic concepts:
  - O ISO 26000: From 17% to 50%
  - O UNGPs: 17% to 80%
  - UNGC 10 Principles: 25% to 90%
  - Sustainability Reporting: 33% to 80%
  - Corporate Governance & Business Integrity: 42% to 80%
  - Migrant Workers: 50% to 100%
  - Industrial Relations: 33% to 50%
  - Social Enterprises: 58% to 100%
  - Impact Investment: 42% to 90%
  - Business & Environmental Protection: 33% to 90%
  - Business & Youth Empowerment: 33% to 90%
  - Strategic Partnerships: 42% to 90%
  - Responsible Investment: 33% to 90%
  - Responsible Tourism: 25% to 90%
- On how companies in their own country are pursuing responsible business: From 58% to 90%
- On where to find contacts/ resources in their own countries which can support their work: From 67% to 90%
- On where to find contacts / resources in ASEAN which can support their work: From 17% to 90%
- On how actors in other industries are promoting the responsible

### Empowered Relevant Organisations through the Small Grants Fund

In May 2015, ACN launched the ASEAN CSR Vision 2020 Small Grants Fund (SGF) Programme. With the goal pushing the responsible business agenda, the SGF empowers relevant organisations by funding projects that have high potential in making an impact to the sector, creating a healthier environment for groups to further understand and pursue CSR initiatives in the region.

The programme continued in 2017, with a significant increase in the number of applicants from across ASEAN.

As of 31 December 2017, all projects supported under SGF Round 3 which started in November 2016 have been completed. 2 new rounds for applications – Round 4 and Round 5 – were launched, and total new 19 projects were awarded:

#### Round 4 (July 2017):

- 10 projects totalling approximately SGD 98,000 from 5 ASEAN countries (Indonesia, Malaysia, Singapore, Thailand, and Vietnam).
- Expected completion: late 2017 or early 2018.

Round 5 (December 2017):

- 9 projects, of which 1 was a Capstone Project from the ASEAN CSR Fellowship 2017, totalling approximately SGD 81,828 from 7 ASEAN countries (Brunei, Indonesia, Laos, Philippines, Singapore, Thailand, and Vietnam).
- Expected completion: mid-2018.

Through SGF, ACN has been successful in triggering the awareness, understanding, and practice of CSR from the bottom up. Findings of the surveys done so far suggest an increase in knowledge, skill, and commitment on CSR among stakeholders. For example:

Surveys conducted by Office for Business Sustainable Development (SDforB), VCCI, among about 200 companies in 4 provinces and cities in Vietnam (Ha Noi, Hai Duong, Ha Nam, and Thanh Hoa) before and after training courses on Code of Conduct supported by SGF showed that:

- The number of companies agreed that introducing Code of Conduct is "Necessary" increased from 38% to 46%, and "Very necessary" increased from 38% to 57%.
- 65% of participated companies expressed strong interest in learning more about development of Code of Conduct and its introduction to their companies.



Training on Code of Conduct by VCCI supported by SGF (Photo: VCCI)

As a network facilitator, it is important that ACN keeps our ears on the ground to find out what is happening in the CSR space in ASEAN. Therefore, with the SGF grantee's spread across ASEAN, ACN is able to reach many parts of ASEAN with limited resources.

In the next phase, we will continue to provide support to local CSR initiatives through the SGF. Priority will be given to local business and civil society networks and partners whose mandate is more relevant and who have more potential to create impact. We will also open more opportunities for peer learning and feedback among SGF applicants. Successful projects with potential to scale will be featured and highlighted on our website, social media, at national and regional training workshops/events,

For more information on the Small Grants Fund, visit:

#### www.asean-csr-network.org/c/programs/smallgrants-fund

#### Contributed to Critical Discourse through Research

In September 2017, ACN proudly presented a comprehensive study on financial inclusion for Micro, Small and Medium Enterprises (MSMEs), titled "Towards Inclusive and Sustainable Growth in the ASEAN Economic Community."

The report provides a comprehensive overview of access to finance, technical support, and enabling environment available for ASEAN MSMEs to embed and mainstream responsible and business practices. It proposes 5 key recommendations to enable the growth of MSMEs:

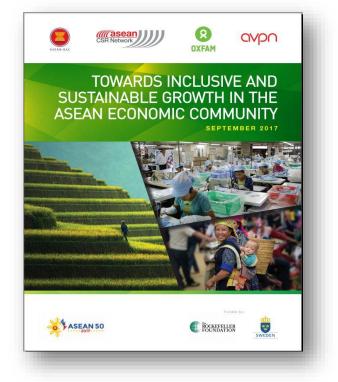
- 1. Strengthen responsible and inclusive conduct among businesses, including to encourage larger corporations with the capacity to support MSMEs through their value chain
- 2. Deepen technical support for MSMEs to improve access to finance, including training on hard business skills and strengthening entrepreneurial networks for peer support
- 3. Promote alternative finance with an emphasis on inclusive financing options
- 4. Provide targeted support to improve women's access to finance
- Promote responsible finance, i.e. factor Environmental, Social and Governance (ESG) criteria into leading decisions.

ACN is working with partners to implement these recommendations.

The Study also developed a 160-page Directory of SME Financing and Technical Support Options which can be converted into an e-Directory.

Covering 10 ASEAN Member States, the report is a result of one-year study which began in November 2016, preceded by a 6 – month Inception Phase from May to October 2016. The study was jointly conducted by ABAC, ACN, Oxfam, and AVPN, funded by the Rockefeller Foundation.

In partnership with the Centre for Governance, Institutions and Organisations (CGIO) at the National University of Singapore (NUS) Business School, we are conducting two (2) follow-up studies on Sustainability Reporting and on Corporate Disclosure on Business Integrity in ASEAN. The findings will be released in 2018. Reporting by companies on their activities cannot be equated with actual performance, but it provides an opportunity for companies to focus on their practices, and drive improvements. Good sustainability reporting supports and promotes good behavior.



In addition, ACN is working with Mahidol University in Thailand on the first joint study on Business and Human Rights Disclosure in ASEAN. By establishing a baseline of the level of disclosure on business and human rights in the region, the study will provide an empirical reference point from which to strategise and investigate, and contribute to a discussion of what may be influencing disclosure and lack thereof in the region.

ACN is also working with SHIFT on the 3-year Valuing Respect Project which aims to develop better ways of using information, metrics and indicators to evaluate business respect for human rights. It is founded in an open process of shared research, consultation and the gradual crystalisation of conclusions and resources.

Furthermore, Sustainability Consortium of Professionals and Educators (SCOPE) and other initiatives such as Small Grants Fund and regional conferences/events enabled ACN to expand and strengthen partnerships with more universities and think tanks in ASEAN. This has allowed ACN to conduct more research and activities to promote CSR, enhancing our role as a leading facilitator and convener for sustainability research and advocacy.

#### Work Area 3

ACN also initiated and coordinated the implementation of regional collective action initiatives to address key challenges facing ASEAN, particularly in business integrity, human rights, food security and sustainable agriculture.

As the integration of the ASEAN countries into the regional and global economic development has widened and deepened, the CSR space has become more diverse with fragmented CSR programmes initiated and implemented by different actions, creating unnecessary competition. Such diversity and development might come at the detriment of the goal of creating a shared vision and understanding on what CSR is, and how it can be implemented effectively.

ACN plays a critical role in harmonising CSR efforts in ASEAN by providing a platform for coordination, cooperation and exchange of information. While CSR covers a range of important topics and issues, none of which can be ignored or set aside, the unique ASEAN context will also require particular attention and focus to some priority concerns - they are corruption, human rights violation, food security, sustainable agriculture and environmental sustainability. By promoting responsible business in these key areas, ACN hopes to addresses the key challenges facing ASEAN, contributing to the inclusive, sustainable and equitable development in the region.

The majority of corruption cases in ASEAN involve the private sector. It is therefore important to promote business integrity within and across all levels. To strategically address corruption which has been perceived as systematic and a way a doing business in ASEAN, ACN has convened and coordinated the Regional Working Group on Business Integrity to take a strong stand against corruption and bribery. This included ACN's initiative to develop and launch the Integrity Has No Borders campaign with the objective of encouraging businesses to say "no" to corruption regardless of where they are in ASEAN.

For business and human rights work, ACN has been emphasizing UN Guiding Principles on Business and Human Rights and related principles as gold standards and references in all of its regional Business and Human Rights events/initiatives. The principles are particularly well reflected in regional frameworks such as Regional Strategy on Promoting CSR and Human Rights and the ASEAN Guidelines for CSR on Labour. As an initiator or key contributor to these frameworks, ACN has been able to enhance its position as a leading ASEAN entity advancing the business and human rights agenda in the region. ACN had been the first to bring all the diverse stakeholder groups together and hold join discussions on business and human rights since 2014. The partnerships we built over the years with key organisations working in the business and human rights filed has helped enhance our expertise and reputation and achieve the needful regional and international support for its agenda. In return, ACN provided partners with an ASEAN perspective, an entry point to ASEAN process, and connection with the private sector.

ACN is making certain progress on food security and sustainable agriculture programme, particularly in promoting sustainable palm oil through Southeast Asia Alliance on Sustainable Palm Oil (SASPO) to ensure the environment and livelihoods are protected, and in enhancing women's position at the farmers' level and ensuring financial inclusion for smallholders in agribusinesses through collaboration with Oxfam and other partners.

To ensure these initiatives are grounded in evidence and that polices recommended are well informed, it is important to invest in research and documentation, and in partnerships with universities and research organisations. The Sustainability Consortium of Professionals and Educators (SCOPE) was formed in 2016 by ACN in partnership with CGIO with the objective of bridging the gap between theory and practice, and providing scientific evidence to support the development and implementation of CSR initiatives.



#### Created a Community of Responsible Business Leaders and Advocates through SCOPE

In order to create better collaborative environment for stakeholders, ACN forged partnerships with distinguished institutions and CSR practitioners and advocates through SCOPE.

In 20 November 2017, a Meeting of Interested Parties was conducted in order to gather leaders in the CSR space to talk about ways forward in the responsible business agenda. Co-organised with CGIO, the meeting brought together 30 key stakeholders and representatives from ASEAN in the academe, civil society, and the private sector to discuss challenges in CSR and to develop collaborative solutions for responsible business,



Prof. Lawrence Loh. Director of CGIO. facilitating SCOPE discussion

Next Steps for SCOPE:

- Develop a regional roadmap on CSR/ Sustainability
- Undertake technical reports and evidencedbased studies on different critical aspects of corporate sustainability – including good governance, ethics and business integrity, business and human rights (e.g. labour rights, gender equality, among other rights), inclusive and sustainable agricultural growth, environmental sustainability
- Create discourses through dialogues, roundtables and focused seminars among SCOPE members and interested parties
- Develop and populate SCOPE microsite as an eplatform to share knowledge and good practices
- Develop curriculum for professional certificate in CSR/ Sustainability
- Conduct technical trainings on sustainability for SCOPE members and interested parties, including professional certificate programme for practitioner
- Strengthen SCOPE membership, including recruiting new members and engaging members in SCOPE activities.

#### **Drove Collective Action for Business Integrity**

On 6 March 2017, ACN organised the Regional Business Integrity Conference in Singapore. The event served as a practical platform for different stakeholders to discuss potential solutions to fight against corruption and restore business integrity in ASEAN, creating a level playing field and promoting long-term sustainability and success for businesses as well as the ASEAN region as a whole. More than 100 representatives from the private sector, government and civil society, including academics and unions from ASEAN countries, were present at the Conference. They were actively involved in a number of sessions, ranging from high-level panel discussions on ethical business regulations enforcement and good business models with high integrity, to interactive training workshop on mitigating risks in public procurement, and real case studies and lessons learned on business integrity in ASEAN.



Alongside the Conference, ACN also convened the 6th Meeting of the Regional Working Group on Business Integrity in ASEAN on 7 March 2017. A key outcome of the Meeting was the launch of the Regional Integrity Pledge called the "Integrity Has No Borders" Pledge, as part of a bigger "Integrity Has No Borders" advocacy campaign which started in 2015. By supporting the Regional Integrity Pledge, organisations showed their commitment and support for the business integrity movement in ASEAN.

Pledge here: http://integrityhasnoborders.com/integritypledge/how-to-sign-up

#### Pushed the Business and Human Rights Agenda

ACN continued to strengthen partnerships with our national, regional and international partners to push the agenda, through multi-stakeholder dialogues, workshops, trainings, research etc. A highlight is the Regional Workshop on Business and Human Rights (1-2 June 2017, Bangkok) that we organised in partnership with AICHR Thailand, Ministry of Justice of Thailand, UNDP, and UNESCAP.



Regional Workshop on Business and Human Rights (1-2 June 2017, Bangkok)

The purpose of the Workshop was to provide a constructive and forward-looking statement to ASEAN, in particular to show collective support for the Regional Strategy on CSR and Human Rights, as the appropriate next step to further the business and human rights agenda in the region. Over 2 days, the workshop successfully involved the participation of about 200 stakeholders from across ASEAN.

Participants recognised the urgency of addressing business and human rights challenges brought about by irresponsible business conduct and underscored the importance of the Regional Strategy towards the goals of inclusive, equitable and sustainable development in ASEAN. They also provided constructive feedback and suggestions on the language of the Regional Strategy for further improvement. ACN will build on this momentum to continue pushing the business and human rights agenda and engaging AICHR for the adoption of the Regional Strategy. In 2017, ACN started a partnership with Raoul Wallenberg Institute of Human Rights and Humanitarian Law (RWI) on its 5-year Regional Programme on Human Rights and Sustainable Development (2017-2021) which focus on the strengthening of human rights, gender equality and environmental protection in Asia. ACN will lead the private sector engagement, holding capacity building activities for companies, while partners such as UNDP and the International Commission of Jurists (ICJ) focused on similar activities for National Human Rights Institutions (NHRI), judges and lawyers. A key outcome of the programme is also to empower academics in Asia to deliver high quality, evidence-based research which can better inform policy decisions. The programme kicked off in 2017 Another BHR initiative is the blended learning workshop organised with the Raoul Wallenberg Institute of Human Rights and Humanitarian Law (RWI).



ACN CEO Mr Thomas conducting the training session on business and human rights for corporates in partnership with RWI (13-15 September 2017, Singapore)

Starting in 2017, the Programme kicked off with a 3month training course for around 30 participants from the judiciary, NHRIs and business community, on the link between human rights and environmental protection. The course featured 1 week of face-to-face workshop in Bangkok from 17-21 July 2017, followed by online modules. A smaller 3-day session in Singapore attended only by corporate representatives was conducted on 13-15 September 2017.

### Strengthened Commitments to Sustainable Agriculture

In 2017, ACN continued to strengthen involvement in the Gender Transformative and Responsible Agribusiness Investments in South East Asia (GRAISEA) programme led by Oxfam.



ACN has also been working closely with WWF on the South East Asia Alliance for Sustainable Palm Oil (SASPO). SASPO is the first private sector-led initiative in the region to address the need for sustainable palm oil, in relation to the haze, and now has a total 15 member companies. The Alliance was registered as a company limited by guarantee with ACN as one of the co-founders. ACN is represented on the Board of Directors and on the Steering Committee. The Alliance will start with Malaysia and Singapore, and has released a Guide to Sustainable Palm Oil for Singapore Companies.



Businesses are key players in socio-economic progress, as their actions continue to contribute greatly to how the world works. However, traditional corporate practices have been solely profit-driven, and globalisation has not ushered in prosperity for all. In the context of ASEAN, despite growing GDP figures, deep-seated challenges continue to persist – including land-grabbing, forced labour practices, poor working conditions, corruption, rising inequality, the depletion of natural resources and climate change. Much of this impact was caused by the unbridled pursuit of profits by companies at the expense of communities and the environment.

For this reason, ACN stands firm in its belief that responsible business conduct is imperative in achieving global development goals. This is a view that is currently being widely accepted as society's understanding on responsible business grows, and as companies and investors become more informed about their role in development. Businesses around the world must look beyond their bottom line, beyond charity and philanthropy, and instead look inward to how their business operations affects communities and the environment.

Thus, we have structured our work plan with the United Nations Sustainable Development Goals (SDG) in mind. ACN believes that making businesses conduct themselves more responsibly will lead to better corporate practices and to more effective solutions towards issues that concern human rights, the environment, gender equality, and governance. We want to put more pressure on businesses to take responsibility for some of the world's largest development issues.



#### With our work on ASEAN CSR Vision 2020, we focused to address the following SDG's:



ACN's work on developing a strategy on gender equality and women empowerment focuses on pushing for equal access to resources for all genders at work and across different contexts. Through our efforts to push for women's empowerment, we hope to break structural and cultural barriers that continue to hamper the advancement of women's rights. ACN hopes that our promotion of responsible business practices would pave the way for the fair treatment of all women at work; safer work conditions; and better security for women in all sectors. We continue to support the integration of gendered perspectives into the core values of the private sector as a whole. We also endorse the <u>Women Empowerment Principles</u> in order to align their companies to the interest of women in the workplace, marketplace, and the community.



ACN continues to push for labor rights, believing that everyone deserve fair labour practices and decent work conditions. This is why we continue to tailor fit our initiatives with the standards indicated in the UN Guiding Principles on Business and Human Rights and other related principles, such as the Regional Strategy on Promoting CSR and Human Rights, and the ASEAN Guidelines for CSR on Labour.



ACN urges responsible business from all stages of production up to the consumption of the targets. We advocate for responsible consumption and production that are all mindful of human rights and the environment. Our work on environmental sustainability and sustainable agriculture help address this goal, with initiatives like SASPO that advocates for the responsible production and use of ethically-sourced palm oil.



ACN's work on climate action is geared towards encouraging companies to make their business operations more environmentally sustainable. We are also making certain progress on food security and sustainable agriculture programme, particularly in promoting sustainable palm oil to ensure the environment and livelihoods are protected, and in enhancing women's position at the farmers' level and ensuring financial inclusion for smallholders in agribusinesses.



ACN pushes for business integrity to foster good governance, and we are also advocating to uphold human rights in the work setting and in how companies conduct their business processes. We also have a strong human rights programme that continues to push for the adoption of the United Nations Guiding Principles on Business and Human Rights among companies. We also support training programmes for the promotion of human rights practices in business, such as the RWI workshop.



ACN is a business network that opens up platforms for collaboration between groups from different sectors in order to work towards the goal of promoting responsible business conduct. Our work on SCOPE allows us to reach out to experts, professionals and advocates of sustainability and responsible business from the academe and civil society, and open up platforms for these groups to share ideas and collaborate. Furthermore, through the ASEAN CSR Fellowship, we also young professionals to learn by peer-sharing and to join other aspiring leaders for responsible business.

# ASEAN CSR VISION 2025

# NEXT PHASE: ASEAN CSR VISION 2025



Moving forward, ACN has developed a new strategy to ensure that the momentum from the successes of the ASEAN CSR Vision 2020 will be sustained. This was the result of the following key meetings/projects:

- Mid-Term Evaluation (March May 2017) conducted by an external consultant
- Strategic Review Meeting (22-23 May 2017 Bangkok) involved all ACN's staff, Trustees, donor, external consultants
- Planning Meeting (10-11 October 2017, Singapore) involved ACN's staff, trustees, and local networks' representatives and external consultants

The new strategy is named ASEAN CSR Vision 2025, which will define the course of our work for the next four years (2018 – 2022). This new framework will help us mainstream responsible business conduct into the ASEAN agenda. It was developed based on a Theory of Change which describes our understanding that progress in responsible business conduct promotion and adoption requires legislative, institutional and operational changes at both regional and national levels:

- CSR needs to be recognised and integrated into national and regional policies.
- Favourable regulatory environment and an encouraging level playing field for responsible businesses need to be established.
- Micro, Small and Medium Enterprises (MSMEs) should be actively involved as they are the backbone of ASEAN, and MSME development is fundamental towards achieving long-run and sustainable, equitable and inclusive growth.
- Businesses and key stakeholders need to understand the value of CSR, and know how to embed/promote CSR.
- Multi-stakeholders partnership are essential for the promotion and integration of CSR into business practices and policies.
- ACN needs to enhance its organisational capability to ensure effectiveness, efficiency and sustainability of its work and achievements.

The new strategy set 4 goals/ strategic objectives and 10 expected results for ACN to achieve 2022:



ACN's existing thematic areas remain relevant in the new strategy. These are:

- business integrity and anti-corruption
- business and human rights, including labour
- gender equality
- environmental sustainability and sustainable agriculture.

# ACKNOWLEDGEMENTS





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