



TECH FOR
GOOD
INSTITUTE



What Impact Means to Digital Economy Companies in Southeast Asia



A Review of Stakeholders, Issues of Focus
and Disclosures of Digital Economy
Companies across SEA-6

Acknowledgement

We would like to thank the Tech for Good Institute's Advisors for their support, feedback and guidance on this study.

This study was made possible by our founding donor, Grab. We are grateful to Grab for supporting the Institute's mission of leveraging the promise of technology and the digital economy for inclusive, equitable and sustainable growth in Southeast Asia. Funders do not determine research findings nor the insights and recommendations of research.

Disclaimer

The information in this paper is provided on an "as is" basis. This paper is not to be considered as a recommendation for investment in all or any part of the industry. This document was produced by the Tech for Good Institute and NUS Centre for Governance and Sustainability (CGS) with support from various third parties involved as of the date of writing and is subject to change. It has been prepared solely for information purposes over a limited time period to provide a perspective on the market. The Institute and any of its affiliates, or any third party involved makes no representation or warranty, either expressed or implied, as to the accuracy or completeness of the information in the report, and no responsibility or liability whatsoever is accepted by any person of the Institute and its affiliates, and their respective officers, employees or agents.

Digital transformation will continue to shape Southeast Asia's growth trajectory



Growing Digital Economy

Projected to be
US\$ 1T by 2030



More Digital Consumers

400 million
internet users



132% Mobile Penetration

3rd largest in
the World



Increase in Digital Payments

1 in 2 adopted internet
and digital payments

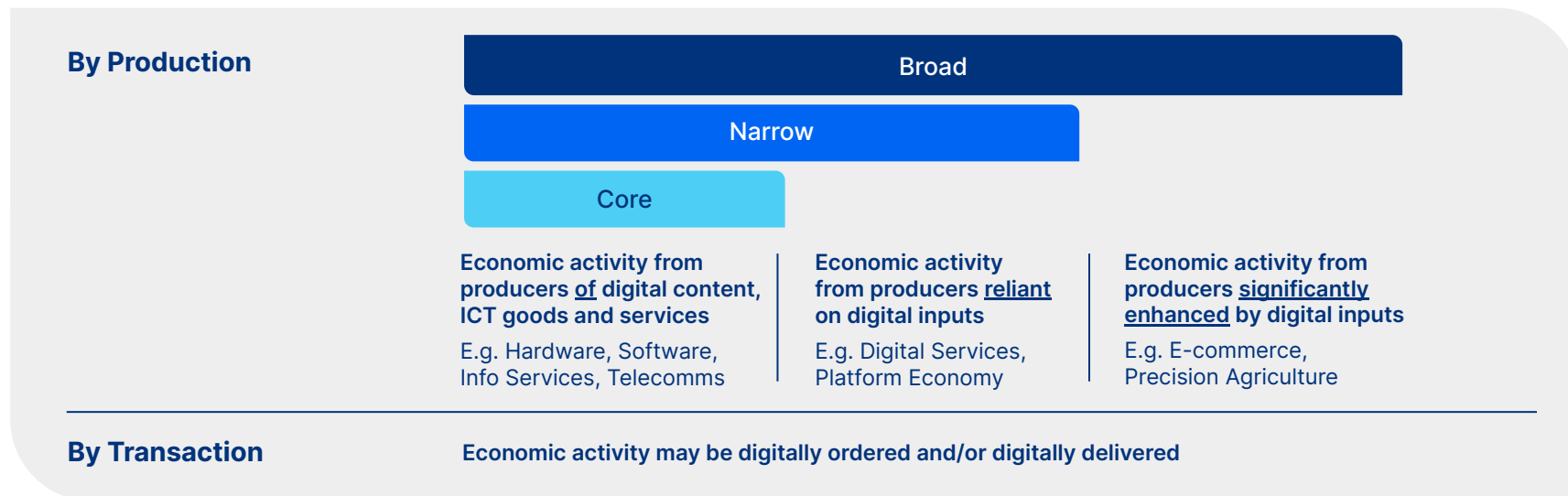
Growth trajectory?

What is the kind of growth we would like to advance?

Source: Platform Economy in SEA 2021 report (Tech For Good Institute) eConomy Southeast Asia 2021/2022 Report (Google, Temasek and Bain)

Digital Economy Companies (DECs)' scale, integration, and coverage across all sectors through a wide range of economic activities will be a key enabler

DECs can be classified as follows:



Adapted from OECD 2020, A Roadmap Toward a Common Framework for Measuring the Digital Economy

An opportunity to clarify how DECAs, through “Tech for Good” can contribute towards shaping Southeast Asia’s next phase of growth

Tech for Good?

Different ways in which DECAs may realise “Tech for Good”



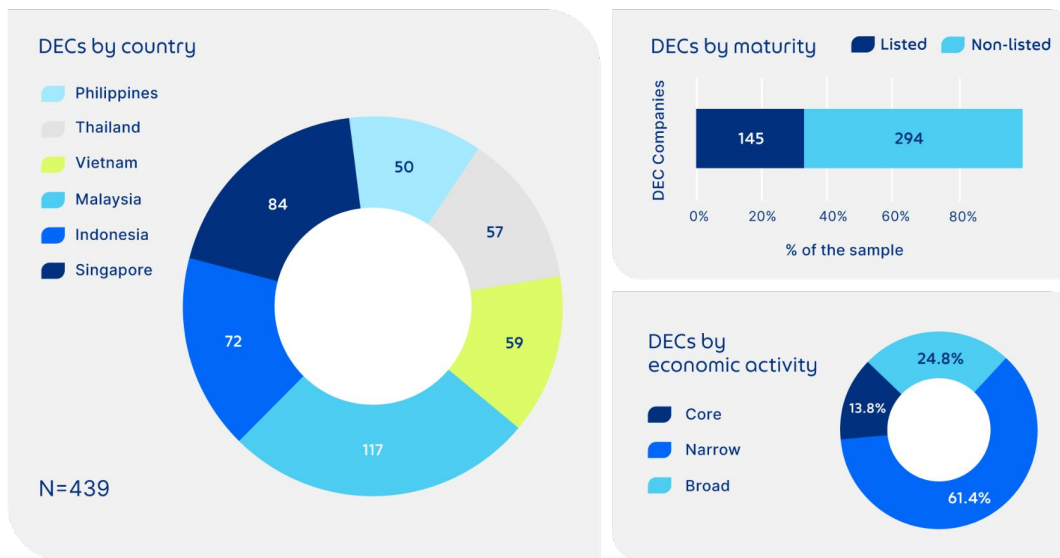
- Responsible
- Preventing Harms
- Optimising Efficiency
- Driving Transformative Impact

A photograph of four people (three men and one woman) sitting around a table in a modern office setting, engaged in a meeting. They are looking at a laptop and smiling. The scene is lit with soft, blue-toned light, suggesting an indoor office environment with large windows in the background.

How are Digital Economy Companies (DECs) in Southeast Asia looking at their role and impact in the communities they serve at the moment?



A study of > 400 Digital Economy Companies (DECs) across Southeast Asia-6 countries...



Source: Tech for Good Institute and NUS Centre for Governance and Sustainability, 2023

...to understand their priorities, and how they see / advancing their impact in the digital economy.

Key lines of inquiry:

Stakeholders prioritised

Issues of focus

Communicating / delivering **Intentions**

Data collection:

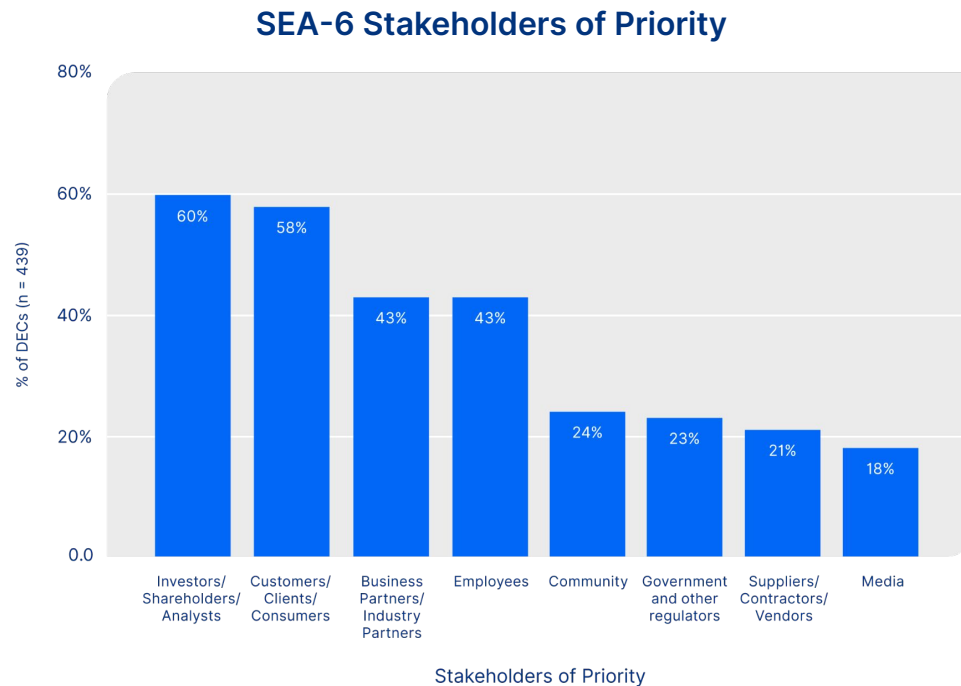
DECs owned channels:

E.g. company websites, press releases, social media pages, sustainability reports and annual reports published (up to June 2022)

Discussions online:

Scanned via Meltwater tool on a set of over 50 keywords (in English and vernacular languages)

DECs are focused on stakeholders that are vital to their survival

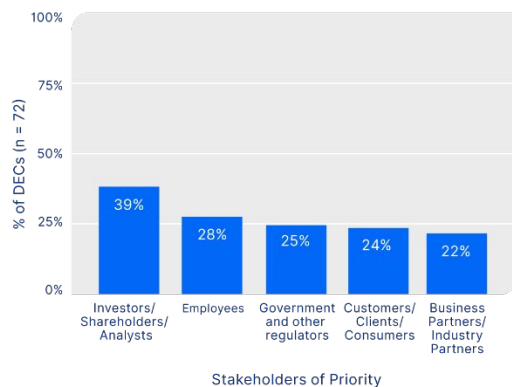


Source: Tech for Good Institute and NUS Centre for Governance and Sustainability, 2023

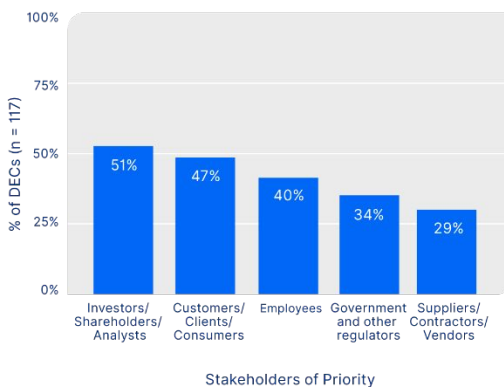
DEC Stakeholders of Priority in SEA-6, by country



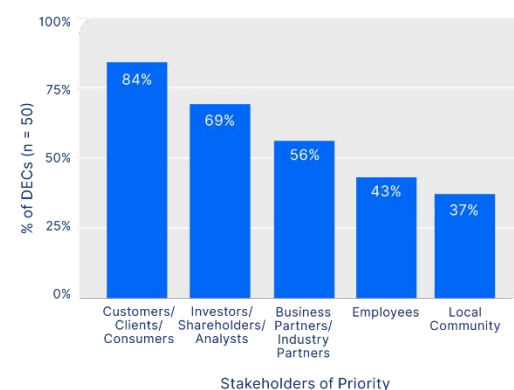
Indonesia



Malaysia



Philippines



Source: Tech for Good Institute and NUS Centre for Governance and Sustainability, 2023

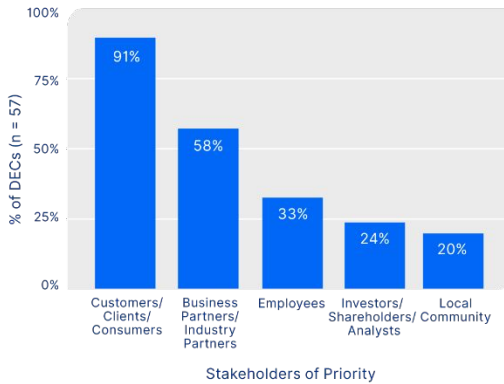
DEC Stakeholders of Priority in SEA-6, by country



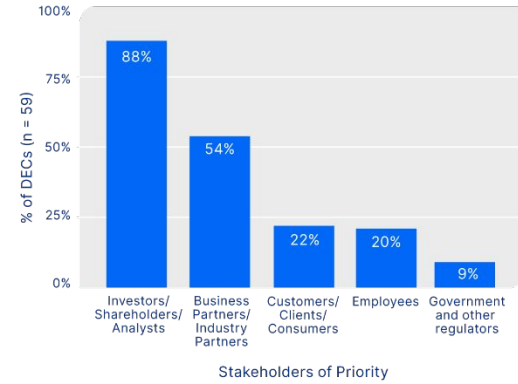
Singapore



Thailand

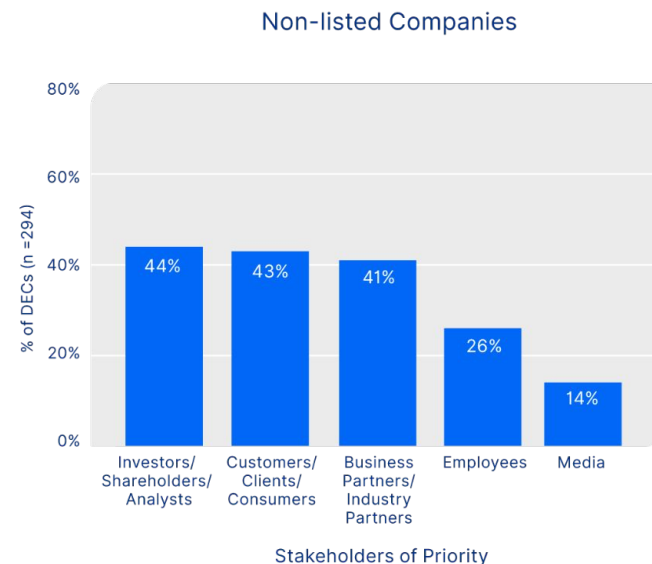
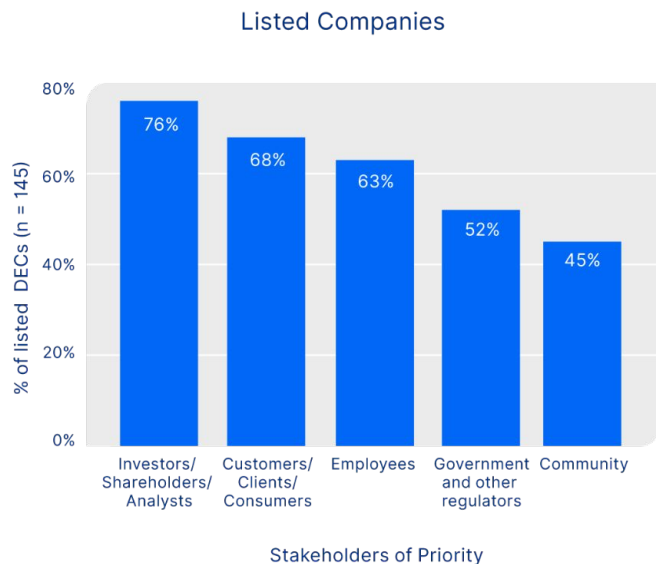


Vietnam



Source: Tech for Good Institute and NUS Centre for Governance and Sustainability, 2023

Listed DEC's put more emphasis on governments and other regulators.

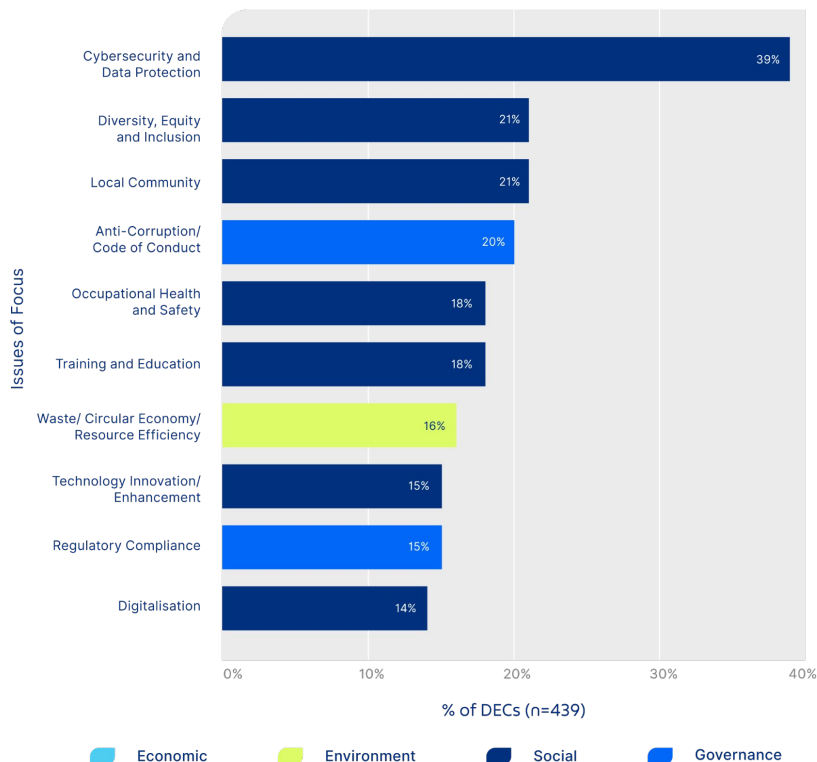


Source: Tech for Good Institute and NUS Centre for Governance and Sustainability, 2023

DECs in SEA-6 are still focused on near term issues that are essential to their operations

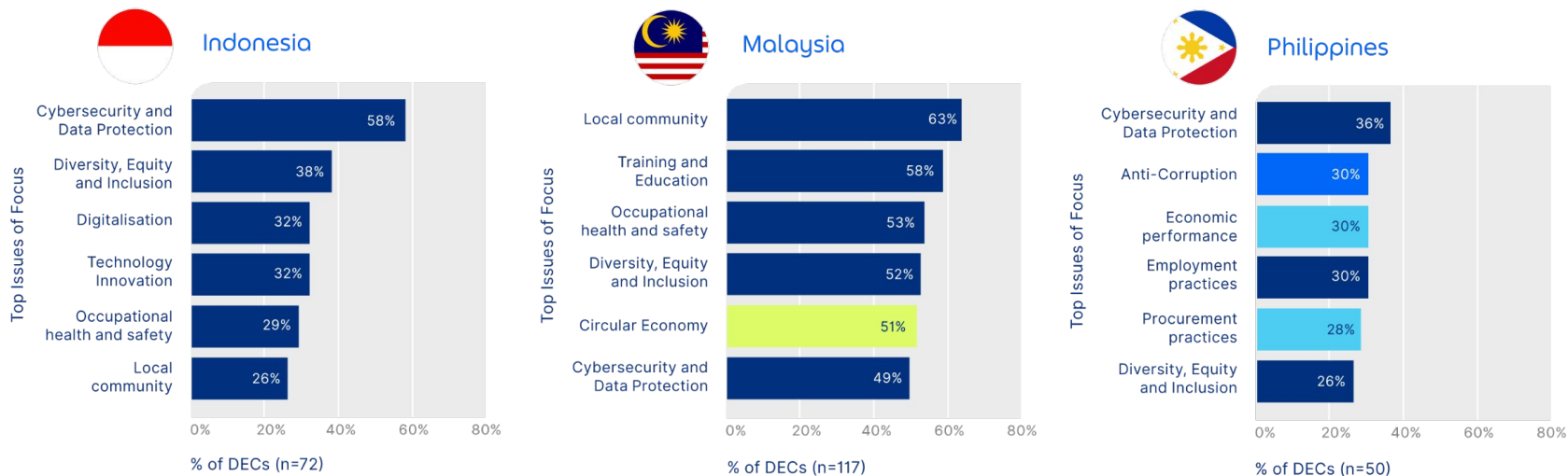
➔ **Cybersecurity / Data Protection, Diversity & Inclusion, and Local Community** dominates top 3 positions across the region

➔ **Environment** remains a blind spot



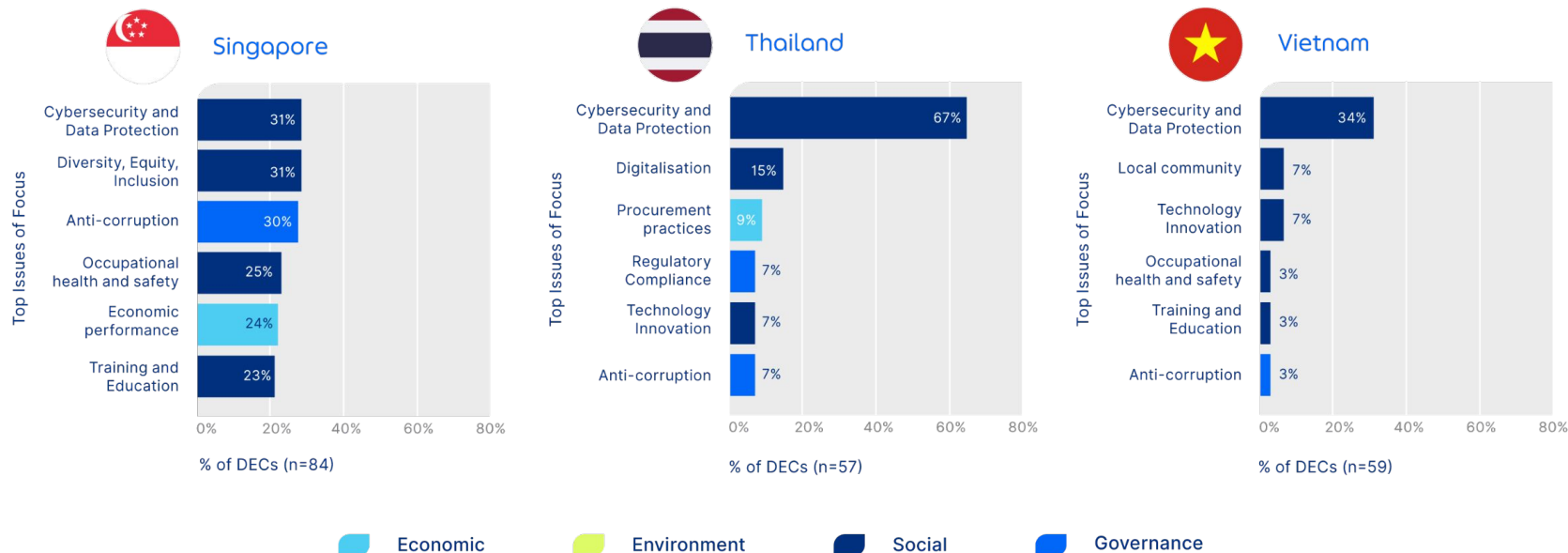
Source: Tech for Good Institute and NUS Centre for Governance and Sustainability, 2023

Issues of focus of SEA-6 economies, by country



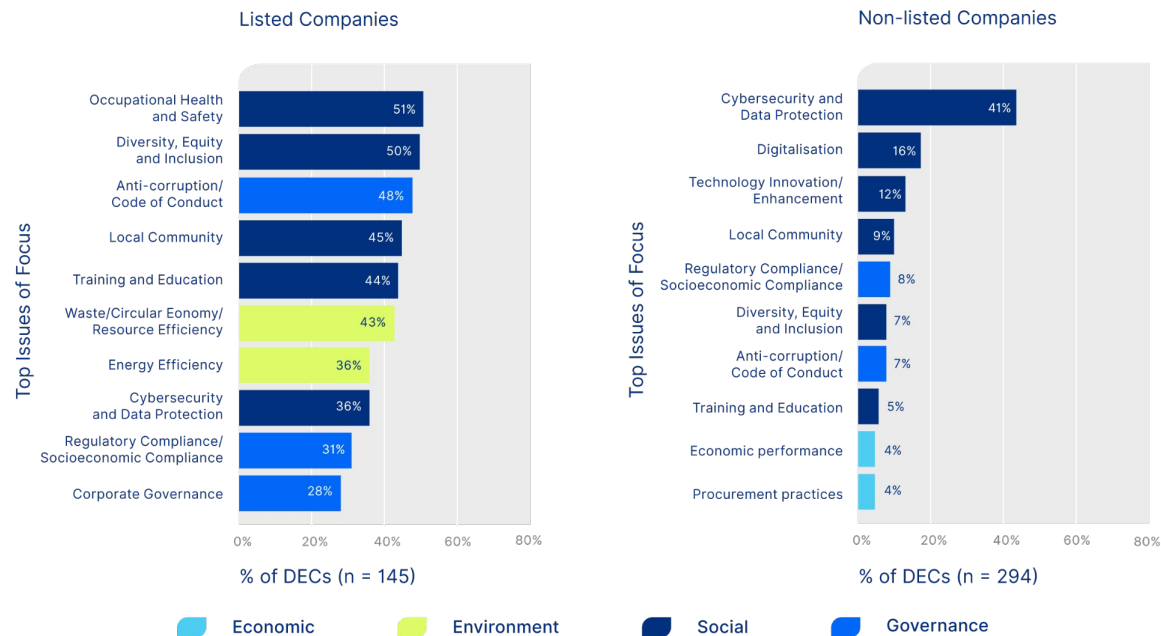
Source: Tech for Good Institute and NUS Centre for Governance and Sustainability, 2023

Issues of focus of SEA-6 economies, by country



Source: Tech for Good Institute and NUS Centre for Governance and Sustainability, 2023

Listed DECIs are more cognisant of their environmental impact than non-listed DECIs.



Source: Tech for Good Institute and NUS Centre for Governance and Sustainability, 2023

Whilst impact commitments were made by DEC's, half have initiatives, and fewer track their progress

- ➔ DEC's share their ESG approaches as a corporate information rather than as a strategic target or performance metric
- ➔ Expect the trends to change in the years to come as reporting becomes mandatory



DECs need to evolve with the changing landscape



The changing regulatory environment

Governments and regulators are expected to become important DEC stakeholders due to the rising societal concern over evolving business models and emerging technologies.



The changing risk environment

DECs will increasingly be called upon to account for and mitigate environmental risks.



The changing market environment

Investors, customers, industry partners, and employees are increasingly scrutinising corporate impact on society and the environment, both for risk mitigation and as a proxy for a company's integrity, transparency and accountability.

Towards positive impact through DEC

➤ DEC should operate responsibly.

DECs should consider measuring and communicating performance on:

- Environment: Scope 1, 2, 3 GHG emissions, with climate-related targets
- Social: Cybersecurity, data protection, product or service safety, employee upskilling or reskilling, employee wellbeing
- Governance: Anti-corruption, compliance and competitive behaviour

➤ Second, there is great opportunity in Southeast Asia for DEC to pursue areas that advance sustainable growth.

DECs have the potential to “solve social problems, meet the needs of people, and work toward developing sustainable solutions for the future.

Digital technologies are critical to addressing complex issues, such as climate resilience. For example, data-driven solutions can support reduction of GHG emissions through informed decision-making, real-time data sensing and control, and process calibration.

➤ DEC can align their initiatives to support national priorities of their markets.

DECs are well placed to develop and deploy fit-for-purpose products and services that meet the needs of the region and that account for Southeast Asia’s unique cultural diversity.

Inclusive, responsible and resilient development of the digital economy needs a systems approach enabled by partnership among key stakeholders

To read the full report,
scan the QR code below.

