

ASEAN INCLUSIVE BUSINESS AWARDS 2025 & INCLUSIVITY AND SUSTAINABILITY SPECIAL AWARDS

1. Background

In assuming the ASEAN Chairmanship 2025, Malaysia strives to reflect the region's philosophy where no one should be left behind; thus, the theme "Inclusivity and Sustainability" is chosen for its intrinsic values. Inclusivity in this respect ensures that everyone benefits from the region's economic and social progress, without leaving anyone behind. Sustainability, on the other hand, focuses on balancing economic development with environmental protection and social equity to ensure long-term well-being. The theme conveys the hope that what we do today will have a permanent mark on the future, among other things.

Whilst inclusivity and sustainability are deeply intertwined, they are also interconnected by the virtue that both command strategic imperatives in creating a more resilient, equitable, and sustainable future for all.

Inclusive Business (IB) has become increasingly visible as a business model that engages the people at the Base of the Pyramid (BoP) and provides livelihood to these marginalised communities by integrating them into the value chain. As the ASEAN Economic Community (AEC) 2025, AEC Blueprint 2025, and SAP SMED 2025 work in unison to call for inclusive growth and global competitiveness, IB emerges as the basis upon which the quality of life of the ASEAN community will be predominantly lifted.

The Special Awards for Inclusivity and Sustainability were introduced by Malaysia during its hosting of the Eighth ASEAN Inclusive Business Forum (IB Forum) and ASEAN Inclusive Business Awards 2025 (IB Awards), to celebrate the IB winners among the 10 ASEAN Member States (AMS) that demonstrate tremendous efforts in promoting the principles of inclusivity and sustainability in their IB business models and operations. The Inclusivity Special Award honours the 2025 ASEAN Inclusive Business Awardee that has demonstrated the highest level of social and economic impact, foster positive systemic change and people-centred growth. The Sustainability Special Award honours the 2025 ASEAN Inclusive Business Awardee that has demonstrated the highest level of commitment to environmental protection, social well-being and strong governance.

2. Criteria for ASEAN Inclusive Business Awards 2025 & Inclusivity and Sustainability Special Awards

2.1 Criteria for ASEAN Inclusive Business Awards 2025

Based on the Guidelines for the Promotion of Inclusive Business in ASEAN, endorsed by the AEM at the 52nd AEM Meeting in 2020, applicants must meet the following eligibility criteria:

- a. be headquartered in an ASEAN country, with commercial and/or operational presence in ASEAN;
- b. be organised as a private for-profit enterprise;
- c. at least 55% of the applicant's equity should be owned by ASEAN nationals;
- d. integrate the BoP in its core operations working with/or serving as suppliers, distributors/retailers, employees and/or customers;
- e. demonstrate commercial viability;
- f. comply with legal standards for labour and environment in its countries of operation; and
- g. not fall in the following 'excluded businesses' list:
 - i. Producing or trading in weapons and munitions, or gambling, casinos and equivalent businesses;
 - ii. Conducting activities involving harmful or exploitative forms of forced labour or child labour;
 - iii. Producing or trading in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone-depleting substances, PCBs, wildlife or products regulated under the Convention on International Trade in Endangered Species (CITES);
 - iv. Producing or trading in radioactive materials (this does not apply to the purchase of medical equipment, quality control (measurement) equipment and any equipment where the radioactive source is considered to be trivial and/or adequately shielded);
 - v. Producing or trading in unbonded asbestos fibres. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%;
 - vi. Undertaking drift net fishing in the marine environment using nets in excess of 2.5 km in length and battery shock fishing;
 - vii. Undertaking commercial logging operations for use in primary tropical moist forest;
 - viii. Producing or trading in wood or other forestry products other than from sustainably managed forests;
 - ix. Involved in production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals;
 - x. Engaged in production or activities that impinge on the lands owned, or claimed under adjudication, by Indigenous Peoples, without full documented consent of such peoples, as defined in respective national laws; and
 - xi. Cigarette, narcotic drugs, alcoholic drinks.

Applicants from all AMS will be required to complete an application form (**ANNEX 1**) containing a set of questions which is divided into two parts; namely:

- Part 1: basic information of the applicant for eligibility screening; and
- Part 2: detailed description of IB activities and how the organisation drives the impact on the social, economic and environmental well-being of a specific community or target group. Question number 8 and 18 are revised to include the criteria for inclusivity and sustainability special awards.

2.2 Criteria for Inclusivity and Sustainability Special Awards

As the organiser for the ASEAN Inclusive Business Awards 2025 (IB Awards), Malaysia will present two (2) additional awards, recognising outstanding efforts in “inclusivity” and “sustainability”. Each applicant will need to complete targeted questions to demonstrate its contributions in promoting inclusivity and sustainability principles. The winner for each of these two categories will be chosen from amongst the 10 IB Awards recipients who best fulfil the required criteria.

2.2.1 Inclusivity Special Award

To qualify for Inclusivity Special Award, the original Question No. 18 under Part 2 of the application form:

Please describe if you believe your organisation contributes to systemic change (for example, by addressing gender issues as well as issues of poverty). Please describe why, giving one or several concrete examples. (max. 150 words)

is revised to request more detailed information related to inclusivity. Applicants are now asked to provide response to the following questions:

Please provide additional details regarding the systemic changes driven by your company related to the following scopes: (max. 150 words for each scope)

- BoP categories** - this may include women, person with disabilities, indigenous people, urban poor people, rural poor people, unemployed, retirees, ex-convicts, others (please specify)
- Impact on BoP** - this may include job creation, income generation, increase in income, access to public facilities, access to low-cost goods, access to education and health, others (please specify)
- Multiplier/Spillover effect** – this may include access to opportunities, poverty reduction, gender equality, access to necessities, social well-being, community development, others (please specify)

2.2.2 Sustainability Special Award

For the Sustainability Special Award, an addendum question builds upon Question No. 8 under Part 2 of the application form:

Does your company promote Environmental, Social, Governance (ESG) standards?

To qualify for the Sustainability Special Award, applicants are required to provide expanded responses to the following question:

Please describe how your company executes ESG practices with one or several concrete examples. (max. 50 words for each indicator)

No.	Indicators	Statements (example)
Environment (E)		
1.	Emission Management	- My firm is implementing measures to reduce greenhouse gas (GHG emissions and its carbon footprint (e.g. prioritise digital copies, use hybrid cars, energy-efficient light bulbs, paperless operation and others)
2.	Emission Management	- My firm is compliant with mandated regulatory requirements such as the EU ETS, UK ETS and China National ETS
3.	Water Management	- My firm is implementing initiatives on water efficiency (e.g. use water-saving taps, low-flow showerheads, water heater insulation, high efficiency toilets and others)
4.	Waste Management	- My firm uses eco-friendly raw materials in my business operation (e.g. recycled rubber, biodegradable plastics, compostable straws and others)
Social (S)		
5.	Labour Practices & Standards	- My firm has a policy which sets out clear commitments and targets to support gender equality, racial diversity & equal opportunity and remuneration
6.	Safety & Health	- My firm has an occupational health & safety (OHS) policy which sets out clear commitments and targets
7.	Employee Benefits	- My firm offers employee benefits programmes such as training, childcare, etc.
Governance (G)		
8.	Integrity / Anti-Corruption	- My firm has a policy on gifts / corporate entertaining / anti-corruption that is consistent with its code of ethics/conduct or values statement
9.	Decision Making & Strategic Oversight	- My firm has an ESG policy which sets out clear commitments and targets to improve ESG performance and management.
10.	Disclosure, Transparency & Data Protection	- My firm practices responsible financial and non-financial disclosure consistent with the company's code of ethics/conduct or value statements

3. Evaluation Mechanism

3.1 Nomination for ASEAN Inclusive Business Awards 2025

Each AMS is invited to nominate one (1) company for recognition at the ASEAN Inclusive Business Awards 2025. The nomination process involves the following steps using the evaluation tool (**ANNEX 2**):

- **Eligibility screening:** AMS should fill Part 1 of the evaluation tool with Answers “Yes” or “No”. Only candidates that pass the eligibility criteria (Part 1) and when all the evaluation tool in Part 1 indicates green – should be evaluated based on the Part 2 of the evaluation tool (with the criteria).
- **Scoring of eligible candidates:** Part 2 should be filled in with numbers. Each cell will indicate the maximum weight which could be given for the eligible candidate.
- **Nomination for regional selection process:** AMS should shortlist the top candidate based on the scoring in Part (2) and submit the top candidate to the Award Secretariat for the Award Secretariat to populate the list of regional nominees. The list will be used for recognition at the ASEAN IB Awards 2025, and for further selection for the inclusivity and sustainability special awards.

3.2 Selection for Inclusivity and Sustainability Special Awards

The Inclusivity and Sustainability Special Awards entries will be evaluated by the newly formed Selection Committee. This Selection Committee will be evaluating the answers provided to the addendum questions. The score for each award is set at 30, divided evenly among the three sub-categories under the addendum question.

- For the Inclusivity Special Award, the sub-categories include BoP categories, Impact on BoP, and Multiplier/Spillover effect.
- For the Sustainability Special Award, the sub-categories are Environment, Social, and Governance.

Scores given are based upon the ASEAN IB Awards selection criteria of poor score (0), below average score (2.5), average score (5), above average score (7.5) and excellent score (10).

The Selection Committee comprises members as listed below:

- i. Ministry of Entrepreneur and Cooperatives Development (MECD) Malaysia (Chair) in its capacity as chair of the selection committee.
- ii. SME Corporation Malaysia (Secretariat) in its capacity as secretariat of the selection committee.