

The
Economist

INTELLIGENCE
UNIT

PRIDE AND PREJUDICE

Assessing progress in Asia-Pacific

Supported by



For four consecutive years The Economist Group has hosted Pride and Prejudice, an initiative—including research from The Economist Intelligence Unit—that analyses the business and economic case for lesbian, gay, bisexual and transgender (LGBT) rights around the world. This year, the programme focuses on the situation in Asia-Pacific—a vast and diverse region, home to 60% of the world’s population¹ and a huge diversity of laws, environments and attitudes surrounding sexual orientation and gender identity (SOGI).

The core of this year’s research programme by The Economist Intelligence Unit, supported by Barclays, is a survey of executives and the general public on the subject of LGBT diversity and inclusion (D&I) in Asia-Pacific, both in the workplace and broader society. The survey panel consists of regular *Economist* readers and fans who agree to participate in research panels; non-executives were included in order to present a broader swath of views. Following the survey, which was fielded in April 2019, we conducted in-depth interviews with three experts in the subject of LGBT D&I policies. We would like to thank the following people for their time:

- Lisa Butler, chief talent and diversity officer, Manulife
- Tom Cullen, executive director, Nomura
- Anita Leung, managing director and head of operations, Asia ex-Japan, Nomura

This report presents an executive summary of key findings from the survey, supplemented with insights from the interviews. Michael Gold is the report author; Irene Mia is the editor. The Economist Intelligence Unit bears sole responsibility for the content of the report and the findings do not necessarily reflect the views of the sponsor.

The key findings are:

A virtuous circle is emerging, in which visibility for LGBT workers is rising along with the perception of bottom-line benefits to D&I

Given the fast-changing landscape surrounding LGBT rights in Asia-Pacific, one of the aims of this year’s survey was to compare attitudes with those uncovered in our first Pride and Prejudice survey, fielded in 2015. Perhaps unsurprisingly, the findings show progress in some respects and reasons for concern in others.

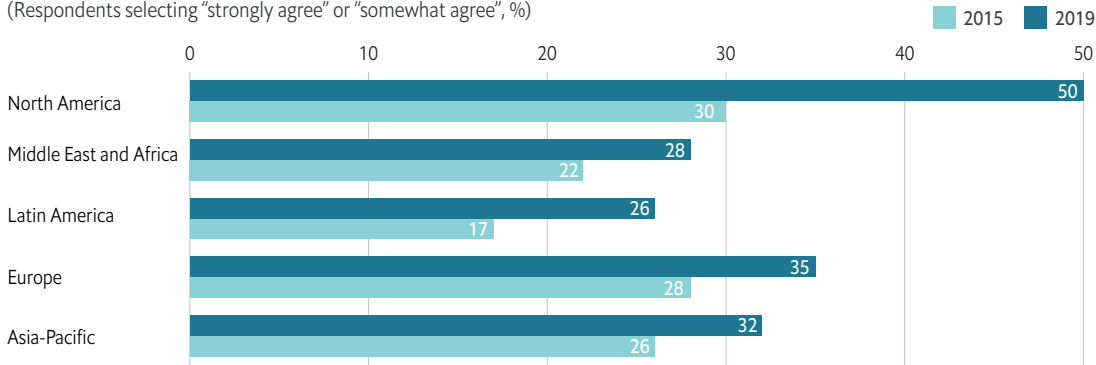
Start with the enhanced status of LGBT people in the workplace. Compared with 2015, the share of executives in Asia-Pacific who believe there are prominent LGBT advocates in their company increased by six percentage points. This increase pales in comparison to the corresponding boost seen in North America, but is largely in-line with other global regions.

¹ “Asia Population”, Worldometers.info, <https://www.worldometers.info/world-population/asia-population/>, accessed May 3rd 2019

Figure 1: Adding advocates

To what extent do you agree or disagree with the following statement? There are prominent LGBT advocates in my company.

(Respondents selecting “strongly agree” or “somewhat agree”, %)



Source: The Economist Intelligence Unit

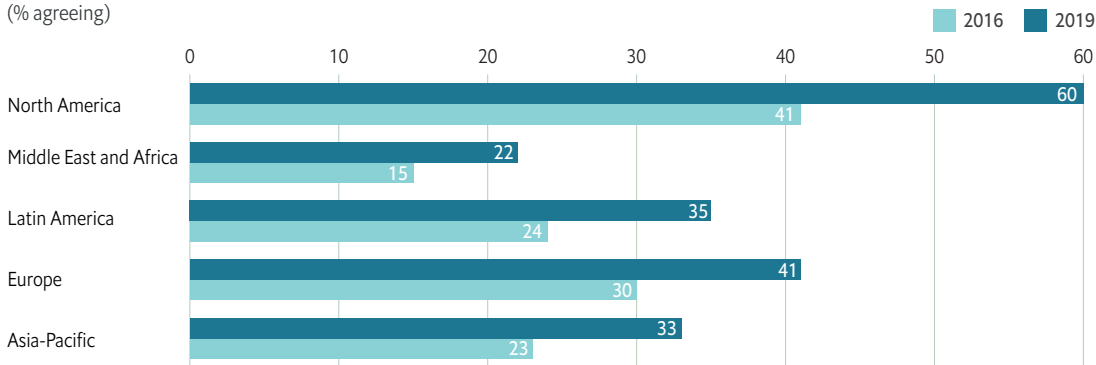
This improvement may be feeding one of the other key advancements over past years: a greater recognition of the link between corporate D&I and financial benefits to such policies and practices. Specifically, 33% of executives in Asia-Pacific agree there is a

potential return on investment (ROI) to LGBT-friendly workplace policies and practices—ten percentage points higher than the corresponding figure from 2016 (this question was not asked in the 2015 survey).

Figure 2: Climate change

Considering your country's current business climate, do you think there is a potential ROI/business opportunity in enacting LGBT-friendly workplace policies and practices?

(% agreeing)



Source: The Economist Intelligence Unit

Companies in Asia-Pacific may not be satisfying the growing appetite for corporate D&I

This virtuous circle is undoubtedly a positive development, yet it may be raising the bar for future progress-raising measures. We asked executives if they would like their firms to invest more in supporting D&I for LGBT staff; 45% of executives in Asia-Pacific said yes, an

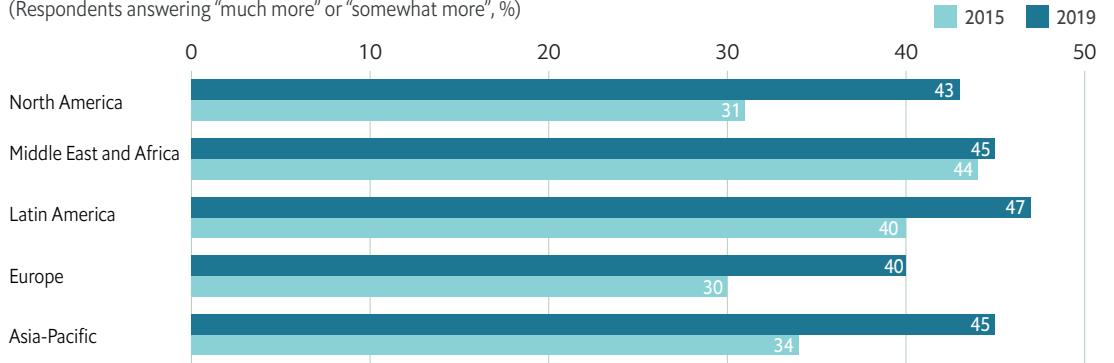
improvement of 11 percentage points over the corresponding figure from 2015.

At the same time, 37% of executives in Asia-Pacific also said that progress in advancing corporate LGBT D&I over the past three years has been limited or non-existent—eight percentage points higher than the share that gave the same answer in 2015.

Figure 3: More green for pink

To what extent would you like to see your company investing more or less in advancing progress in SOGI diversity in the workplace?

(Respondents answering "much more" or "somewhat more", %)

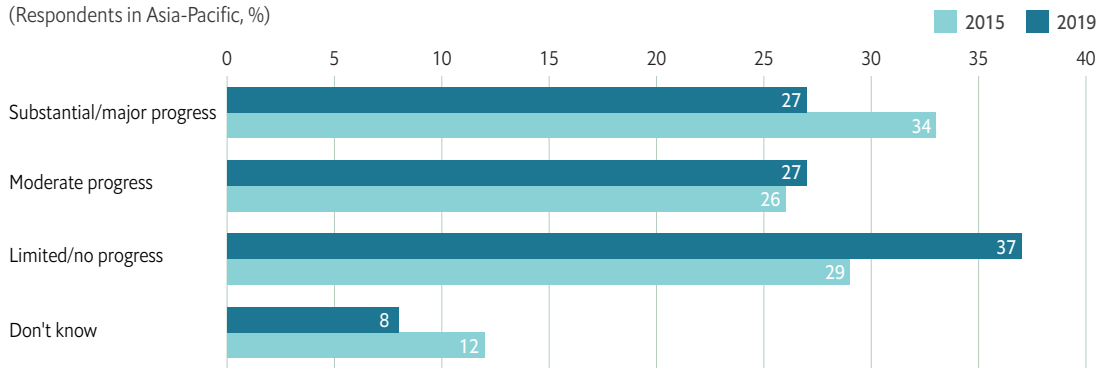


Source: The Economist Intelligence Unit

Figure 4: Progress in peril

To what extent do you believe your company has made progress in SOGI diversity over the last three years*?

(Respondents in Asia-Pacific, %)



*Was "five years" in the 2015 questionnaire; the time scale was reduced in the 2019 survey in order to reflect progress made since 2015

Source: The Economist Intelligence Unit

There are a number of ways to interpret this dichotomy. One reading suggests that the energy around LGBT D&I may be flagging, despite the growing desire for more investment. Lisa Butler, who heads corporate diversity at Canadian financial services firm Manulife, believes it rather reflects companies falling victim to their own recent success in raising awareness about LGBT D&I. "Expectations are higher than they used to be," she says.



Expectations [surrounding LGBT D&I] are higher than they used to be.

Lisa Butler, Manulife

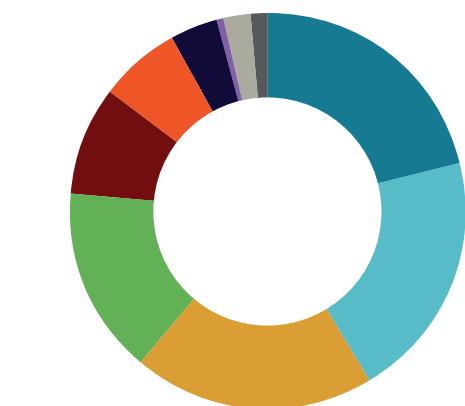
Business momentum is increasing hand-in-hand with greater societal openness toward SOGI in Asia-Pacific, although progress is hardly assured

In addition to tracking the evolving business case for LGBT D&I, our study also widens the aperture to society as a whole, exploring how the backdrop for corporate action has changed in Asia-Pacific. Unsurprisingly, the environment for LGBT people remains relatively more closed off in this region than in much of the Western world, although the direction of travel is broadly positive, with 74% of respondents in Asia-Pacific saying the climate is more open now than it was three years ago.

Figure 5: Shifting gears

Among those who believe the overall climate for LGBT D&I in their country over the past three years has become more open, which factors have most driven this shift?

(Respondents in Asia-Pacific)



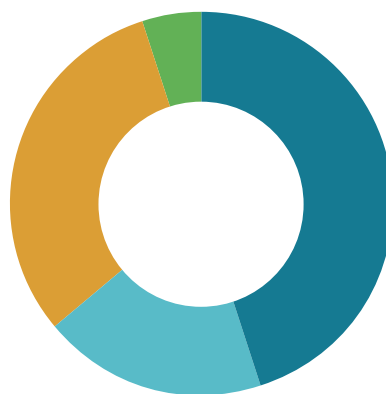
Source: The Economist Intelligence Unit

Looking to the future, the survey respondents see evidence that LGBT people in Asia-Pacific may eventually enjoy the same rights and freedoms of their Western counterparts. In particular, a significant share foresees that Asia-Pacific will one day fully embrace same-sex marriage, often considered a major milestone of LGBT openness.

Figure 6: Union do's

Agree or disagree: Legalisation of same-sex marriage will inevitably spread across Asia.

(Respondents in Asia-Pacific)



Source: The Economist Intelligence Unit

Yet significant hurdles stand in the way of full equality. Notably, over half of Asia-Pacific executives who believe the space for LGBT rights has shrunk in the past three years chose anti-LGBT advocacy by religious institutions as the top underlying reason. Anita Leung of Nomura, a global investment bank headquartered in Japan, believes that the emphasis placed on individual civil liberties has grown in Asia in recent years, but that the issue of religion remains a "tricky" one, especially for companies. "Businesses should have clear policies on equality and diversity, and draw a line between acceptable expressions of faith versus unacceptable discrimination," she says.

“**Businesses should draw a line between acceptable expressions of faith versus unacceptable discrimination.**”

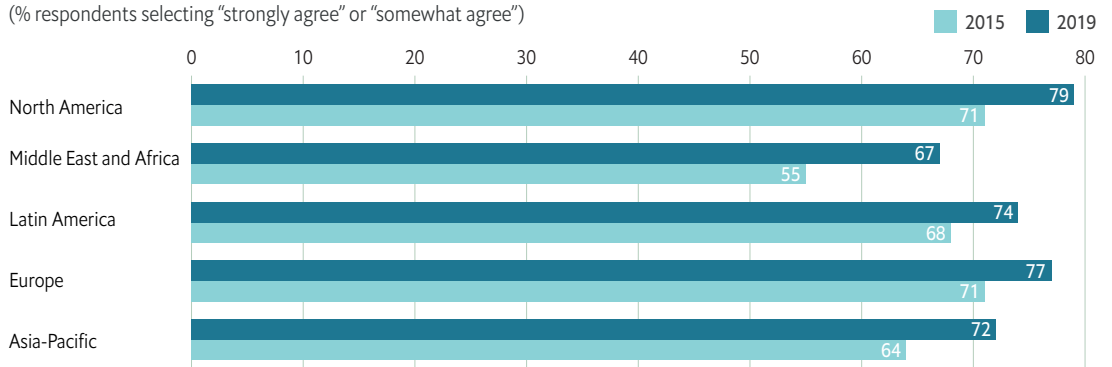
Anita Leung, Nomura

Amid this tension, growing global awareness of LGBT rights is pushing companies to forestall potential conflicts or threats to employees in countries where being LGBT can relegate one to second-class citizenship, be dangerous or even deadly. Our survey respondents believe companies need to do more in this regard—the movement on this question from 2015 to today (see figure 7) shows the growing expectation for companies to provide safe spaces for LGBT staff in hostile places.

Figure 7: Proto-protection

Agree or disagree: Companies need to do more to protect LGBT employees in countries that have anti-LGBT legislation in place.

(% respondents selecting “strongly agree” or “somewhat agree”)



Source: The Economist Intelligence Unit

For companies operating in Asia-Pacific, the vast spectrum of attitudes toward LGBT people, ranging from hostility to celebration, presents both a challenge and an opportunity. Companies that can leverage the growing social demand for LGBT equality—and feel that their legal and political clout is significant enough—can effect real change, as occurred recently in Hong Kong when banks intervened to support the legal case of a

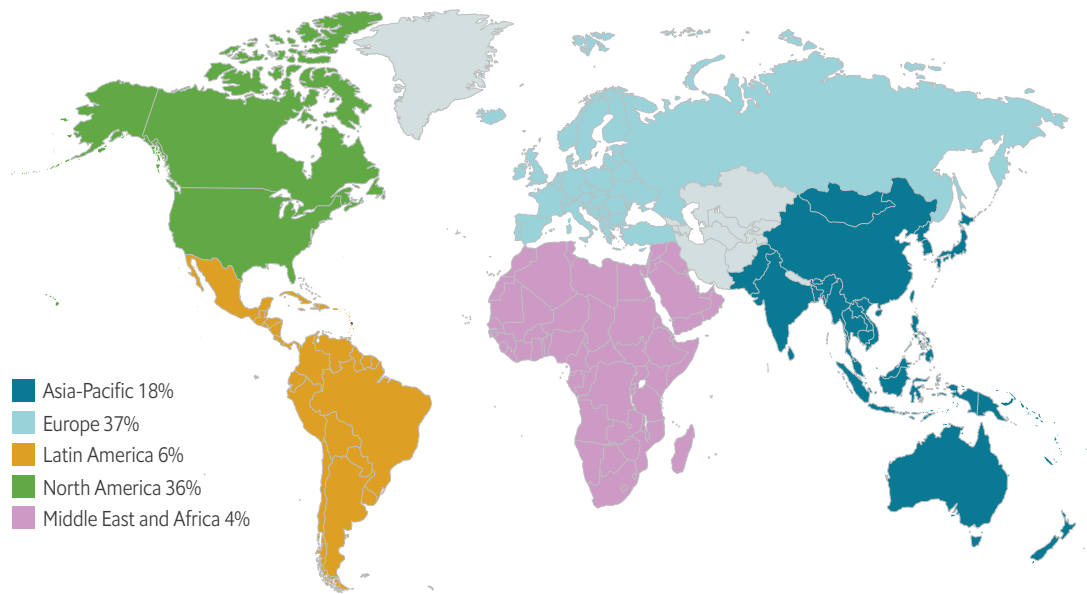
woman seeking a spousal visa for her lesbian partner.² But setbacks are also common, even in relatively progressive places like Taiwan, where the journey toward same-sex marriage was tortuous, if ultimately successful. Companies—especially Western multinationals—are only a small part of an incredibly complex and fast-changing society, one where dismay can be as common as victory for its LGBT community.

² “Hong Kong’s top court denies 31 major banks and law firms’ bid to support lesbian expat ‘QT’ in LGBT rights battle”, *South China Morning Post*, May 1st 2018, <https://www.scmp.com/news/hong-kong/hong-kong-law-and-crime/article/2144086/hong-kongs-top-court-denies-31-major-banks>

Survey demographics*

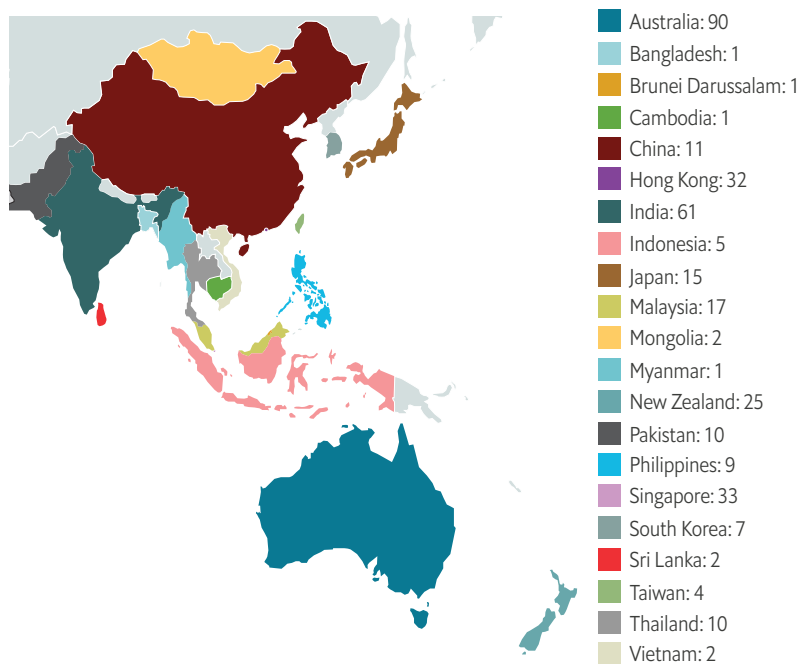
Global breakdown

Total number of respondents: 1,901



Respondents in Asia-Pacific countries or territories

Total number of respondents in Asia-Pacific: 339

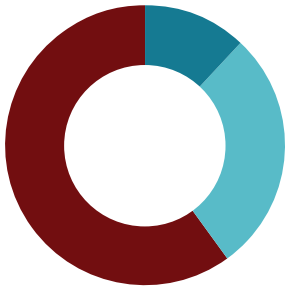


* Some categories may not add up to 100% due to rounding

Generational breakdown

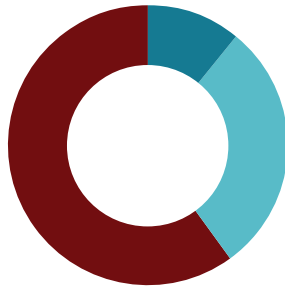
Global

- Gen Z + millennials [age 18-37] 12%
- Gen X [age 38-53] 28%
- Baby boomers + silent generation [age 54+] 59%



Asia-Pacific

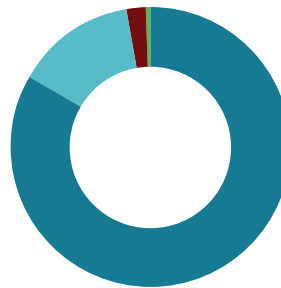
- Gen Z + millennials [age 18-37] 11%
- Gen X [age 38-53] 29%
- Baby boomers + silent generation [age 54+] 60%



Gender

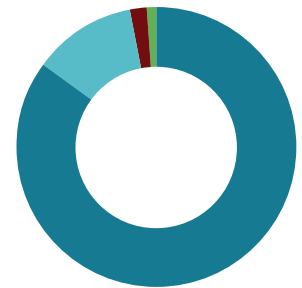
Global

- Male 83%
- Female 14%
- Do not care to respond 2%
- Other 0.5%



Asia-Pacific

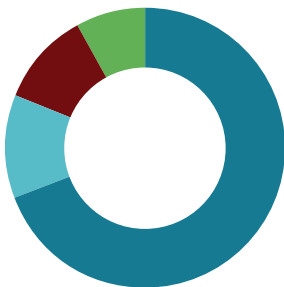
- Male 86%
- Female 12%
- Do not care to respond 2%
- Other 1%



LGBT connection

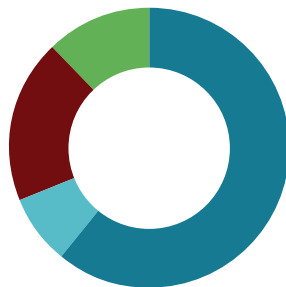
Global

- I have family, friends, co-workers or business colleagues in the LGBT community 70%
- I am an LGBT person 12%
- I do not personally know any LGBT people 11%
- Other/none/do not care to answer 8%



Asia-Pacific

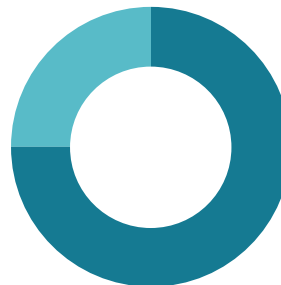
- I have family, friends, co-workers or business colleagues in the LGBT community 61%
- I am an LGBT person 8%
- I do not personally know any LGBT people 19%
- Other/none/do not care to answer 12%



Employment status*

Global

- Employed/working 75%
- Not employed/working 25%



Asia-Pacific

- Employed/working 84%
- Not employed/working 16%



* Only full-time employees answered questions relating to corporate D&I; all respondents answered questions relating to D&I in broader society

Professional rank (among those who are employed/working)

Global

- C-suite 31%
- Non-C-suite 69%



Asia-Pacific

- C-suite 37%
- Non-C-suite 63%



Business footprint of respondent organisation

Global

- Global/multinational 57%
- Regional/domestic 43%



Asia-Pacific

- Global/multinational 57%
- Regional/domestic 43%



Primary industry of respondent organisation

Global

- Services 78%
- Non-services 22%



Asia-Pacific

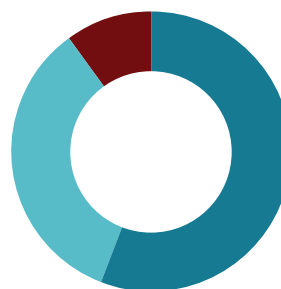
- Services 77%
- Non-services 23%



Annual global revenue of respondent organisation (or budget oversight if governmental)

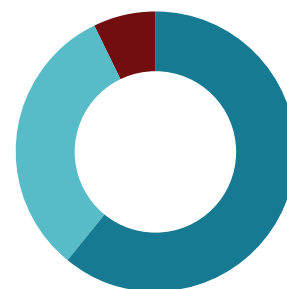
Global

- Less than US\$500m 56%
- US\$500m or above 34%
- Don't know 10%



Asia-Pacific

- Less than US\$500m 61%
- US\$500m or above 32%
- Don't know 7%



About Barclays: Barclays is a transatlantic consumer and wholesale bank offering products and services across personal, corporate and investment banking, credit cards and wealth management, with a strong presence in our two home markets of the UK and the US.

With over 325 years of history and expertise in banking, Barclays operates in over 40 countries and employs approximately 83,500 people. Barclays moves, lends, invests and protects money for customers and clients worldwide.

For further information about Barclays, please visit our website www.barclays.com.

While every effort has been taken to verify the accuracy of this information, The Economist Intelligence Unit Ltd. cannot accept any responsibility or liability for reliance by any person on this report or any of the information, opinions or conclusions set out in this report. The findings and views expressed in the report do not necessarily reflect the views of the sponsor.

LONDON

20 Cabot Square
London, E14 4QW
United Kingdom
Tel: (44.20) 7576 8000
Fax: (44.20) 7576 8500
Email: london@eiu.com

GENEVA

Rue de l'Athénée 32
1206 Geneva
Switzerland
Tel: (41) 22 566 2470
Fax: (41) 22 346 93 47
Email: geneva@eiu.com

NEW YORK

750 Third Avenue
5th Floor
New York, NY 10017
United States
Tel: (1.212) 554 0600
Fax: (1.212) 586 1181/2
Email: americas@eiu.com

DUBAI

Office 1301a
Aurora Tower
Dubai Media City
Dubai
Tel: (971) 4 433 4202
Fax: (971) 4 438 0224
Email: dubai@eiu.com

HONG KONG

1301 Cityplaza Four
12 Taikoo Wan Road
Taikoo Shing
Hong Kong
Tel: (852) 2585 3888
Fax: (852) 2802 7638
Email: asia@eiu.com

SINGAPORE

8 Cross Street
#23-01 Manulife Tower
Singapore
048424
Tel: (65) 6534 5177
Fax: (65) 6534 5077
Email: asia@eiu.com