

## **Guidelines on the Social Responsibility for Industries of China 2.0(GSRI-CHINA 2.0)**

### **Jointly Issued by**

China Federation of Industrial Economics

China National Coal Association

China Machinery Industry Federation

China Iron and Steel Association

China Petroleum and Chemical Industry Association

China National Light Industry Council

China National Textile and Apparel Council

China Building Materials Federation

China Nonferrous Metals Industry Association

China Electricity Council

China Mining Association



# Contents

Preface.....	2
1 Scope.....	5
2 Frame of Reference.....	5
3 Terms and Definitions.....	5
4 Basic Principles.....	9
5 Guidelines on Social Responsibility for Industrial Enterprises.....	10
5.1 General Principles.....	10
5.2 Social Responsibility Management System of Industrial Enterprises.....	10
5.3 Core subjects of Social Responsibility of Industrial Enterprises.....	13
5.4 Industrial Enterprise Social Responsibility Report.....	20
6 Guidelines on Social Responsibility for Industrial Associations.....	23
6.1 General Principles.....	23
6.2 Social Responsibility Management System of Industrial Associations.....	23
6.3 Core Subjects of Social Responsibility of Industrial Associations.....	25
6.4 Industrial Association Social Responsibility Report.....	30
Appendix 1: Reference Laws, Regulations and Files.....	32
Appendix 2: Reference Indexes of Social Responsibility Reporting for Industrial Enterprises.....	37
Appendix 3: Reference Indexes of Social Responsibility Reporting for Industrial Associations.....	41

# Preface

In April 2008, the China Federation of Industrial Economics, together with ten national industrial associations and federations, namely the National Coal Association, the China Machinery Industry Federation, the China Iron and Steel Association, the China Petroleum and Chemical Industry Association, the China National Light Industry Council, the China National Textile and Apparel Council, the China Building Materials Federation, the China Nonferrous Metals Industry Association, the China Electricity Council, and the China Mining Association jointly issued the “Guidelines on the Social Responsibility for Industries of China (2008 edition)” (hereinafter referred to as GSRI-CHINA). GSRI-CHINA is based on the concept of scientific development and abides by the requirements of national laws and regulations. It seeks to contribute to the construction of a harmonious society by embracing the philosophy of social morality. GSRI-CHINA presents a realistic understanding of China’s economic and social situation and advocates the application of a social responsibility system that reflects this understanding, outlining practical implementation steps for Chinese industrial enterprises and offering guidance to Chinese industrial associations on the fulfillment of social responsibility.

Since the 2008 release of GSRI-CHINA, the international and domestic landscape has experienced significant economic change. Simultaneously, there has been an upsurge in Chinese social responsibility research and practice, resulting in new social responsibility requirements for Chinese industrial enterprises and industrial associations. As a result, in July 2009 the China Federation of Industrial Economics together with the ten aforementioned Chinese national industrial associations and federations began a comprehensive revision of GSRI-CHINA. The revision

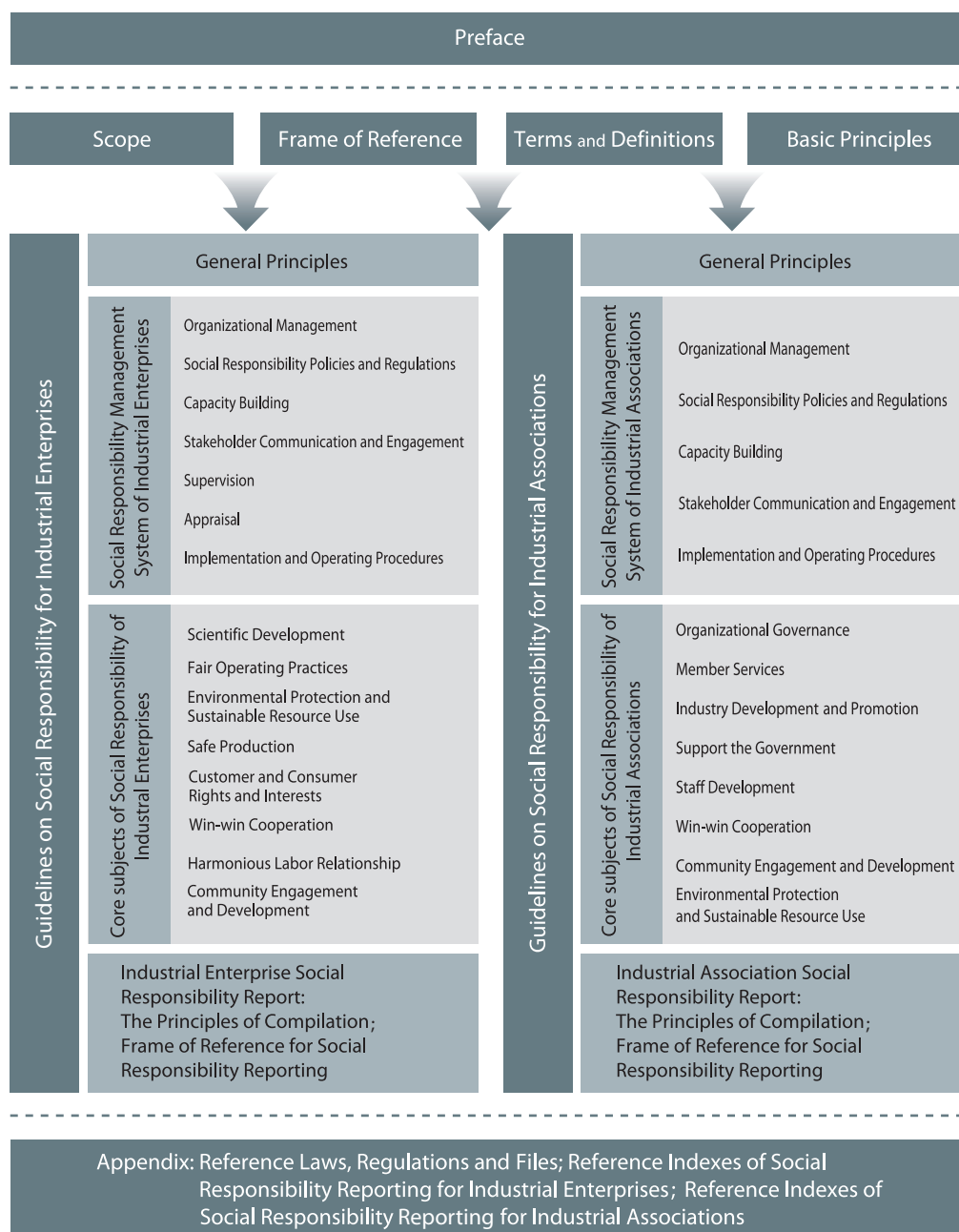
process received support and assistance from governmental departments, social organizations, research institutions, enterprises, and social responsibility experts and scholars. Following a series of studies and extensive discussions and debates the GSRI-CHINA framework was amended. The result is the second edition of GSRI-CHINA (hereinafter referred to as GSRI-CHINA 2.0).

GSRI-CHINA 2.0 elaborates the basic principles and requirements of social responsibility and reflects the circumstances and characteristics that currently impact the fulfillment of social responsibility throughout Chinese industrial enterprises and associations. GSRI-CHINA 2.0 raises awareness of social responsibility as a concept and provides practical instruction to meet the needs of managers in industrial enterprises and associations. GSRI-CHINA 2.0 reflects international developments in Corporate Social Responsibility (CSR) and CSR practices in China, and presents a common understanding of social responsibility from the perspective of Chinese industrial enterprises and associations; it also includes guidance on the fundamental principles and requirements of a social responsibility management system, social responsibility core subjects, and social responsibility reporting. Chinese industrial enterprises and associations applying GSRI-CHINA 2.0 are expected to contribute to the development of social responsibility system by implementing and promoting a social responsibility management system, and disclosing information on social responsibility that will enhance their social responsibility performance.

The right to interpret and revise GSRI-CHINA 2.0 according to new developments in social responsibility practice shall reside with the China Federation of Industrial Economics.

# Framework Overview

GSRI-CHINA 2.0 consists of a preface, a main text, and an appendix. The main text consists of six parts: scope, a frame of reference, terms and definitions, basic principles, and separate social responsibility guidelines for industrial enterprises and industrial associations.



## 1 Scope

- 1.1 GSRI-CHINA 2.0 elaborates the basic principles, general requirements, management requirements, core subjects, and a frame of reference for social responsibility reporting.
- 1.2 GSRI-CHINA 2.0 presents the common understanding of the concept of social responsibility of Chinese industries. GSRI-CHINA 2.0 is intended for industrial enterprises and associations seeking to improve their overall social responsibility performance through the promotion of social responsibility activities, and the disclosure of information on social responsibility.

## 2 Frame of Reference

- 2.1 GSRI-CHINA 2.0 is based on the (i) laws and regulations of the People's Republic of China (ii) applicable policies, guidelines, and standards, and (iii) relevant industrial association constitutions, social responsibility initiatives, codes, tools, and industrial reports.
- 2.2 For information on references in the Guidelines, please see appendix 1.

## 3 Terms and Definitions

### 3.1 Industrial Enterprises

Industrial enterprises are legally established economic entities engaging in industrial manufacturing or labor services for the benefit and satisfaction of society; industrial enterprises enjoy independence in management, finance, and accounting.

### 3.2 Industrial Associations

Industrial associations are entities that are self-disciplined, non-profit, self-managed, and established on a voluntary basis and for common interests; principal members include industrial enterprises and organizations.

### 3.3 Social Responsibility

Social responsibility is the action of taking economic, social and environmental factors into consideration in the decision making process of the organization, and of taking responsibility for the impacts that such decisions and activities have on the economy, society, and the environment; the harmonious relationship between organizations and stakeholders shall contribute to both the sustainable development of the organization and society.

**The Social Responsibility of Industrial Enterprises** includes, but is not limited to, scientific

development, fair operating practices, environmental protection and sustainable resource use, safe production, customer and consumer rights and interests, win-win cooperation, harmonious labor relationship, and community engagement and development.

**The Social Responsibility of Industrial Associations** includes, but is not limited to, organizational governance, member services, industry development and promotion, support the government, staff development, win-win cooperation, community engagement and development, and environmental protection and sustainable resource use.

### 3.4 Stakeholders

Stakeholders are individuals or groups that can affect or be affected by the decisions and activities of an organization.

**Stakeholders of Industrial Enterprise** include, but are not limited to, shareholders, employees, clients, suppliers, government, other entities and communities, as well as highly relevant issue to the public, such as sustainable resource use, the environment, and health and safety.

**Stakeholders of Industrial Associations** include, but are not limited to, specific sectors, members, government, employees, partners, communities, and the environment.

### 3.5 The Social Responsibility System of Industrial Enterprises and Associations

The Social Responsibility System of Industrial Enterprises includes, but is not limited to, organizational governance, relevant policies and regulations, capacity building, stakeholder communication and engagement, supervision and appraisal, and implementation and operational procedures.

The Social Responsibility System of Industrial Associations includes, but is not limited to, organizational governance, relevant policies and regulations, capacity building, stakeholder communication and engagement, and implementation and operational procedures.

### 3.6 Social Responsibility Report

Social responsibility reports offer the systematic disclosure of information on the economic, social, and environmental impacts of the decisions and activities of the organization and are an important process and tool for communication between organizations and stakeholders; reports offer a comprehensive statement on the ideas, actions, performance, and future plans of the organization and its fulfillment of social responsibility.

### 3.7 Sustainable Development

Sustainable development refers to development that meets the needs of the present without



compromising the ability of future generations to meet their own needs.

### 3.8 Scientific Outlook on Development

The scientific outlook on development is a development concept that is people-oriented, comprehensive, coordinated and sustainable; sustainable development is the essence of the concept, people are its core, comprehensiveness, coordination and sustainability are its basic criteria, and universal consideration is its fundamental approach. .

### 3.9 Harmonious Society

Harmonious society is short for the Socialist Harmonious Society and is a strategic social development goal put forward by the Chinese Communist Party; harmonious society elaborates a democratic and law-based society that is secure and orderly, fair and just, trustworthy and friendly, and full of vigor and vitality, in which human beings and nature live in harmony.

### 3.10 Fair Operating Practices

Fair operating practices refer to the rational management of enterprises in accordance with proper order and specific social standards, such as, but not limited to, laws, morality, and policies.

### 3.11 Safe Production

Safe production refers to the state in which potential risk of accident and harm is controlled, and the health and safety of staff is protected through the harmonious interaction of staff, machines, materials, and the environment.

### 3.12 Environmental Protection and Sustainable Resource Use

Environmental protection and sustainable resource use refers to the entirety of natural and artificial elements that impact human survival and development including, but not limited to, air, water, ocean, land, minerals, forests, grasslands, wildlife, natural sites, nature reserves, and urban and rural areas.

### 3.13 Customer and Consumer Rights and Interests

Customer and consumer rights and interests refer to the rights and interests endowed to customers and consumers to meet the needs of economic operation under specific socioeconomic relationships.

Customer refers to organizations or individuals that purchase or use products or services for commercial, private, or public purpose.

Consumer refers to citizens who purchase or use products or receive services for the purpose of daily consumption.

### 3.14 Win-win cooperation

Win-win cooperation refers to the state in which enterprises or associations seek reciprocity for common benefits and interests in their business interactions with suppliers and other partners.

### 3.15 Suppliers

Suppliers are enterprises and branch offices or individual business that provide products and services to manufacturers, dealers, and other intermediaries.

### 3.16 Trade Unions

Trade unions are mass organizations voluntarily formed by workers.

## 4 Basic Principles

### 4.1 Respect for the Rule of Law

Industrial enterprises, associations, and employees shall abide by the requirements of national and local laws and regulations when conducting business in other countries.

### 4.2 Ethical Behavior

The behavior of industrial enterprises and associations shall conform to the principles of honesty, credibility, justice, and integrity. That is to say, industrial enterprises and associations shall show concern for people, the community, and the environment, value their commitment to stakeholders, and respect local customs when conducting business in other countries.

### 4.3 Putting People First

Industrial enterprises and associations shall use the initiative, enthusiasm, and creativity of people in the organization to drive the mutual development of people, enterprises, associations, and society.

### 4.4 Openness and Transparency

Industrial enterprises and associations shall take open and transparent measures or make institutional arrangements that encourage stakeholders to understand, influence, and participate in the activities of the enterprises or association in a proactive way.

### 4.5 Sustainable Development

Industrial enterprises and associations and their employees shall preserve the development of human society and the natural environment, taking into consideration the economy, society, and the environment, while also considering the interests and expectations of stakeholders to promote harmony that benefits sustainable development and society.

## 5 Guidelines on Social Responsibility for Industrial Enterprises

### 5.1 General Principles

Industrial enterprises shall consider the economic, social, and environmental impacts of their decision-making processes and be responsible for the impacts of their decisions and activities.

In order to fulfill their social responsibility, industrial enterprises shall:

- ◆ Conform to national laws and regulations;
- ◆ Take into account the interests and expectations of stakeholders, and express considerations in communication and contact with stakeholders;
- ◆ Gradually integrate social responsibility requirements into the mission, strategy, daily operations, and corporate culture;
- ◆ Take transparent and ethical actions, and promote sustainable development in a practical way.

### 5.2 Social Responsibility Management System of Industrial Enterprises

Industrial enterprises shall establish a social responsibility system based on organizational management, relevant policies and regulations, capacity building, stakeholder communication and engagement, and supervision and appraisal; industrial enterprises will regularly upgrade social responsibility performance and enhance sustainable development through planning, organization, and implementation and inspection activities.

#### 5.2.1 Organizational Management

##### 5.2.1.1 Organizational Framework

- ◆ Specify a responsible person, department, or unit at each management level and establish a responsible and capable institution as per responsibility requirements.

##### 5.2.1.2 Responsibility

- ◆ Specify functions, responsibilities, and extent of authority at all levels and in all departments to promote social responsibility.

##### 5.2.1.3 Management Representative

- ◆ Designate a senior leader who will be in charge of and coordinate specific social responsibility work.

## 5.2.2 Social Responsibility Policies and Regulations

### 5.2.2.1 Daily Management System

- ◆ Develop a social responsibility management system, and establish policies and regulations for the fulfillment of social responsibility;
- ◆ Integrate social responsibility requirements into daily corporate management, and establish a long-term mechanism for the fulfillment of social responsibility;
- ◆ Administrative bodies and staff shall operate under management policies and regulations, and ensure the normalization and standardization of social responsibility work.

### 5.2.2.2 Information Disclosure System

- ◆ Industrial enterprises shall establish an information disclosure system, and disclose information on social responsibility performance to stakeholders;
- ◆ For competent industrial enterprises, a social responsibility report shall be compiled in accordance with the Guidelines and published on a regular basis.

## 5.2.3 Capacity Building

### 5.2.3.1 Training

- ◆ Develop and implement social responsibility training plans, and conduct comprehensive and varied employee trainings in social responsibility;
- ◆ Based on the specific features of the enterprise, carry out intensive staff training in key social responsibility positions.

### 5.2.3.2 Seminar and Communication

- ◆ Actively participate in discussions on social responsibility both domestically and overseas, and in other sectors and industries, in order to learn, borrow, and promote best practices to industrial enterprises.

## 5.2.4 Stakeholder Communication and Engagement

### 5.2.4.1 Informatization

- ◆ Establish a social responsibility information database and make regular improvements to the system to support and improve social responsibility at the management level of industrial enterprises, and facilitate stakeholder communication and engagement.

### 5.2.4.2 Information Quality

- ◆ Regularly collect and process information on social responsibility to ensure completeness, accuracy and timeliness, and to improve the impact of the information on stakeholder communication and engagement.

#### 5.2.4.3 Communication and Engagement

- ◆ Guarantee the rights of stakeholders to know, supervise and participate in stakeholder engagement, and simultaneously establish and improve stakeholder engagement mechanisms;
- ◆ Develop and implement a stakeholder engagement executive plan to increase stakeholder satisfaction, and simultaneously encourage and support stakeholder efforts to advance sustainable development throughout the enterprise.

#### 5.2.5 Supervision

- ◆ Establish a supervision mechanism for enterprises to fulfill social responsibility;
- ◆ Review and assess policies and regulations and measure performance related to social responsibility, and identify ways to make improvements.

#### 5.2.6 Appraisal

##### 5.2.6.1 Performance Appraisal Indicators

- ◆ Establish a social responsibility performance appraisal indicator system at all levels and in all departments of the enterprise.

##### 5.2.6.2 Appraisal Procedures

- ◆ Establish performance appraisal procedures that facilitate social responsibility and contribute to sustainable development.

##### 5.2.6.3 Appraisal Objective

- ◆ Regularly make improvements to the social responsibility appraisal objectives and methods, and build capacity in social responsibility management and sustainable development.

#### 5.2.7 Implementation and Operating Procedures

##### 5.2.7.1 Programming

- ◆ The senior leader in conjunction with management shall coordinate an individual with responsibility for social responsibility activities, and work with stakeholder representatives to formulate and analyze a practical social responsibility strategy for the enterprise.

#### 5.2.7.2 Implementation

- ◆ Implement programming requirements in line with available resources, with permission from the responsible authority, and in accordance with the overall implementation plan.

#### 5.2.7.3 Review

- ◆ Establish a social responsibility review mechanism to assess the impacts and shortcomings of the social responsibility system.

#### 5.2.7.4 Improvements

- ◆ Based on feedback from the review process, make timely improvements to the social responsibility system to promote and upgrade social responsibility performance.

### 5.3 Core subjects of Social Responsibility of Industrial Enterprises

#### 5.3.1 Scientific Development

##### 5.3.1.1 Core Values

- ◆ Define core values and the concept of social responsibility;
- ◆ Foster and regularly strengthen a culture of corporate responsibility in the enterprise.

##### 5.3.1.2 Scientific Programming

- ◆ Integrate social responsibility concepts and principles into the development strategy;
- ◆ Consider social responsibility principles in the planning of the corporate development programming.

##### 5.3.1.3 Sustainable Innovation

- ◆ Regularly strengthen comprehensive competitiveness through product innovation, technical innovation, and innovative management approaches.

##### 5.3.1.4 New Industrialization

- ◆ Insist on informatization-driven industrialization and industrialization-driven informatization;
- ◆ Transform the mode of development to enable enterprises to increase scientific and technological content and economic efficiency, reduce resource consumption and environmental pollution, and make use of advantages associated with human resources.

##### 5.3.1.5 Credit Construction

- ◆ Conform to social and business ethics;
- ◆ Actively promote enterprise credit, and makes efforts to increase the credit rating.

#### 5.3.1.6 Responsible Investment

- ◆ Industrial enterprises shall engage in responsible investment and conduct a comprehensive analysis and assessment of the economic, social, and environmental impact of investment projects;
- ◆ Industrial enterprises investing overseas shall consider the local economic, social, and environmental impacts of investment projects and seek to foster mutual development with local society.

#### 5.3.2 Fair Operating Practices

##### 5.3.2.1 Fighting Commercial Bribery

- ◆ Forbid commercial bribery and other corrupt practices;
- ◆ Establish a long-term mechanism for anti-corruption education, and raise awareness of anti-corruption standards.

##### 5.3.2.2 Fair Competition

- ◆ Conform to relevant national laws and regulations, and compete fairly in the marketplace;
- ◆ Establish a system to prevent enterprises from intervention or involvement in anti-competitive behavior, and support the establishment and implementation of public policies that encourage fair competition.

##### 5.3.2.3 Respect for Property Rights

- ◆ Abide by the requirements of state laws, regulations, and related policies on property rights protection, forbid engagement in activities that violate property rights, and make reasonable compensation for property rights attained or utilized;
- ◆ Consider and preserve the interests of concerned parties when using and protecting intellectual property and asset rights.

##### 5.3.2.4 Promote the Healthy and Continuous Development of the Industry

- ◆ Conform to industrial standards and norms;
- ◆ Participate in the establishment of industrial standards or norms, and promote the healthy and continuous development of the industry.



### 5.3.3 Environmental Protection and Sustainable Resource Use

#### 5.3.3.1 Environmental Management

- ◆ Establish an environmental management system in accordance with national laws and regulations and in combination with corporate realities, and improve and strengthen environmental management capacity;
- ◆ Carry out environmental impact appraisals to manage environmental risks;
- ◆ Conduct environmental protection training for all employees, and strengthen environmental protection capacity.

#### 5.3.3.2 Pollution and Emission Reduction

- ◆ Cut emissions and the discharge of exhaust gas, waste water, and solid waste in accordance with national laws and regulations;
- ◆ Decrease and gradually phase out the use of toxic and detrimental raw material in production;
- ◆ Take measures to address climate change, and decrease the negative influence of emissions on the environment.

#### 5.3.3.3 Sustainable Resource Use and Comprehensive Utilization

- ◆ Utilize energy, raw materials, land, and water responsibly and raise the utilization ratio of resources;
- ◆ Make use of substitute resources, and promote the use of renewable resources;
- ◆ Establish sustainable resource use and recycling systems, and increase waste reuse and recycling levels.

#### 5.3.3.4 Ecological Protection

- ◆ Prohibit production and business activities that harm local ecosystems, and restore any damage caused to the ecology;
- ◆ Protect rare plant and animal species, and reduce operational impacts that negatively affect biodiversity;
- ◆ Advocate employees and the public to contribute to activities that protect and restore the ecosystem.

### 5.3.4 Safe Production

#### 5.3.4.1 Safe Production Management

- ◆ Establish the concept of safe development and define safe production responsibilities at all levels and for all positions, carry out safe production performance assessments, and ensure all employees adhere to the safe production guideline of “putting safety first, giving priority to precaution and applying comprehensive treatment”;
- ◆ Establish safety regulations, operating procedures, and contingency plans for safe production, and continuously make safety improvements to the working environment;
- ◆ Draw on advanced national and international safe production experiences and methods, and explore new modes of safe production to improve the safe production management system.

#### 5.3.4.2 Safe Production Input

- ◆ Formulate a safe production input budget in accordance with national laws and regulations;
- ◆ Implement a safe production input budget, and ensure the enterprise achieves its targets.

#### 5.3.4.3 Safe Production Education and Training

- ◆ Formulate a safe production training system, and plan and organize staff education and training activities in all aspects of safe production knowledge and skills;
- ◆ Increase safety awareness among staff, and strengthen accident prevention and contingency capacity.

#### 5.3.4.4 Production Safety Inspection

- ◆ Inspect safe production activities, eliminate potential accidents in a timely manner, and decrease health and safety risks in all areas of production;
- ◆ Eliminate all influences and potential risks that could impact the community.

#### 5.3.4.5 Handling Safe Production Accidents

- ◆ Conduct emergency rescue procedures when necessary, and handle safe production accidents in accordance with the safety contingency plan;
- ◆ Report accidents to the relevant department in a truthful and timely way and as per the rules.

### 5.3.5 Customer and Consumer Rights and Interests

#### 5.3.5.1 Product Quality and Safety

- ◆ Provide quality products that meet the expectations of customers and consumers, and

meet the requirements of national laws and regulations;

- ◆ Eliminate potential health and safety risks related to the consumption of products and services;
- ◆ Handle any harm caused to consumer health and safety that is the direct result of poor product quality and safety .

#### 5.3.5.2 Responsible Marketing

- ◆ Provide complete, correct, and concise information about products and services to customers and consumers;
- ◆ Enable customers and consumers to make informed purchasing decisions on products and services, and based on transparent information.

#### 5.3.5.3 Handling Complaints and Disputes

- ◆ Manage complaints and related disputes from customers and consumers in a satisfactory way and in accordance with laws and regulations;
- ◆ From the standpoint of customers and consumers try to prevent or compensate damage to customer and consumer rights and interests or other losses induced by the dissatisfaction of the products, the quality of the service, or other objective factors.

#### 5.3.5.4 Privacy Protection

- ◆ Acquire customer and consumer information in a fair and legal way, and on a necessary and voluntary basis;
- ◆ Take necessary measures to keep customer and consumer information safe, and prevent the disclosure or abuse of information.

#### 5.3.5.5 Advocate Responsible Consumption

- ◆ Advocate the purchasing of sustainable products or services through promotion and education activities;
- ◆ Reduce environmental damage and resource consumption caused from the use of products and the consumption of services.

#### 5.3.6 Win-win Cooperation

##### 5.3.6.1 Protection of Rights and Interests

- ◆ Protect the legal rights and interests of suppliers and distributors, and publish all policies and commitments relevant to suppliers and distributors;

- ◆ Establish measures that protect the legal rights and interests of suppliers and distributors.

#### 5.3.6.2 Responsible Procurement

- ◆ Conduct public procurement in accordance with the law, and integrate social responsibility requirements into procurement contracts.
- ◆ Encourage and support suppliers that implement social responsibility by maintaining or increasing orders.

#### 5.3.6.3 Responsible Supervision

- ◆ Supervise the social responsibility practices of suppliers and distributors, and assist in improving their social responsibility performance.

#### 5.3.7 Harmonious Labor Relationship

##### 5.3.7.1 Respect for Human Rights

- ◆ Ensure enterprises do not infringe the basic rights and interests as defined by national laws;
- ◆ Guarantee equal opportunity to all employees, and prevent all forms of discrimination.

##### 5.3.7.2 Labor Contracts and Payments

- ◆ Abide by the requirements of national labor laws and regulations, and sign labor contracts with employees in accordance with the law;
- ◆ Make payments on time and in full;
- ◆ Establish a performance-based employee salary system;
- ◆ Provide guidance to employees on how to make well-considered plans regarding salary.

##### 5.3.7.3 Social Security and Welfare

- ◆ Pay social security fees for staff in accordance with the law;
- ◆ Provide welfare in accordance with local customs and habits to staff.

##### 5.3.7.4 Occupational Health and Safety

- ◆ Establish a management system or practical mechanism for workplace occupational health and safety, and ensure the occupational health and safety of staff;
- ◆ In enterprises where conditions permit, encourage occupational health and safety certification.

#### 5.3.7.5 Democratic Management

- ◆ Establish labor unions in accordance with the law, and support their independence;
- ◆ Encourage and support staff to participate in democratic management through, but not limited to, the workers' congress and labor union;
- ◆ Establish a collective negotiation system that engages workers in fair negotiation of major issues that concern their vital interests.

#### 5.3.7.6 Staff Training and Development

- ◆ Establish and implement staff trainings in professional development, and regularly upgrade staff skills;
- ◆ Provide staff with professional skills training in accordance with the law, and support professional skill training or academic education;
- ◆ Advance career development for talented staff, and provide a career development and advancement platform;
- ◆ Help staff with career development planning.

#### 5.3.7.7 Communication and Care for Staff

- ◆ Establish a two-way communication mechanism, and reply to staff expectations and appeals in a timely and effective manner;
- ◆ Care for staff and family wellbeing, and help employees in difficulty;
- ◆ Organize after work entertainment and sports activities that enrich staff wellbeing.

### 5.3.8 Community Engagement and Development

#### 5.3.8.1 Community Infrastructure Construction

- ◆ Capitalize on professional advantages to facilitate the economic development of communities;
- ◆ Support the construction of infrastructure projects aimed at improving living-conditions in the community.

#### 5.3.8.2 Development of Public Utilities

- ◆ Support government calls to develop public utilities such as education, culture and hygiene;
- ◆ Actively participate in public service and community management activities, and organize public non-profit activities in line with the current standing of the enterprise;

- ◆ Organize and support staff volunteering activities that contribute to public welfare.

#### 5.3.8.3 Employment Creation

- ◆ Offer local employment opportunities in line with the current standing and of the enterprise;
- ◆ Provide professional skills training to local residents in preparation for successful employment.

#### 5.3.8.4 Protection of Vulnerable Groups

- ◆ Actively safeguard the rights and interests of vulnerable and marginal groups;
- ◆ Respect and safeguard the rights and interests of women, children, the elderly, the disabled, and other vulnerable groups.

#### 5.3.8.5 Disaster Prevention and Relief

- ◆ Actively participate in disaster prevention and relief efforts;
- ◆ Provide assistance to disaster affected areas, and to people affected by disasters.

### 5.4 Industrial Enterprise Social Responsibility Report

#### 5.4.1 The Principles of Compilation

##### 5.4.1.1 The Principle of Complete Structure

- ◆ Comply with the format requirements and structure of social responsibility reporting, and disclose information on the economic, social, and environmental responsibilities of the enterprise during the reporting period.

##### 5.4.1.2 The Principle of Substantial Content

- ◆ Systematically disclose information on key social responsibility performance issues and important operational activities that influence stakeholders, and respond to stakeholder concerns and appeals.

##### 5.4.1.3 The Principle of Comparable Performance

- ◆ Enable stakeholders to analyze and compare the social responsibility performance of the enterprise in both a horizontal and vertical way.

##### 5.4.1.4 The Principle of Credible Content

- ◆ Enhance the credibility of information by including comments from stakeholders and

third party evaluations, and include a statement on the source of data to guarantee, among others, stakeholders make correct judgments on the social responsibility performance of the enterprise.

#### 5.4.1.5 The Principle of Readability

- ◆ Disclose concise and readable information so that content is understandable to stakeholders.

#### 5.4.1.6 The Principle of Timeliness

- ◆ Publish updated reports as per applicable reference standards, and ensure the timeliness of the disclosed information.

#### 5.4.1.7 The Principle of Stakeholder Engagement

- ◆ Communicate with stakeholders on core social responsibility issues, and disclose stakeholder expectations and the enterprise's response in the report.

### 5.4.2 Frame of Reference for Social Responsibility Reporting

Table 1 Frame of Reference for Industrial Enterprise Social Responsibility Reports

Structure	Synopsis
Basic Information	<p>Discloses information on the compilation of the report, senior executive statements, and the company introduction, among which:</p> <p>Instruction on the compilation of the report should include, but not be limited to, information on the publishing period, timeframe, boundary of content, and references.</p> <p>Senior executive statements mainly present statements on social responsibility understanding, commitments, practices, and plans.</p> <p>The company introduction mainly includes the name of the enterprise, information on its main business, and primary market information.</p>
Responsibility Management	Includes, but is not limited to, information on strategy and management, identification, stakeholder engagement, and social responsibility capabilities.

Structure	Synopsis
Responsibility Performance	<p>Covers mainly the enterprise's core performance measures, achievements, and best practices in social responsibility.</p> <p>The specific content should include, but is not limited to, information on scientific development, fair operating practices, environmental protection and sustainable resource use, safe production, customer and consumer rights and interests, win-win cooperation, harmonious labor relationship, and community engagement and development.</p> <p>The enterprise should include figures and charts in the report and disclose information on its own conditions by referring to the "Reference Indexes of Social Responsibility Reporting for Industrial Enterprises" (appendix 2).</p>
Responsibility Prospect	Covers the goals and objectives of the enterprise's social responsibility work in the near future, and in particular within the next year.
Report Appendix	Mainly includes, but is not limited to, report evaluations, report feedback, and reference indexes.



## 6 Guidelines on Social Responsibility for Industrial Associations

### 6.1 General Principles

As mutually beneficial economic social bodies, industrial associations are an important part of the socialist market economy and an important mechanism of national macro-economic control.

In order to fulfill their social responsibility, industrial associations shall:

- ◆ Strictly conform to national laws and regulations, social and moral codes, and the constitution of the association;
- ◆ Gradually integrate social responsibility requirements into the mission, strategy, daily operational management, and corporate culture;
- ◆ Supervise members and industrial enterprises to implement social responsibility, encourage the development of industrial social responsibility, and promote sustainable development throughout the industry;
- ◆ Take into account the reasonable interests and expectation of stakeholders, and express such considerations through daily communication and contact with stakeholders including members, industries, and the government.

### 6.2 Social Responsibility Management System of Industrial Associations

Industrial associations shall build a social responsibility system in accordance with the requirements of organizational management, relevant policies and regulations, capacity building, and stakeholder communication and engagement; industrial associations shall urge members and industrial enterprises to fulfill their social responsibility through the planning, organizing, and implementation of approaches that regularly check progress in order to make improvements.

#### 6.2.1 Organizational Management

##### 6.2.1.1 Organizational Framework

- ◆ Specify a department in charge of social responsibility.

##### 6.2.1.2 Management Duties

- ◆ Specify the duties, responsibilities, and rights of the internal social responsibility work;
- ◆ Assign a person or representative from the management team to be responsible for the industrial association's social responsibility work, including the promotion

of industry-wide social responsibility.

## 6.2.2 Social Responsibility Policies and Regulations

### 6.2.2.1 Daily Management System

- ◆ Industrial associations shall encourage the development of a daily management system, and establish rules and regulations concerning social responsibility undertakings;
- ◆ Industrial associations shall integrate social responsibility requirements into their daily management, make social responsibility undertakings sustainable, and guarantee the regular and standardized practice of social responsibility work.

### 6.2.2.2 Information Collection System

- ◆ Establish a social responsibility information collection system, and guarantee collected information is complete, accurate and timely;
- ◆ Establish a social responsibility information database, and regularly collect and process industry-level social responsibility information.

### 6.2.2.3 Information Disclosure System

- ◆ Establish an information disclosure system, and regularly report information related to social responsibility performance to stakeholders;
- ◆ Industrial associations shall compile social responsibility reports as per the Guidelines, and release social responsibility reports on a regular basis.

## 6.2.3 Capacity Building

### 6.2.3.1 Training

- ◆ Plan and implement social responsibility training work;
- ◆ Organize and support staff to participate in social responsibility trainings, and train staff to advocate the undertaking and promotion of social responsibility.

### 6.2.3.2 Study and Exchange

- ◆ Participate in discussions on social responsibility both domestically and overseas, and in other sectors and industries;
- ◆ Study, learn, and promote best practices in social responsibility from different industries.

## 6.2.4 Stakeholder Communication and Engagement

- ◆ Help stakeholders better understand and support the industrial association and the

industry to facilitate a solid internal and external environment for the development of the association and industry.

## 6.2.5 Implementation and Operating Procedures

### 6.2.5.1 Planning

- ◆ Promote social responsibility activities throughout the industrial association and industry in accordance with the Guidelines.

### 6.2.5.2 Implementation

- ◆ Encourage industrial associations, members, and industries to undertake step-by-step social responsibility work in accordance with the social responsibility plan.

### 6.2.5.3 Monitoring

- ◆ Establish and improve the supervision mechanism for the social responsibility performance of industrial associations, members, and industries;
- ◆ Establish a society-based supervision mechanism, and regularly make improvements to the supervision mechanism;
- ◆ Assess the impact and shortcomings of social responsibility promotion activities.

### 6.2.5.4 Improving

- ◆ Improve the approach and method of social responsibility work in accordance with implementation and supervision results;
- ◆ Verify that activities undertaken by industrial associations, members, and industries meet the targets of the social responsibility plan, and that regular improvements are made to social responsibility performance.

## 6.3 Core Subjects of Social Responsibility of Industrial Associations

### 6.3.1 Organizational Governance

#### 6.3.1.1 Improve Internal Governance

- ◆ Establish a governance system, and improve the internal governance based on the constitution of the association;
- ◆ Establish a financial management and accounting system and an assets management system and make regular improvements, establish reasonable charging, and accept supervision and examination in accordance with relevant regulations;

- ◆ Make improvements to international communication and exchange, obey the laws, regulations and disciplines of international communication and exchange, and protect national interests.

#### 6.3.1.2 Improve Service Capacity

- ◆ Strengthen the management of industrial associations' standing departments, and associations' work efficiency;
- ◆ Provide and develop diversified services according to the demands of enterprises and industries;
- ◆ Actively gather industrial talent and make improvements to professional services.

#### 6.3.2 Member Services

##### 6.3.2.1 Protect the Lawful Interests and Rights of Members

- ◆ Collect and integrate the opinions of association members to build a bridge between members and government, and make policy suggestions on behalf of members to government regarding industrial development;
- ◆ Regulate association member activities to protect market order;
- ◆ Organize and participate in joint action, and protect the intellectual property and proprietary technology of members;
- ◆ Participate in the consultation of international trade disputes, make arrangements for member enterprises preparing for court or filing claims concerning anti-dumping and anti-subsidy measures, and maintain regular import and export order.

##### 6.3.2.2 Promote the Development of Members

- ◆ Provide members with domestic and international industrial information;
- ◆ Advocate advanced ideas, carry out appraisals, and promote new techniques and new products, launch skills, introduce new management techniques and trainings, and provide social responsibility consulting services on policies, practices, management, and the market;
- ◆ Organize and assist members, especially small and medium sized enterprises, to develop joint activities such as taking part in trade fairs and exhibitions, and create new domestic and overseas markets;
- ◆ Propagate and popularize famous brands, high-integrity enterprises, and enterprises and individuals that make outstanding contributions to the industry;
- ◆ Assist member enterprises to build social support and cooperation networks, especially those with the expertise and resources in industrial techniques, policies, and

management.

#### 6.3.2.3 Encourage Members to Fulfill Social Responsibility

- ◆ Organize members to carry out social responsibility training, advise members to establish scientific social responsibility concepts, and publicize the outstanding social responsibility practices of members;
- ◆ Establish a communication platform for members and stakeholders, and encourage stakeholder communication with government, social groups, and the media;
- ◆ Advise members on creating employment opportunities, and on the harmonious development of society;
- ◆ Organize, examine, and assess the social responsibility work of members;
- ◆ Urge members to disclose information on social responsibility performance, and encourage the compilation and publishing of social responsibility reports.

### 6.3.3 Industry Development and Promotion

#### 6.3.3.1 Promote Self-discipline Throughout Industries

- ◆ Establish a self-discipline management mechanism throughout the industry, and regularly make improvements to the mechanism;
- ◆ Formulate and organize the implementation of an industry-wide code of ethics;
- ◆ Participate in the formulation and revision of industrial standards, and establish entry requirements and industrial development plans;
- ◆ Promote a credit framework, and protect the reputation of and enhance the image of industrial associations;
- ◆ Supervise development trends and assess policy, market, and technological risks in the industry.

#### 6.3.3.2 Represent the Interests of Industries

- ◆ Establish strong communication channels with government, and express industry concerns;
- ◆ Conduct industrial statistical activities, and collect and release industrial information as per authorization;
- ◆ Assist in the restructuring of enterprises to optimize the allocation of industrial resources, to improve the structure of the industry, to strengthen innovation, and to promote technological progress;

- ◆ Represent and protect the interests of the industry through the coordination of external relations with other industries.

#### 6.3.3.3 Carry out Exchange and Cooperation Within and Outside the Industry

- ◆ Build an industry-wide dialogue platform, and actively communicate, and cooperate with domestic and international counterparts and organizations;
- ◆ Provide guidance on and supervision to industrial enterprises in external exchange activities.

#### 6.3.3.4 Promote the Construction of Industrial Social Responsibility

- ◆ Sanction detailed rules on the implementation of industrial social responsibility as per the Guidelines, enhance the capacity of the industry to fulfill social responsibility, and improve the industry's social responsibility performance.

### 6.3.4 Support the Government

#### 6.3.4.1 Enhance Capacity to Support the Government

- ◆ Improve and regulate management methods, and enhance capacity to support government at all levels;
- ◆ Promote the restructuring and reform of industrial association to meet government requirements, and enhance the association's capacity to perform new tasks entrusted and authorized by the government.

#### 6.3.4.2 Assist the Government in Industrial Management

- ◆ Learn the demands and requirements of the industry and its member enterprises, regularly communicate with competent government departments, and provide members with timely feedback;
- ◆ Conduct industrial statistical research and surveys, and make policy suggestions to government about industrial development;
- ◆ Participate in the research and the formulation of related laws and regulations, macro-economic regulation measures, and industrial policies;
- ◆ Promote the implementation of industrial policies and standards;
- ◆ Participate in government procurement services, and complete all tasks that the government authorizes or entrusts.

### 6.3.5 Staff Development

#### 6.3.5.1 Lawful Rights and Interests of Staff

- ◆ Sign labor contracts with staff in accordance with the law, pay full salary on time, and provide social insurance in accordance with the law;
- ◆ Set up occupational health and safety rules, and provide facilities and protective articles for the purpose of occupational health and safety in accordance with law;
- ◆ Provide assistance to staff in difficulty, and provide necessary welfare as per customs and habits.

#### 6.3.5.2 Staff Training and Career Development

- ◆ Set up staff training plans, and steadily improve career development for full-time workers;
- ◆ Establish a personnel management system, regularly make improvements to the system, improve staff development mechanisms, and strengthen the development of the professional workforce;
- ◆ Attract talented workers, and optimize the structure of the staff.

#### 6.3.5.3 Democratic Management for the Staff

- ◆ Industrial associations shall establish a labor union by law if conditions allow;
- ◆ Support and facilitate staff engagement in the democratic management of the association.

#### 6.3.6 Win-win Cooperation

- ◆ Make purchasing in accordance with the law, advocate responsible and transparent purchasing, and encourage and support suppliers that actively fulfill their social responsibility;
- ◆ Develop innovative multilateral cooperation and exchange with suppliers and other partners.

#### 6.3.7 Community Engagement and Development

- ◆ Establish dialogue and communication that strengthens the relationship between industrial associations and social communities;
- ◆ Function as a platform from which to integrate industry resources, and support the economic development of the community;
- ◆ Utilize professional expertise to support the development of public education, culture, and health care in social communities, organize social welfare activities, and promote the construction of harmonious communities.

### 6.3.8 Environmental Protection and Sustainable Resource Use

- ◆ Establish an environmentally friendly working system, gradually decrease energy consumption, and reduce pollutant emissions;
- ◆ Carry out environmental protection and energy-saving trainings, and raise staff's awareness of environmental protection;
- ◆ Organize and launch environmental protection campaigns, and advocate activities that encourage the public to protect the environment.

## 6.4 Industrial Association Social Responsibility Report

### 6.4.1 The Principles of Compilation

#### 6.4.1.1 The Principle of Complete Structure

- ◆ Comply with the format requirements and structure patterns of social responsibility reports, and disclose information on all major social responsibility undertakings during the reporting period.

#### 6.4.1.2 The Principle of Reflecting the Industry's Features

- ◆ Include information on the characteristics of social responsibility practices, and conform to and include information on the practical conditions of the industry.

#### 6.4.1.3 The Principle of Complete and Credible Information

- ◆ Disclose the performance of the industrial association in systematically fulfilling its social responsibility during the reporting period, and enhance the credibility of the information by including stakeholder comments, third party evaluations, and a statement of data sources.

#### 6.4.1.4 The Principle of Stakeholder Engagement

- ◆ Communicate with stakeholders on core subjects, and disclose stakeholder expectations and the industrial association's response in the report.



#### 6.4.2 Frame of Reference for Social Responsibility Reporting

Table 2 Frame of Reference for Industrial Association Social Responsibility Report

Structure	Content Introduction
Basic Information	<p>Mainly covers information on the compilation of the report, leaders' addresses, and an introduction to the industrial association.</p> <p>The report compilation statement mainly includes, but is not limited to, the reporting period, boundary of content, and references.</p> <p>Leaders' addresses mainly cover information on the concept and understanding of social responsibility and on social responsibility commitments, undertakings, practices, and plans.</p> <p>An introduction to the industrial association mainly includes, but is not limited to, the association's name, the composition of members, and its functions.</p>
Responsibility Management	<p>Mainly includes, but is not limited to, information on social responsibility strategy, management, capacity building, and identification and engagement of stakeholders.</p>
Responsibility Performance	<p>Covers mainly the industrial association's social responsibility practices in serving members, industry and the government, and includes, but is not limited to, concepts concerning social responsibility subjects, core measures, main achievements, and best practices.</p> <p>An industrial association's social responsibility should include, but not be limited to, the association's organizational governance, member services, industry development and promotion, support the government, staff development, win-win cooperation, community engagement and development, environmental protection and sustainable resource use.</p> <p>The industrial association should include figures and charts in the report and disclose information according to its own conditions and in accordance with "Reference Indexes of Social Responsibility Reporting for Industrial Associations" (appendix 3).</p>
Responsibility Outlook	<p>Covers the objectives and plans of the industrial association's social responsibility work in the near future, and in particular in the coming year.</p>
Report Appendixes	<p>Includes, but is not limited to, report evaluations, report feedback, and a reference index.</p>

## Appendix 1: Reference Laws, Regulations and Files

### 1. Laws and Regulations

- 1-1 Constitution of the People's Republic of China
- 1-2 Company Law of the People's Republic of China
- 1-3 Contract Law of the People's Republic of China
- 1-4 Law of the People's Republic of China against Unfair Competition
- 1-5 Anti-monopoly Law of the People's Republic of China
- 1-6 Law of the People's Republic of China on Product Quality
- 1-7 Law of the People's Republic of China on Enterprise Income Tax
- 1-8 Law of the People's Republic of China on Science and Technology Progress
- 1-9 Trademark Law of the People's Republic of China
- 1-10 Patent Law of the People's Republic of China
- 1-11 Law of the People's Republic of China on the Protection of Consumer Rights and Interests
- 1-12 Standardization Law of the People's Republic of China
- 1-13 Environmental Protection Law of the People's Republic of China
- 1-14 Energy Conservation Law of the People's Republic of China
- 1-15 Law of the People's Republic of China on the Prevention and Control of Water Pollution
- 1-16 Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution
- 1-17 Law of the Peoples' Republic of China on Prevention and Control of Environmental Pollution by Solid Waste
- 1-18 Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution
- 1-19 Law of the People's Republic of China on the Promotion of Circular Economy

- 1-20 Renewable Energy Law of the People's Republic of China
- 1-21 Law of the People's Republic of China on Promotion of Cleaner Production
- 1-22 Law of the People's Republic of China on Evaluation of Environmental Effects
- 1-23 Law of the People's Republic of China on the Protection of Minors
- 1-24 Law of the People's Republic of China on Work Safety
- 1-25 Trade Union Law of the People's Republic of China
- 1-26 Labor Law of the People's Republic of China
- 1-27 Law of the People's Republic of China on Prevention and Control of Occupational Diseases
- 1-28 Law of the People's Republic of China on the Protection of Disabled Persons
- 1-29 Law of the People's Republic of China on the Protection of Rights and Interests of Women
- 1-30 Employment Promotion Law of the People's Republic of China
- 1-31 Law of the People's Republic of China on Donation for Public Welfare Undertakings
- 1-32 Law of the People's Republic of China on Guarding State Secrets
- 1-33 Law of the People's Republic of China on Employment Contracts
- 1-34 Law of the People's Republic of China on Mediation and Arbitration of Labor Disputes
- 1-35 Regulation on Minimum Salary
- 1-36 Regulation on Work-related Injury Insurances
- 1-37 Measures for Administration of Renewable Resources
- 1-38 Medium and Long Term Energy Conservation Plan
- 1-39 Regulation on Employment of the Disabled
- 1-40 Collective Contract Provisions
- 1-41 Provisions on the Prohibition of Using Child Labor
- 1-42 Regulation on Labor Protection of Female Workers
- 1-43 Regulation on the Special Protection of Young Workers

- 1-44 Regulations of Paid Annual Leave of Employees
- 1-45 Measures on Having a Holiday for National Annual Leaves and Memorial Days
- 1-46 Regulation on Registration and Administration of Social Organizations
- 1-47 Provisional Regulation on Prohibition of Commercial Bribery
  
- 2. Policies, Opinions and Standards
  
- 2-1 *Opinions on Speeding up the Reform and Development of Industrial Association and Chambers of Commerce* by the General Office of the State Council
- 2-2 *Guidelines for Central Enterprises to Fulfill Social Responsibilities* by the State-Owned Assets Supervision and Administration Commission
- 2-3 *National Non-governmental Organization Evaluation and Implementation Measures and Industrial Social Groups Evaluation Index* by the Ministry of Civil Affairs
- 2-4 *Provisional Measures on Regulating the Operation of Industrial Associations* by the State-Owned Assets Supervision and Administration Commission
- 2-5 *Circular on Strengthening National Non-governmental Organization Financial Audit Work* by the Non-governmental Organization Administration Bureau of the Ministry of Civil Affairs
- 2-6 *Opinions on Advocating and Promoting Industrial Enterprises and Associations Fulfilling Their Social Responsibility* by China Federation of Industrial Economics
- 2-7 *Local Standards for Corporate Social Responsibility in Shanghai (DB31/421-2008)*
- 2-8 *Opinions on Promoting Corporations Actively Fulfilling Their Social Responsibility* by Zhejiang Provincial Government
- 2-9 *Opinions on Further Promoting Corporations Fulfilling Their Social Responsibility* by Shenzhen Municipal Party Committee and Shenzhen Municipal Government
- 2-10 *Opinions on Strengthening Banking Financial Institutions Social Responsibility* by General Office of the China Banking Regulatory Commission
- 2-11 *Guidelines on Environment Information Disclosure by Listed Companies of the Shanghai Stock Exchange*
- 2-12 *Guidelines on Compiling Corporate Social Responsibility Report* by the Shanghai Stock Exchange

2-13 *Guidelines on the Social Responsibility of Listed Companies* by the Shenzhen Stock Exchange

### 3. Constitutions of Industrial Associations

3-1 Constitution of China Federation of Industrial Economics

3-2 Constitution of China National Coal Association

3-3 Constitution of China Machinery Industry Federation

3-4 Constitution of China Iron and Steel Association

3-5 Constitution of China Petroleum and Chemical Industry Federation

3-6 Constitution of China National Light Industry Council

3-7 Constitution of China National Textile and Apparel Council

3-8 Constitution of China Building Materials Federation

3-9 Constitution of China Nonferrous Metals Industry Association

3-10 Constitution of China Electricity Council

3-11 Constitution of China Mining Association

### 4. Social Responsibility Proposals, Rules and Tools

4-1 China Social Compliance 9000 for Textile and Apparel Industry General Rules and Detailed Rules (2008 edition)

4-2 China Social Responsibility Reporting-Guidelines for Apparel and Textile Enterprises (2008 edition)

4-3 Guidance on Sustainability Reporting for the Oil and Gas Industry

4-4 Implementation Rules of Good Manufacturing Practice Accreditation for Dairy Companies (on trial)

4-5 Business Conduct Codes by the International Council of Toy Industries

4-6 Conduct Codes of the Electronic Industry (version 3.0)

4-7 Sustainable Procurement of Wood and Paper Products

- 4-8 Extractive Industries Transparency Initiative
- 4-9 Labor Ordinance Codes for Garment Industry (including sportswear)
- 4-10 Social Responsibility Guidelines for China Banking Financial Institutions
- 4-11 Equator Principles
- 4-12 United Nations Global Compact
- 4-13 Guidance on Compiling Corporate Social Responsibility Reports (CASS-CSR 1.0)
- 4-14 AccountAbility 1000 Principles Standard 2008
- 4-15 AccountAbility 1000 Assurance Standard 2008
- 4-16 Sustainability Reporting Guidelines G3
- 4-17 British Social Responsibility Standard (BS: 8900)

## 5. Industrial Reports

- 5-1 Social Responsibility Report on China's Banking Industry of the Year 2008
- 5-2 Social Responsibility Report on China's Textile and Apparel Industry (2006-2008)
- 5-3 Social Responsibility Report of China Mining Association (April, 2009)
- 5-4 Sustainability Report on the World Iron and Steel Industry (2008)

## Appendix 2: Reference Indexes of Social Responsibility Reporting for Industrial Enterprises

### Scientific Development

1. A total of business revenue, profit and tax
2. Payment, donation, or other social investments made by the enterprise to relevant stakeholders
3. Financial liabilities caused to the enterprise by natural disasters
4. Investment in research and development as a proportion of business revenue
5. Total number of patents and newly registered patents during the reporting period
6. Major financial support from government to support technological innovation
7. Total investment in modern industrialization improvements
8. Total investment in informationization
9. Credit records and credit rating
10. Total number of responsibility investment projects and total investment

### Fair Operating Practices

11. Total number of trainings in anti commercial bribery
12. Total number and percentage of participants that attended anti commercial bribery trainings
13. Total number of times the enterprise was in breach of laws and regulations
14. Total number of times the enterprise was punished for intellectual property infringements
15. Total investment in and total number of times participating in the formulation of industrial standards and rules

### Environmental Protection and Sustainable Resource Use

16. Total consumption of raw materials measured by weight and volume
17. Raw materials saved through conservation measures and raising utilization efficiency

18. Percentage of recyclable materials in overall raw materials
19. Direct consumption of primary energy sources by category
20. Indirect consumption of primary energy sources by category
21. Energy saved through conservation measures and improvements to utilization efficiency
22. Energy saved through substitute and renewable energy
23. The total amount of raw water used
24. The total amount and percentage of recycled water and regenerated water used
25. The total amount of greenhouse gas emission
26. The total amount of waste water discharged and the number and volume of significant leaks
27. The total amount of waste gas emission
28. The total amount of solid waste discharged and waste regarded as hazardous by national regulations
29. The percentage of recyclable products and packaging materials in total output
30. The total number of times the enterprise was fined or punished for violating environmental laws and regulations
31. Total expenses and investments in environmental protection

### Safe Production

32. The total number of emergency plans for production safety
33. Total investment in safe production
34. The total number and coverage of participants that attended production safety trainings
35. The total number of production safety trainings
36. Total number of production safety checks and the total number of problems found
37. The total number of significant accidents causing serious injury or casualty and the total death rate
38. The total number of serious accidents resulting from equipment accidents



39. The total number of times the enterprise was fined or punished for violating production safety laws and regulations

### Customer and Consumer Rights and Interests

40. The percentage of qualified products in the domestic spot tested products or in the submitted products
41. The total number of product safety accidents and associated consequences
42. The total number of people whose health and safety were affected because products or services failed standards required by laws and regulations
43. The total number and percentage of products or services that passed domestic and international accreditation
44. Results from customer satisfaction survey or assessments
45. The total number of illegal marketing campaigns

### Win-win Cooperation

46. Contract performance rate
47. Total number of articles in a procurement contract concerning social responsibility
48. Total number of supplier and distributor trainings in or instructions on social responsibility

### Harmonious Labor Relationship

49. Total number of employees, and the composition of their education degrees as well as professional skills and techniques
50. Total number of staff and the staff turnover rate
51. Percentage of employees on minimum wage
52. Total amount and statistical classification of employee salaries
53. Rate of employees signing labor contracts
54. Employee work time and holidays
55. Statistical analysis of employees' welfare

- 56. Investment in improving the working environment for employees
- 57. Total number of labor disputes and the total expense
- 58. Proportion of employees suffering work injury and occupational illness, and the total number of people who die from them
- 59. Type and coverage of employee social insurance
- 60. Average annual training hours employees receive by category
- 61. Proportion of employees who regularly receive performance evaluations or professional development evaluations
- 62. Total number of labor union members and the percentage of members out of the total employees
- 63. Total number of group negotiations and the proportion of employees covered in negotiated agreements
- 64. The amount of incidences in which enterprises inform the significant change of the operation
- 65. Results from the staff satisfaction survey
- 66. Composition of employees by sex, age and nationality
- 67. Proportion of salaries between male and female by the employee classification

### Community Engagement and Development

- 68. Membership in relevant social organizations and positions
- 69. Total investment in community services
- 70. Total number of jobs created
- 71. The investment in and effectiveness of support for disadvantaged and marginal groups
- 72. The investment in and effectiveness of disaster prevention and relief activities
- 73. The investment in and effectiveness of supporting poverty relief, education, health and cultural activities
- 74. Total number of staff participating in volunteer services, and their total working hours

## Appendix 3: Reference Indexes of Social Responsibility Reporting for Industrial Associations

### Organizational Governance

1. Total number and composition of association council members
2. Total number of association council conferences and the content and total number of decisions passed
3. Members of the association by industry coverage
4. Total number of general assemblies held by members and the content and total number of decisions passed
5. Proportion of professional personnel in the association
6. Rating in the annual social organization examination and appraisal conducted by civil affairs departments and other competent departments
7. Rating in the Ministry of Civil Affairs appraisal on national industrial associations and chambers of commerce
8. Credit rating of the association

### Member Services

9. Total number of times and effectiveness of assisting members to protect their rights
10. Total number of times and effectiveness of organizing member enterprises to participate in product promotion activities
11. Association investment in and effectiveness of promoting members to fulfill social responsibility
12. Total number of social responsibility reports released by member enterprises

### Industry Development and Promotion

13. Total number of times participating in the formulation and revision of industrial regulations and standards
14. Total number of times and the effectiveness of protecting lawful rights and common

interests of the industry

15. Total number of times and the effectiveness of releasing business risk warnings of the industry
16. Total number of times and the effectiveness of participating in international trade dispute arbitrations and lawsuits on behalf of the industry
17. Total number of times and the effectiveness of participating in negotiations on behalf of the industry
18. Total number and type of media (association magazine, website, etc) the association established
19. Total number of times and effectiveness of domestic and international exchange activities in the industry
20. Total number of times and promotional effectiveness of new technology, new products and new techniques
21. The effectiveness of industrial social responsibility promotion activities
22. Investment in and effectiveness of public welfare activities within the industry

### Support the Government

23. Total amount of government financial support received
24. Total number of industrial statistical papers, development plans, and reports submitted to the government
25. Total number of times and effectiveness of participating in the formulation of laws, industrial policies or other policies
26. Total number of times and effectiveness of providing services purchased, entrusted or authorized by the government

### Staff Development

27. Percentage of employees signing labor contracts, and the type and coverage of social insurance
28. Total investment in the health and safety of the staff

- 29. Total number of annual training hours, by average proportion, in staff members
- 30. The percentage of staff participating in the association's democratic administration, and the channel of their participation
- 31. The development of the labor union, and the number and effectiveness of activities it organizes

### Win-win Cooperation

- 32. The percentage of honored contracts
- 33. The amount of market information about the industry released to the public

### Community Engagement and Development

- 34. The effectiveness of supporting local economic development and infrastructure construction
- 35. The effectiveness of supporting poverty relief, education, health, and cultural activities in the community
- 36. The total number of staff participating in volunteer services, and their total working hours

### Environmental Protection and Sustainable Resource Use

- 37. The amount of resources the association saved by working in an environmentally friendly way
- 38. The total number of times and effectiveness of community environmental protection activities conducted by the association