Guide on Social Responsibility for Chinese International Contractors

China International Contractors Association

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Contents

Foreword

Social responsibility is an important pathway to and assurance for enterprises to realize mutually beneficial development with stakeholders. Integrating social responsibility into corporate strategy and daily management is beneficial to the sustainable profitability and long-term development of enterprises, the protection of legal rights and interests of employees and other stakeholders, the creation of a sound operating environment, and ultimately, to the realization of the mutual, sustainable and harmonious development of enterprises with the society and the environment. The construction of social responsibility in the Chinese international project contracting industry concerns the transition of the industry's development approach, the implementation of China's "mutual benefits, win-win and opening up" strategy, and the healthy development of the global project contracting market.

Chinese international contractors attach great importance to corporate social responsibility (CSR), and in recent years has comprehensively promoted social responsibility ideas and practices. This has significantly improved the overall awareness and capacity for social responsibility within the industry. Based on the practices of its member enterprises, China International Contractors Association (CHINCA) has formulated this *Guide on Social Responsibility for the Chinese International Contracting Industry* (hereinafter "the *Guide"*), to establish a benchmark of social responsibility for the industry and to encourage enterprises to uphold their global responsibility and operate overseas contracting projects in a more responsible way.

The *Guide* defines, *inter alia*, the scope of application and the definition and basic principles of social responsibility, and provides specific requirements on social responsibility management as well as on core social responsibility subjects, including project quality and safety, employee rights and career development, customer (proprietor) rights, supply chain management, fair competition, environmental protection, and community involvement and development. The *Guide* reflects international consensus on social responsibility as embedded in the United Nations Global Compact and the ISO 26000 Guidance on Social Responsibility; it also summarizes and incorporates recent industry best practices and enshrines the common understanding of the Chinese international contracting industry towards social responsibility.

The *Guide* adheres to the working procedures of international norms, emphasizing procedural standardization and transparency as well as the ideas and suggestions of

stakeholders acquired through field study in enterprises, survey questionnaires, seminars and online consultation. Representatives from industry enterprises supported the drafting of the *Guide* along with experts and scholars. The Sino-German Corporate Social Responsibility Project[1] supported the drafting of the Guide through consultancy services by GoldenBee Management Co. Ltd. as well as domestic and international experts.

As a guidance document for the industry's construction of social responsibility, the *Guide* is made and promulgated by China International Contractors Association, and is subject to revision and amendment duly in accordance to its implementation by member enterprises and the development of the industry.

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[1] The Sino-German Corporate Social Responsibility (CSR) Project is implemented by Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ). Its cooperation partner is the Department of WTO Affairs of the Ministry of Commerce of the P.R.C. (MOFCOM).

1 Scope of Application

1.1 The *Guide* applies to all relevant activities of Chinese enterprises operating overseas contracting projects, as well as all relevant activities conducted in China that support overseas contracting projects.

1.2 The *Guide* is to be used as a guidance document for Chinese international contractors establishing social responsibility systems, advancing social responsibility management, disclosing social responsibility information, and continuously improving social responsibility performance.

1.3 The *Guide* does not exhaust all possible requirements relating to social responsibility, nor does it exclude concurrent or supplementary application with other social responsibility standards, systems, or initiatives.

2 Definition and Basic Principles of Social Responsibility

2.1 Social responsibility as outlined in the *Guide* means that Chinese international contractors, in decision-making and activities, shall consider the expectations of such stakeholders as customers (proprietors), employees, suppliers (subcontractors), partners, and local communities, and shall take responsibility for their impacts on the economy, society, and the environment in a transparent and ethical way so as to promote the sustainable development of both enterprises and society.

2.2 In fulfilling their social responsibility, Chinese international contractors shall act in accordance with the following basic principles:

- **Observe laws and regulations:** protect national and public interests, observe laws and regulations of the host country or region and relevant regulations of the Chinese government, and follow internationally recognized business practices.

- **Respect stakeholders:** engage in stakeholder communication and incorporate all reasonable expectations and requirements of stakeholders into corporate activities.

- **Operate transparently and behave ethically:** disclose public decisions and activities that significantly impact local society, the economy, and the environment, and conduct corporate activities according to the requirements of ethical behavior.

- **Sustain mutual development:** promote the economic and social progress and environmental protection of the host country, and realize mutual development with the local community.

- **Continuously improve performances:** fulfill social responsibility according to the appropriate development stage and practical situation of the

enterprise, and continuously improve social responsibility performance in line with different levels of responsibility.

3 Social Responsibility Management

Social responsibility management is a series of managerial activities that an enterprise conducts to incorporate social responsibility into its decision-making and operations. These include setting up organizational structures, establishing relevant systems, building capacity, continuously improving overall performance, identifying stakeholders, disclosing social responsibility information, and managing social responsibility crises.

3.1 Organizational Structure

MG1   Appoint or set up decision-making and coordinating bodies for social responsibility management according to the governance structure and operational status of the enterprise. The decision-making body shall formulate social responsibility strategy and supervise its implementation, while the coordinating body shall conduct internal and external social responsibility communications, promote the integration of social responsibility into daily operations in order to guarantee consistency in strategy, policy and implementation, and raise awareness of social responsibility to improve overall employee capacity. The coordinating body shall also evaluate social responsibility performance.

3.2 System Establishment

MG2   Analyze opportunities and challenges for the sustainable development of the enterprise and integrate a social responsibility dimension into the development strategy. Senior management shall publish the enterprise's social responsibility policy and make public commitments to social responsibility.

MG3   On the basis of the social responsibility management structure, establish and improve social responsibility management systems relating to social responsibility planning, implementation, tracking and checking, and review, and the disclosure of information to ensure the normalization and standardization of social responsibility.

3.3 Capacity Building

MG4   Develop and implement a social responsibility training scheme and conduct staff training according to the social responsibility impacts of different employees. Deliver specific trainings to staff in management positions, while learning and using national and international best practices in social responsibility.

3.4 Continuous Improvement

MG5   Establish and improve monitoring and evaluation mechanisms, incorporate the key indicators of enterprise's social responsibility performance with staff performance evaluations. Regularly assess the social and environmental impacts of the enterprise's operations, and make and implement corresponding improvement plan.

3.5 Stakeholders

MG6   Stakeholders refer to any interested individuals or groups that may be potentially influenced by, or influence the decisions and activities of, an enterprise. Major stakeholders of international contracting enterprises include shareholders, investors, employees, customers (proprietors), partners (suppliers and subcontractors), governments, industry organizations, and communities (the public and media/NGO). Enterprises shall establish stakeholder engagement mechanisms to guarantee the participation of stakeholders and their access to information and supervision.

Table 1 Primary Methods of Stakeholder Engagement

Purpose of communication	Major stakeholders	Methods of engagement	Basic requirements
Information exchange	Employees, shareholders, investors, customers (proprietors), governments, partners, community (media/NGO)	Staff training, correspondence, company pamphlet, company website, company showcase, press release, working report	Select proper information disclosure method and answer stakeholders' questions in a timely manner
Needs assessment	Customers (proprietors), partners, community (media/NGO), employees	Questionnaires and surveys, expert interviews, workshops, on-site visits	Fully consider suggestions and recommendations from all parties
Two-way communication	Employees, shareholders, investors, governments, community (media/NGO)	Multi-stakeholder forum, high level dialogue platforms, collective negotiation, regular consultation	Reach consensus and win-win through mutual trust, fair dialogue, full communication
Collaboration	Customers (proprietors), governments, partners, community (media/NGO), industry organizations	Join industry organizations, cooperation on projects, organizational alliances	Full cooperation, complementary advantages, jointly create comprehensive values

3.6 Social Responsibility Information Disclosure

MG7   Establish and improve social responsibility information disclosure mechanisms and provide information on social responsibility performance to stakeholders in a timely manner. Disclosure methods include daily communication channels such as the enterprise website and internal publications, regularly published social responsibility or sustainability reports, and tailored communication activities.

3.7 Social Responsibility Crisis Management

MG8   Build up crisis awareness and risk awareness mechanisms, analyze and identify social responsibility risks and assess how they impact international contracting activities and projects, including the operating environment. Establish and improve precautionary mechanisms and prevent crises through effective stakeholder communication.

MG9   Establish and improve response plans, effectively control and address social responsibility crises and incidents, and prevent the expansion of adverse impact.

4 Social Responsibility Core Subjects

4.1 Project Quality and Safety

Project quality and safety is of fundamental importance to the Chinese overseas project contracting industry. Enterprises shall strengthen their quality and safety management systems, assume strict quality control throughout the development of projects, optimize and innovate processes and techniques, and constantly improve project quality and ensure project safety.

4.1.1   Project quality

QS1   Undertake projects within the scope of qualification levels.

QS2   Establish a project quality management system, carry out quality management certification, and undertake projects within the scope of relevant quality certifications.

QS3   Establish a project quality management unit or supervising position responsible for the daily management of project quality.

QS4   Establish and improve education and training systems to improve quality awareness and quality control skills of employees.

QS5   Establish and improve material and equipment procurement systems and project quality inspection systems, conduct checks and inspections on building materials, equipment, engineering techniques and processes according to engineering design specifications, technical criteria, and contract agreements.

QS6   Undertake quality assurance for different types of projects in accordance with contracts, select and manage subcontractors in a stringent way, and conduct uniform monitoring and management of subcontractors with respect to project quality.

QS7   Optimize and innovate techniques and processes to improve project quality and efficiency.

QS8 Carry out contracted projects according to project design and technical criteria. When the engineering quality standard of the proprietor or of the host country is lower than that of the enterprise or Chinese standard, the higher standard shall be recommended.

4.1.2 Project safety

QS9 Establish a project safety management system and a safety management organization or position responsible for daily management of project safety.

QS10 Establish a safety education and training system to improve safety awareness and the overall skills of employees.

QS11 Develop a safety emergency response plan, properly handle all accidents in international contract projects, and deliver timely and factual reports to stakeholders concerned.

4.2 Employee Rights and Career Development

Employees are a core stakeholder of an enterprise as well as its most creative resource for development. Enterprises should respect human rights and guarantee the legal rights of Chinese and foreign employees, respect and care for their employees, and achieve mutual development with employees.

4.2.1 Equal and regular employment

HR1 Establish an equal employment system and treat applicants of different ethnicities, genders, races, nationalities, age, religions, disabilities, marital status and sexual orientation equally. Protect personal information and privacy.

HR2 Do not recruit or use child labor, do not use or tolerate forced labor in any form, and observe local regulations on working time.

HR3 Do not charge service or management fees for the purpose of profit or demand a performance bond or any guarantees prohibited by Chinese laws and regulations from employees dispatched abroad.

HR4 Sign labor contracts with employees according to the law or provide other forms of documents establishing a regular employment relationship.

4.2.2 Remuneration and benefits

HR5 Remuneration shall be no lower than the local minimum standard or common industry standard. Salary shall be paid regularly and in full, and benefits such as social insurance payments shall be provided as required by law.

HR6   Establish an employee salary growth mechanism.

HR7   Provide overseas accident insurance for overseas employees.

HR8   Provide employees with benefits according to local customs and business practices.

HR9   Guide or help overseas employees in remuneration planning.

4.2.3   Occupational health and safety

HR10   Establish and improve health and safety management systems, operating rules and contingency plans. Establish an accountability system for workplace safety.

HR11   Organize safety operator training for employees, raise occupational risk awareness, and enhance employees' safety knowledge and skills.

HR12   Establish a systematic health and safety risk evaluation and detection system, analyze health and safety risks for all overseas contracted projects, and record and investigate health and safety incidents and problems in the workplace.

HR13   Control and eliminate hazards that threaten employees' health and safety, strengthen regular maintenance of project equipment, provide healthy and safe work and living conditions and safe facilities to prevent occupational injuries, illness and accidents. Handle emergency situations to minimize hidden hazards to health and safety in the workplace.

HR14   Disseminate information on matters related to health, conduct project-related health trainings, and improve disease prevention measures, especially for highly contagious illnesses, e.g., HIV/AIDS.

4.2.4   Employee career development

HR15   Establish employee-training mechanisms and provide occupational skills training to employees.

HR16   Conduct trainings on language, culture, law, and psychological health for employees before overseas dispatch.

HR17   Guide employees in career development, establish and improve staff promotion schemes.

HR18   Pay attention to the cultivation of local employees and promote staff localization and the mutual respect, understanding and harmonization between employees with different cultural backgrounds.

HR19   Support employees to participate in training and education programs that raise work capacity and quality, and provide necessary funds for employees' occupational skills training and education.

4.2.5   Employee communication and participation

HR20   Establish employer-employee negotiation mechanisms in accordance with local laws and practices, and support employees' participation in management.

HR21   Respect employees, establish two-way communication channels and mechanisms between the enterprise and employees,, and learn and respond to employees' expectations and claims.

4.2.6   Employee care

HR22   Help employees keep work-life balance, and conduct necessary activities to prevent adverse mental effects.

HR23   Take care of employees and their families, help those with difficulties, and encourage employees to help each other.

4.3 Customer (Proprietor) Rights

Customers (proprietors) are essential to the survival and development of an enterprise. Enterprises shall honor contracts, provide customers with high quality project service, and ensure customers' rights so as to continuously raise customer satisfaction and help customers realize their own maximum value.

4.3.1   Information and communication

CL1   Provide true, fair, and complete information on project services so that customers (proprietors) can make decisions in a transparent and equitable way.

CL2   Establish smooth communication channels with customers and conduct regular, specific, and open dialogue.

CL3   Communicate in a timely manner with proprietors on changes to project planning, processes, and materials.

4.3.2   Customers rights and privacy

CL4   Sign fair project contracts in accordance with laws and general industrial practices, and develop and deliver projects pursuant to contracts.

CL5   Acquire customers' information fairly and lawfully, and take necessary measures to protect customers' privacy and information on project safety.

CL6   Conduct customer satisfaction surveys and work to meet all reasonable requirements of customers.

4.3.3   Responsible project and service

CL7   Provide customers with projects and services that conform to the laws and regulations of the host country concerning quality, safety, and

environmental protection, and ensure that projects benefit the local society and the environment during the project life cycle.

CL8 Encourage customers to pursue sustainable projects and/or services through information dissemination and education.

CL9 Provide necessary post-construction maintenance services for projects through proper means.

CL10 Conduct risk and life cycle assessments for new materials, processes, and methods in order to avoid hidden hazards for projects.

4.4 Supply Chain Management

The supply chain is the aggregation of all product and service suppliers of an enterprise. These suppliers include manufacturers, distributors, subcontractors, and other intermediary parties. The supply chain for overseas project contracting enterprises includes material and equipment suppliers, subcontractors, and service providers. Supply chain management is a pivotal link for the overseas project contracting industry to minimize its operational risks, enhance its competitive advantages, and ensure its robust development. Enterprises should strengthen their unified management of suppliers, ensure rights, and increase social responsibility awareness and capacity.

4.4.1 Protection of rights and interests

SU1 Develop measures that guarantee the legal rights and interests of suppliers and contractors, publish procurement principles and criteria, and publish policy and commitments for suppliers and contractors.

SU2 Prevent and control commercial bribery and other forms of corruption in the process of procurement and subcontracting.

SU3 Sign procurement and subcontracting contracts, and do not intentionally get into arrears with contract payments.

4.4.2 Responsible procurement and subcontracting

SU4 Develop a procurement and subcontracting management system for overseas projects, select suppliers and subcontractors with appropriate qualifications, and uniformly manage project quality, workplace safety, environmental protection, and labor practices of subcontractors.

SU5 Raise clear social responsibility requirements to suppliers and subcontractors and incorporate social responsibility standards on ethics and environmental protection into procurement and subcontracting contracts; encourage subcontractors to use energy-saving and environmentally friendly equipment and materials to reduce as much as possible any negative impact of project construction on humans and the

environment.

SU6   Encourage and support suppliers that fulfill social responsibility by such measures as keeping or increasing orders.

SU7   Assist suppliers and subcontractors in raising social responsibility awareness and continuously improving their social responsibility performances through such means as auditing, training, and coaching.

SU8   Encourage and support the application of social responsibility standards or systems, or the participation in social responsibility initiatives by suppliers and subcontractors.

SU9   Utilize cooperative approaches for subcontracting and integrate advantages and resources of various parties for risk and benefit sharing.

4.4.3 Localized procurement

SU10   Whenever possible give priority to the procurement of local products and services to advance localized operations.

SU11   Facilitate local suppliers and subcontractors to improve their technical proficiency and management levels.

4.5 Fair Competition

Fair competition refers to open, just, and equal competition among overseas project contracting enterprises, including between Chinese enterprises and foreign peers. Enterprises should respect competitors and compete lawfully and fairly to maintain order in the industry.

4.5.1 Safeguarding industrial order for development

FC1   Observe industry self-discipline rules, and improve awareness of fair competition.

FC2   Enhance transparency of enterprise operations according to all legal requirements or contractual agreements, and create a transparent operational environment for the industry.

FC3   Compete in a fair manner, and establish anti-corruption systems and long-term anti-corruption mechanisms to eradicate business corruption and other unfair competition practices.

FC4   Support the formulation and implementation of public policies that promote fair competition in the industry.

FC5   Help small- and medium-sized enterprises in the overseas project contracting industry to raise their social responsibility awareness and capacity.

4.5.2   Respect for intellectual property rights

FC6   Observe policies and practices that protect intellectual property rights and traditional culture, and ensure legal ownership of resources used or administered.

FC7   Provide reasonable compensation for intellectual property rights acquired or used.

4.5.3   Independent innovation and technological progress

FC8   Establish and improve technological innovation mechanisms, increase input in research and development, raise independent innovation capacity, and strengthen core competitive advantages.

FC9   Strengthen innovation of key industry technologies, promote technological progress of the contracting project industry, and fortify the international competitiveness of the industry as a whole.

4.6   Environmental Protection

The environment is central to the survival and prosperity of human beings as well as a significant aspect of social responsibility. Enterprises should actively avoid or reduce a project's adverse impact on the environment, uphold green operations, build green projects, protect the ecological environment in which a project is located, and take effective measures to control greenhouse gas emissions.

4.6.1   Environmental management

EN1   Establish, implement, and improve environmental management systems, develop environmental management schemes for all contracting projects, and invite specialized institutions to conduct environmental management system certification/registration.

EN2   Conduct environmental impact assessments prior to the construction of projects, evaluate risks and impacts of project activities on the environment with respect to risk management and sustainable development, and take preventive measures to control such risks and impacts on the environment.

EN3   Carry out environmental risk management, establish a project environmental management organization or position, identify environmental protection goals and schemes, and regularly check environmental performances.

EN4   Establish environmental protection training mechanisms for contracting projects and raise awareness and capacity of environmental protection among employees through information dissemination, education, and training.

4.6.2 Resource saving and comprehensive utilization

EN5 Establish a scientific resource and energy utilization control system, incorporate resource and energy saving into the design and implementation of projects, and use resources such as energy, raw materials, land, and water responsibly to increase their utilization efficiency.

EN6 Actively develop and use replaceable resources such as renewable energy and clean energy.

EN7 Improve the recycling and reclamation level of waste from contracting projects, and develop a circular economy.

4.6.3 Waste and emission reduction

EN8 Develop a system to reduce waste and emissions, provide special funds to guarantee the procedures and standards for discharge amount, processing and the destruction of pollutants, and ensure all chemicals and other hazardous materials reach or surpass applicable legal requirements.

EN9 Measures that prevent pollution should be designed, implemented, and utilized by projects.

EN10 Use environmentally friendly technology and materials to reduce wastes during the implementation of projects.

EN11 In the case that critical and significant environment pollution occurs, initiate contingency measures and report and handle in a timely manner.

EN12 Integrate adaptation to climate change into decision-making, and take measures to control greenhouse gas emissions, reduce impacts of projects on climate change.

4.6.4 Ecological protection

EN13 Protect rare and precious fauna and flora species and their natural habitat, and reduce a project's impact on biological diversity.

EN14 During the implementation of a project, pay attention to the protection of ecological systems (wetland, wild animal passage, protection zones and farmland) and restore in a timely manner damages that have already occurred.

EN15 Encourage and organize employees of the enterprise and local inhabitants to conduct charity activities aiming at protecting and restoring ecological systems.

4.7 Community Involvement and Development

The community is an important external stakeholder for enterprises. Enterprises

should value local traditions and culture, respect human rights, improve people's livelihoods, and participate in and support the construction of local community projects to achieve mutually benefical development.

4.7.1 Community involvement and communication

SC1 Visit the communities where a project is located and evaluate the potential impacts of project activities on the community, learn the needs of the community, and identify development priorities.

SC2 Actively communicate project related information and learn and respond to the opinions and suggestions of stakeholders.

SC3 Develop community engagement plans and participate in community and public service and management activities.

SC4 Organize and support employees with professional advantages to engage in community volunteer activities.

4.7.2 Employment and training

SC5 Offer maximum job opportunities to the community, taking into consideration the practical situation of the project.

SC6 Organize, participate in, and/or develop occupational skills training programs to improve the capacities of community inhabitants on the basis of the needs of the community.

SC7 Increase job opportunities for vulnerable groups within the community by collaborating with local institutions or organizations and developing special training programs.

4.7.3 Community development

SC8 Pay tax in accordance with the law to guarantee community development.

SC9 Utilize project skills and support the development of public infrastructure in the community, including transportation, telecommunication, drinking water, and sanitation.

SC10 Help advance public services, management, and health care systems of the community to improve living conditions.

SC11 Taking into consideration community practicalities, explore local resources to help the community develop featured industries.

4.7.4 Culture and education

SC12 Respect and protect the cultural traditions and heritage of the community, and provide support for community cultural activities and projects when necessary.

SC13   Support the development of community education, increase education opportunities for children and vulnerable groups, and reduce illiteracy in the community.

SC14   Help improve education facilities in the community and enhance education quality.

4.7.5   Donation and disaster relief

SC15   Support philanthropy initiatives and offer donations for community development and disaster prevention and relief.

SC16   Take advantage of project technology and facilities to engage in community disaster prevention and relief.

Annexes

1. Definitions and Terms

1) **Stakeholders**

A stakeholder is an individual or group that can affect or be affected by the decisions and activities of an organization.

2) **Responsibility Levels**

The fulfillment of social responsibility has different levels, namely, compulsory responsibility, obligatory responsibility, and voluntary responsibility. Compulsory responsibility is the responsibility that shall be fulfilled by enterprises according to laws and regulations; obligatory responsibility refers to responsibility that is above the requirements of laws and regulations, beyond the expectation of the stakeholders, yet beneficial to enhancing the competitiveness of enterprises, and supposed to be undertaken by enterprises; voluntary responsibility is responsibility that enterprises may undertake on a voluntary basis without the requirements of laws and regulations, or explicit expectations of the stakeholders, but that is beneficial to the sustainable development of the society and is voluntarily undertaken by enterprises.

3) **Organizational Governance**

Governance is a system through which an organization makes and implements decisions to achieve specific objectives.

4) **Social Responsibility Information Disclosure**

The systematic disclosure of information on the impacts on the economy, society and the environment by the decisions and activities of an enterprise, including the perspectives, actions, performances, and future plans in fulfilling social responsibility. A social responsibility report is an important instrument for enterprises to disclose social responsibility information.

5) **Localized Operation**

In overseas operations, enterprises observe laws, regulations and business practices of the host country, develop strategies and planning, properly allocate local resources and achieve mutual development with the host country. Localized operation is a business management approach, as well as an important aspect of social responsibility that overseas project contracting enterprises should fulfill.

6) **Occupational Health and Safety**

Conditions and factors that affect, or could affect, the health and safety of employees and/or other workers, including temporary workers and contractor personnel, visitors, or any other person in the workplace.

7) **Child Labor and Juvenile Workers**

Child labor refers to teenagers and children under the age of 16 who enter into work relations with enterprises and work for economic income,If, however, the minimum

working age prescribed by local law is lower than 16 years, and if that is compatible with exceptions as provided by relevant ILO conventions, the lower age shall apply. . **Juvenile workers** refer to people over the minimum working age defined above and under the age of 18 years.

8) Forced Labor

Any work or service which is exacted from a person under the menace of penalty and for which the said person has not offered himself voluntarily.

9) Proprietor

The independent legal entity specially set up for a particular project by the investment entity or investors.

10) Supplier

A supplier refers to enterprises, their branches, and individual businesses that directly provide goods and services, including manufacturers, distributors, subcontractors and other agencies. Suppliers for overseas project contracting enterprises include building material suppliers, equipment suppliers, subcontractors, and labor service companies.

11) Commercial Bribery

Commercial bribery refers to the enterprise behavior of giving property to another entity or individual without equal compensation or with false compensation or in other means in order to sell or purchase commodities or services. Commercial bribery committed by employees of an enterprise for selling or purchasing commodities or services for the enterprise shall be regarded as the enterprise's act.

12) Environmental Assessment

Environment assessment is a method and system for analyzing, forecasting, and assessing the potential impact on the environment after the implementation of plans and construction projects; for putting forward strategies and measures to prevent or alleviate adverse impacts on the environment; and for carrying out follow-up and monitoring.

13) Biological Diversity

Biological diversity is the variability among living organisms from all sources including, *inter alia*, terrestrial, marine and other aquatic ecosystems and ecological complexes of which they are part. This includes diversity within species, between species and of ecosystems.

2. References

Laws and regulations, international conventions, standard systems and related documents referenced

(1)Chinese laws, regulations and policies

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   Foreign Trade Law of the People's Republic of China

1-5   Law of the People's Republic of China on Anti-Unfair Competition

1-6   Anti-monopoly Law of the People's Republic of China

1-7   Law of the People's Republic of China on Product Quality

1-8   Law of the People's Republic of China on Enterprise Income Tax

1-9   Law of the People's Republic of China on Science and Technology Progress

1-10 Trademark Law of the People's Republic of China

1-11 Patent Law of the People's Republic of China

1-12 Law of the People's Republic of China on the Protection of Consumers' Rights and Interests

1-13 Standardization Law of the People's Republic of China

1-14 Environmental Protection Law of the People's Republic of China

1-15 Law of the People's Republic of China on Energy Conservation

1-16 Law of the People's Republic of China on Prevention and Control of Water Pollution

1-17 Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution

1-18 Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste

1-19 Law of the People's Republic of China on the Prevention and Control of Environmental Noise Pollution

1-20 Circular Economy Promotion Law of the People's Republic of China

1-21 Law of the People's Republic of China on Regenerable Energies

1-22 Cleaner Production Promotion Law of the People's Republic of China

1-23 Law of the People's Republic of China on Environmental Impact Assessment

1-24 Law of the People's Republic of China on the Protection of Minors

1-25 Law of the People's Republic of China on Work Safety

1-26 Trade Union Law of the People's Republic of China

1-27 Labor Law of the People's Republic of China

1-28 Law of the People's Republic of China on Prevention and Control of Occupational Diseases

1-29 Law of the People's Republic of China on the Protection of Disabled Persons

1-30 Law of the People's Republic of China on the Protection of Rights and Interests of Women

1-31 Law of the People's Republic of China on Promotion of Employment

1-32 Law of the People's Republic of China on Donation for Public Welfare Undertakings

1-33 Law of the People's Republic of China on Guarding State Secrets

1-34 Labor Contract Law of the People's Republic of China

1-35 Law of the People's Republic of China on Labor Dispute Mediation and Arbitration

1-36 Law of the People's Republic of China on Environmental Impact Assessment

1-37 Patent Law of the People's Republic of China

1-38 Administrative Regulation on Contracting Foreign Projects

1-39 Competence for Contracting Foreign Construction Projects

1-40 Regulation on the Quality Management of Construction Projects

1-41 Regulations on Minimum Wages

1-42 Regulation on Work-Related Injury Insurances

1-43 Renewable Resource Recovery Management Regulations

1-44 Mid- and Long-Term Energy Conservation Plan

1-45 Regulation on the Employment of the Disabled

1-46 Collective Contract Provisions

1-47 Provisions on Prohibition of Child Labor

1-48 Regulations on the Labor Protection for Female Workers

1-49 Regulations for the Special Protection of Juvenile Employees

1-50 Regulation on Paid Annual Leave for Employees

1-51 Regulation on Public Holidays for National Annual Festivals and Memorial Days

1-52 Interim Regulations on Prohibiting Commercial Bribery

1-53 Guidelines to the State-owned Enterprises Directly under the Central Government on Fulfilling Corporate Social Responsibilities, State-owned Assets Supervision and Administration Commission of the State Council (SASAC)

1-54 Internal Control Supporting Guidelines, Ministry of Finance and other four Ministries

(2)Social responsibility guidelines and management systems developed by Chinese organizations

2-1 Guidelines for Disclosure of Environmental Information of Listed Companies, Shanghai Stock Exchange (SSE)

2-2 Guide on Report of Fulfilling Social Responsibility by Companies, Shanghai Stock Exchange (SSE)

2-3 Social Responsibility Guidelines for Listed Companies, Shenzhen Stock Exchange (SSE)

2-4 Guidance on Social Responsibilities of Industries (GSRI-China, 2nd ed.), China Federation of Industrial Economics (CFIE)

2-5 China CSR Reporting Guideline (CASS-CSR1.0)

2-6 China Social Compliance for Textile and Apparel Industry (CSC9000T, 2008), China National Textile and Apparel Council (CNTAC)

(3) International conventions

3-1 Universal Declaration of Human Rights (UDHR)

3-2 International Covenant on Civil and Political Rights (ICCPR)

3-3 International Covenant on Economic, Social and Cultural Rights (ICESCR)

3-4 Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)

3-5 Convention on the Rights of the Child (CRC)

3-6 Convention on the Rights of Persons with Disabilities (CRPD)

3-7 United Nations Framework Convention on Climate Change (UNFCCC) and its Kyoto Protocol

3-8 Convention on Biological Diversity (CBD)

3-9 Paris Convention for the Protection of Industrial Property (PCPIP)

3-10 Universal Copyright Convention (UCC)

3-11 United Nations Convention against Corruption (UNCAC)

3-12 Relevant Conventions of the International Labour Organization (ILO)

(4) Relevant documents by international organizations

4.1　United Nations Global Compact (UNGC)

4-1　ISO 26000:2010 Guidance on Social Responsibility (ISO 26000)

4-2　Environmental Management Systems – Requirements with Guidance for Use (ISO 14001:2004)

4-3　Occupational Health and Safety Management System Standard (OHSAS 18001:2007)

4-4　Code of Good Practice for Setting Social and Environment Standards (ISEAL 5.01)

3．Social Responsibility Assessment

The evaluation form below is a self-assessment tool for enterprises to evaluate their performance status in social responsibility, so as to enhance social responsibility practice, and improve social responsibility performance continuously. Enterprises can test and evaluate their social responsibility practices by linking this form to the *Guide*, and then selecting appropriate options according to their actual situations.

Table 2: Social Responsibility Self-evaluation Form for Chinese International Contractors

Topics	Requirement	Corporate Social Responsibility Performance					
		Very Poor (1 point)	Poor (2 points)	Fair (3 points)	Good (4 points)	Very Good (5 points)	Not applicable
Social responsibility management	MG1						
	MG2						
	MG3						
	MG4						
	MG5						
	MG6						
	MG7						
	MG8						
	MG9						
Project quality and safety	QS1						
	QS2						
	QS3						
	QS4						
	QS5						
	QS6						
	QS7						
	QS8						
	QS9						
	QS10						
	QS11						
Employee rights and career development	HR1						
	HR2						
	HR3						
	HR4						
	HR5						
	HR6						
	HR7						
	HR8						
	HR9						
	HR10						
	HR11						
	HR12						
	HR13						
	HR14						

	HR15						
	HR16						
	HR17						
	HR18						
	HR19						
	HR20						
	HR21						
	HR22						
	HR23						
Customer (proprietor) rights	CL1						
	CL2						
	CL3						
	CL4						
	CL5						
	CL6						
	CL7						
	CL8						
	CL9						
	CL10						
Supply chain management	SU1						
	SU2						
	SU3						
	SU4						
	SU5						
	SU6						
	SU7						
	SU8						
	SU9						
	SU10						
	SU11						
Fair competition	FC1						
	FC2						
	FC3						
	FC4						
	FC5						
	FC6						
	FC7						
	FC8						
	FC9						

Environmental protection	EN1					
	EN2					
	EN3					
	EN4					
	EN5					
	EN6					
	EN7					
	EN8					
	EN9					
	EN10					
	EN11					
	EN12					
	EN13					
	EN14					
	EN15					
Community involvement and development	SC1					
	SC2					
	SC3					
	SC4					
	SC5					
	SC6					
	SC7					
	SC8					
	SC9					
	SC10					
	SC11					
	SC12					
	SC13					
	SC14					
	SC15					
	SC16					

Notes:

1 Point: This item is on the whole not followed, or is not considered in operation and management.

2 Points: The significance of this item is understood and a preliminary attempt has been planned or practiced.

3 Points: This item is largely considered and implemented in operation and management.

4 Points: Operations management complies with this item on the whole with good effect.

5 Points: Social responsibility practice fully complies with this item, and complete and systematic supervision and safeguarding mechanisms are established.

Not applicable: The operation fields of some enterprises may be different or in different development phases, therefore some items may not be applicable for self-evaluation.