

# Swire Beverages: Implementing CSR in China

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- 1. The business definition of CSR
- 2. Business case for CSR
- 3. CSR in China
- 4. The business case for CSR in China
- 5. Conclusion

Top Manager in the Firm

The business case for CSR in China is based on the following factors:

- 1. The business case for CSR in China is based on the following factors:
- 2. The business case for CSR in China is based on the following factors:
- 3. The business case for CSR in China is based on the following factors:

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CSR in China



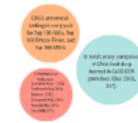
1. What is the business case for CSR in China?

2. What is the business case for CSR in China?



3. Please refer to the business case for CSR in China.

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2007 Publication Guidelines for Chinese Standard



4.) What are major issues of the comparative analysis for the CASS CSR 3.0 and GRI G4?

Category	CASS CSR 3.0	GRI G4
1. Environmental	...	...
2. Social	...	...
3. Governance	...	...



Category	CASS CSR 3.0	GRI G4
1. Environmental	...	...
2. Social	...	...
3. Governance	...	...

3.) What are the three categories to assess CSR performance by GRI G4, and what are the articles of these?

Category	Articles
1. Environmental	...
2. Social	...
3. Governance	...

## The Development of the Chinese Standard



THANK YOU  
FOR  
LISTENING!

## CONCLUSION

• SWIRE STRATEGY ...  
LABOR CONDITIONS, WORKING CONDITIONS ...  
Let them decide.

# **Swire Beverages: Implementing CSR in China**

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01

**CSR TREND OF CHINA SINCE 1998**

02

**CHINESE STANDARD AND  
CASS CSR 3.0 STRUCTURE**

03

**3 CATEGORIES (GRI G4)**

04

**MAJOR ISSUES OF CASS CSR 3.0 AND GRI G4**

05

**CONCLUSION**

## Main Findings of the Study

- CSR is closely related to public policy in China (Noronha et. al 2013, 31, Choi 2016, 344)
- CASS CSR standards are hardly be free from the government influence;
- In a comparative analysis of Sustainability Reports between Global and Chinese ICT firms conducted in the research, revealed that overall those leading ICT firms of China have more complied with GRI guideline or global NGOs standards, rather than CASS CSR guideline or other local standards.
- A noticeable distinction for SR reporting trend between global ICT & Chinese ICT firms lies in the **assurance process and other NGOs partnership.**

Global ICT Firms  
Third-party

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Chinese ICT Firms  
NGO partnerships

- The higher ranking firm does not necessarily mean that it conducts the SR better than lower ranking firms or takes a more social responsibility than others.
- The CASS CSR 3.0 (qualitative accesses) is difficult to be free from the government influence no matter how hard the evaluator tries to take a third party stance.
- Therefore, it can be argued that Chinese ranking practice for the reports can mislead the goal of SR report or activities due to having to much political, regional or marketing purpose.



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of global ESG standards, rather than ESG or guideline or other local standards.

- A noticeable distinction for SR reporting trend between global ICT & Chinese ICT firms lies in the ***assurance process and other NGOs partnership.***



Global ICT Firms  
Third-party



Chinese ICT Firms  
NGO partnerships

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**1.) What is the Corporate  
Social Responsibility (CSR)?  
How about CSR trend of  
China since the early 1980?**

# CSR TRENDS IN CHINA SINCE 1990

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<Table 1> Government Policy Change and CSR Trend of China

	First Period	Second Period	Third Period	Fourth Period
<b>Period</b>	1980s'~ Early 1990s'	1990s'~ 2001	2002~2011	2012 ~ Current
<b>Focus of Economy Policies</b>	Export Driving Industry, Production Capability Upgrade by FDI	SOE Reform, Industry Restructuring, Domestic Market Development	Going to Abroad, Global Standard of Business, Balanced Development	Private Sector Growth, Ecological Civilization, Economic Difference Reduction, Seven Strategic Industries
<b>Focus of Regional Development</b>	Four Special Economic Zone, Fourteen Harbor Cities' Opening	Western Development, Yantze River Delta, Greater Pearl River Delta	Central District Rising, Metropolitan Economic Zone Forming, North-Eastern Reconstruction	One Belt & One Road, AIIB Set up, Domestic Market Promotion, Urbanization
<b>Ideological Background</b>	Chinese Unique Socialism, Initial Stage Theory of Socialism, Getting Rich First Theory	Socialist Market Economy, South Tour Speech, Black Cat & White Cat Theory, Three Representative Campaign	Sustainable Development, Harmonious Society, Scientific Development Theory	China's Dream, G2 & New Emerging Big Country Theory, New Normal vs. Chinese XinChangTai
<b>Main Issue of CSR</b>	Economic Responsibility, Profit Maximization, Wealth & Job Creation	Economic & Legal Responsibility, Shareholder Value Maximization,	Ethical Responsibility, Labors, ESG(Governance Environment, Society), Guide Opinion based on Chinese Characteristics	Energy, Green GDP Product Liability, Stakeholder Model, Creating Shared Value, Chinese CSR Standard
<b>CSR Type &amp; Initiative</b>	Preventive CSR, Government-led	Responsive CSR, Government-led	Responsive CSR, Government-led, MNEs	Strategic CRS, Government-led, MNEs, Global NGOs

Sources: Choi, Byunghun (2014: 308). Lee, Chan-Woo (2013: 158-161).

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## 2.) Please explain the Chinese Standard, the CASS CSR 3.0 structure.

<Table 2> Chinese CSR Standards and Reporting Guidelines 1 (2006-2008)

Year	Standards/Guidelines	Issued by Organizations	Main Approaches	Mandatory or Voluntary
2006	Article 5 & article 17 of Chapter One under the 'Company Law' of China	Adapted at the 18th of the Standing Committee of 10th National People's Congress	Article 5 requires firms to comply with social morality & business morality, bear social responsibilities. Article 17 demands firms to protect the lawful rights & interests of their employees covering labor insurance.	Mandatory
2006	Shenzhen Stock Exchange Social Responsibility Instructions to Listed Companies	Shenzhen Stock Exchange (SZSE)	Encourage listed firms to establish social responsibility mechanism and prepare social responsibility reports on a regular basis.	Voluntary
2006	China Corporate Social Responsibility	China Business Council for Sustainable Development (CBCSD)	Provide CSR key issues & best practice CSR firms as reference to local Chinese companies.	Voluntary
2008	Environmental Information Disclosure Act 2007	The State Environmental Protection Administration	Require to disclose environmental information.	Mandatory
2008	Guidelines on Environmental Information Disclosure by Companies listed on the Shanghai Stock Exchange	Shanghai Stock Exchange (SSE)	Require to disclose environmental information & CSR strategy in format either part of CSR report or separate reports.	Mandatory
2008	Notification on Issuance of the Guideline on Fulfilling Social Responsibility by Central Enterprises	State-owned Assets Supervision and Administration Commission of the State Council (SASAC)	Require to establish CSR fulfillment mechanism and CSR information reporting systems for Central State-owned Enterprises (CSOEs).	Mandatory

Sources: Noronha, Carlos *et al.* (2013: 33-35). Levin, Michael A (2008: 51-53). Ma, Damien (2007: 34-35). Lin, Li-Wen (2010: 68-93).

<Table 3> Chinese CSR Standards and Reporting Guidelines 2 (2008-2011)

Year	Standards/Guidelines	Issued by Organizations	Main Approaches	Mandatory or Voluntary
2008	China Sustainability Reporting Guidelines for Apparel & Textile Enterprises (CSR-GATEs)	China National Textile and Apparel Council (CNTAC)	Provide guidelines with comprehensive and quantifiable indicators to enterprises to enterprises to publish CSR reports.	Voluntary
2008	Draft Guidelines on CSR Compliance by Foreign Enterprises	Ministry of Commerce (MOC)	Encourage foreign companies to commit CSR practices in economics, social & environmental aspects of Chinese Society.	Voluntary
2008	Guidelines on Social Responsibility for Industrial Corporations and Federations	11 national industrial federations and associations engaged in iron, steel, oil, chemicals, light industry, textiles, building materials, non-ferrous metals, electric power and mining industries	Encourage all industrial companies and industrial federations of China to establish a CSR system with CSR reporting & performance indicators.	Voluntary
2009	Guidelines on CSR for Banking Financial Institution in China	China Banking Association (CBA)	Advise all banks to product a CSR report to address economic, social & environmental responsibilities and submit it to CBA annually.	Voluntary
2009	China CSR Reporting Guidelines 1.0 (CASS-CSR 1.0)	State-owned Assets Supervision and Administration Commission of the State Council, Chinese Academy of Social Science	Provide Instructions & performance indicators to guide different industries to report CSR issues.	Voluntary
2011	China CSR Reporting Guidelines 2.0 (CASS-CSR 2.0)	Chinese Academy of Social Science (CASS)	Provide CSR report evaluation ranking for SOEs, non-SOEs, MNEs.	Voluntary

Sources: Noronha, Carlos *et al.* (2013: 33-35). Levin, Michael A (2008: 51-53). Ma, Damien (2007: 34-35). Lin, Li-Wen (2010: 68-93).

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