



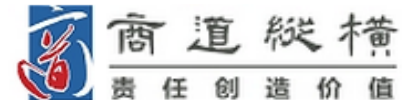
2016 年

TOP 10 CSR Trends Overview

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TOP **10** CSR Trends Overview

- 1 **SDG & 13th Five-Year Plan** move CSR forward
- 2 **Climate Change & Green Development** become hot spots
- 3 **Responsible Manufacturing** reinvent the world factory
- 4 **Opening-Up** in A New Form
- 5 **Green Finance** Brings Historical Opportunities
- 6 **Internet + Responsibility** : Opportunities with Risks
- 7 **Materiality of CSR Report**
- 8 **Social Innovation & Cross-Boundary Partnership**
- 9 **Re-invent Community**
- 1 **New NGO-related Laws** Coming



SDG & 13th Five-Year Plan move CSR forward

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可持续发展目标



17 sustainable development goals and 169 specific goals

十三五规划建议

各地区从实际出发制定本地区“十三五规划”

开放 协调 创新 绿色 共享



Benchmarking

Launch benchmarking research based on SDG and the 13th Five-Year Plan, re-focus CSR development strategy in 3-5 years.



CSV Opportunities

Addressing social needs of your customers/clients, will create CSV opportunities for business.

“Care What They Care”



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Climate Change & Green Development become hot spots

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Haze (PM2.5) issues



Paris Agreement



Nation wide carbon
market in 2017



New environmental
protection: Aggressive,
public and intellectual

Carbon emissions

High carbon sectors and enterprises face much higher pressures on carbon measurement and reporting. Some will be asked to join carbon trade scheme.

Green supply chain

Supply chain's CSR focus will shift from labor issues to environmental issues. Large brands need to consider green supply chain program.



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Responsible Manufacturing reinvent the world factory

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MADE-IN-CHINA 2025

innovation driven , quality, green development, structure optimization, people- oriented

SUPPLY SIDE REFORM

President Xi:...strive for enhancing supply side quality and benefit to address public needs...



Innovation & Efficiency

Innovate business model, optimize manufacture efficiency, enhance product quality and address customer needs.



Workforce safety

Enterprises in extractive, energy and chemistry industry would face more strict safety supervision; New technologies can be applied on safe manufacture process.



Opening-Up in A New Form

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FDI/ODI Growth

ODI: 104.1Billion  **16%**

FDI: 114Billion  **7.9%**

Ministry of Commerce 1-11/2015

Social License to Operate

Peru  **Protest**  **Strike**
Burma  **EIA** **Canada**
 **Violence** **Hydroelectric Station**  **Letpadaung**



MNCs: Localized and build trust

Develop new strategies instead of regarding China and related partners as world factory: To localize strategies with CSR and build trust with Stakeholders in China.



Overseas investment: Caring community

Care community and local employees, engage NGO proactively.



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Green Finance Brings Historical Opportunities

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Guidance on ecological civilization reform mentions green finance system.

2015.9

The People's Bank of China encourages green finance bonds

2015.10

The 13th Five-Year plan includes green finance development.

2015.12

National Development and Reform Commission releases guideline on green bond.

As presidency country of G20, China will bring up green finance issue.

2016



G20 Summit

(4-5/9 Hangzhou , China)

China identified the theme of 2016 Summit of "building innovative, dynamic, interactive and inclusive world economy".



Green Bonds

Green bonds market will develop rapidly, which creates many opportunities. Non finance enterprises can consider using this instrument.



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Internet + Responsibility : Opportunities with Risks

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E-commerce for Poverty Alleviation

To help farmers develop online sales platform ,to achieve precise poverty alleviation.



Big Data Exploration

Big Data creates opportunities for CSR managers in different industries. Some can use big data to improve workforce safety, some to improve stakeholder engagement.



E-commerce for Poverty Alleviation;
Precise Poverty Alleviation

Big data to optimize efficiency; safety & environmental protection; stakeholder engagement

Privacy Protection;
Data security.



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Materiality of CSR Report

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Materiality

HKEX's new policy would have multiple impact on HK stocks including several enterprises from mainland China.



**HKEx News Release
Updated: 21/12/2015**

**Exchange to Strengthen ESG
Guide in its Listing Rules**



Communication

Companies also need to make good use of CSR reports to communicate with various stakeholders effectively. We will expect more diversified formats of CSR reports.



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2015最新修订版

港交所《ESG报告指引》

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Social Innovation & Cross-Boundary Partnership

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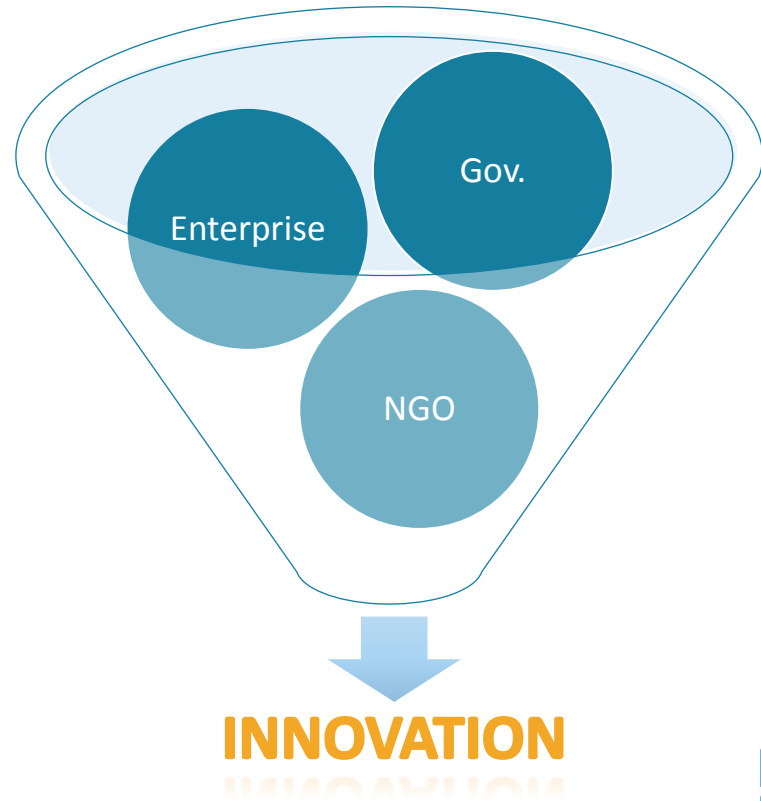
Biz social innovation

New model needs to be initiated through social innovation. Businesses should contribute their expertise and resources to solve social challenges, in partnership with NGOs and governments.



Break-up the Boundaries

Social innovation needs to break up the boundaries. NGOs can do business while businesses can also do non-for-profit work. Cross-boundary partnership can result in more innovative ideas and solutions.



Re-invent Community

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Emerging community affairs

Aging society, child issues
(Including Left-Behind Children,
Immigrant Children, Education, Health ,
etc.) , women employment, etc.



The Last One Mile

For many B-C businesses, community means the last one mile. Businesses can identify local needs of community and outreach to this last one mile effectively.



Elderly, women and kids

Possible opportunities: Left-Behind Children & Women, Youth employment, career capacity development, pension service system, etc.



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New NGO-related Laws Coming

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Charitable Law (Draft)

- “NGO which were registered legally for 2 years above and operate normatively” could apply for the rights of public fund raising.

Guidance on separating raising & spending

- One organization can raise funds that will be spent by its partner.
- Encourage venture philanthropy

Foreign NGO Management Law (2.0)

Individual or organization cannot accept any investment and host any event related to foreign NGOs that have not put on record in government.



New Challenges for Foreign NGOs

Foreign NGOs will face more strict supervision in China. Companies that work with international NGOs should pay more attention to this.



NGO Talent Development

There have already been several training program for NGO talent development. The needs are still increasing. However, later comers should make differentiation.

TOP 10 CSR Trends Summary

Policy Trends

SDG & 13th Five-Year Plan move CSR forward
Climate Change & Green Development become hot spots
Opening-Up in A New Form
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Industrial Trends

Green Finance Brings Historical Opportunities
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Responsible Manufacturing reinvent the world factory

Social Trends

Social Innovation & Cross-Boundary Partnership
Re-invent Community
New NGO-related Laws Coming



Thank You!

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