

CSC9000T

**Corporate Sustainability Compact for
Textile and Apparel Industry
(2025)**



China National Textile and Apparel Council

Foreword

2025 marks the 20th anniversary of the introduction of the *Corporate Sustainability Compact for Textile and Apparel Industry* (CSC9000T). In 2005, the China National Textile and Apparel Council (CNTAC) proactively launched the first industry-wide social responsibility management system standard in China, anchoring it to the Sustainable Development Goals (SDGs). This marked the beginning of responsible business conduct and sustainable industry governance driven by self-regulation within the sector.

For the past 20 years, CNTAC has consistently viewed the strengthening of the corporate social responsibility management system as a strategic task for the development of the industry. It has guided textile and apparel enterprises to pay comprehensive and systematic attention to their social responsibility impacts, proactively embedding social responsibility into corporate strategies, objectives, systems, operations, and business relationships. This includes responding to the demands and expectations of stakeholders, fulfilling responsibilities towards society, the environment, and market order in a scientific, continuous, and systemic manner, while respecting human rights, improving working conditions, protecting the environment, and maintaining market order. The goal is to build fair and effective international supply and value chains, enhancing the competitiveness of both enterprises and the industry, while ensuring sustainable development for enterprises, the industry, and society as a whole.

CSC9000T provides a code of conduct and working approaches for accomplishing the aforementioned tasks. It requires enterprises to use the requirements outlined in the code of conduct as a benchmark to fully identify social responsibility risks and opportunities in their operations, products, services, and business relationships. Enterprises should, through process management, due diligence, and sustainable development innovations, integrate responses to such risks and opportunities into management systems and business processes. This ensures the organic integration of the management system with social responsibility issues, resulting in continuous, collaborative improvements in both management capability and social responsibility performance.

This version of CSC9000T is the fourth revision since its initial release in 2005. It aligns fully with the new development positioning of China's textile and apparel industry, focusing on "technology, fashion, green, and health," as well as the global expansion trends of Chinese enterprises. It has widely incorporated international documents and social responsibility standards, such as the United Nations *Guiding Principles on Business and Human Rights*, the

OECD *Guidelines for Multinational Enterprises on Responsible Business Conduct*, and the requirements of the Environmental, Social, and Governance (ESG) framework. The revision also draws from the experiences accumulated over the past two decades of implementation, as well as recent global developments in the fields of social responsibility and sustainable development.

The revision of this document is led by the CNTAC, with the Office for Social Responsibility of the CNTAC overseeing its implementation. It has received strong support from stakeholders, including the Ministry of Industry and Information Technology, the Ministry of Commerce of the People's Republic of China, and the All-China Federation of Trade Unions.

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I Applicability Requirements

This CSC9000T Management System specifies the approaches for enterprises to establish a social responsibility management system and the social responsibility code of conduct they should actively follow. It enables enterprises to identify, prevent, mitigate, and eliminate risks related to sustainable development. It allows enterprises to determine and capitalize on opportunities for sustainable development. Based on these principles, enterprises can establish, implement, maintain, and improve their social responsibility management system in accordance with applicable laws, regulations, international conventions, international standards, and other requirements, thereby continuing to improve the enterprise's social responsibility performance.

Whilst this CSC9000T Management System is primarily applicable to textile and apparel enterprises, regardless of ownership, size, place of registration, or legal form of organisation, enterprises from other industries may also use it as a reference.

Enterprises may apply this CSC9000T Management System through voluntary commitment or as required by national laws, regulations, and policies. Regardless of the motive or purpose, enterprises should commit to fully comply with and implement the System.

Compliance with applicable laws and regulations is a fundamental obligation of any enterprise. Compliance with this CSC9000T Management System does not exempt the enterprise from, nor change, the applicability of national laws and regulations. In cases where the national laws and regulations, applicable international conventions, or other applicable requirements are inconsistent with this CSC9000T Management System, the enterprise shall seek to follow the stricter requirements beyond compliance with laws and regulations.

This CSC9000T Management System can be applied independently or in conjunction with other standardised management systems (e.g., quality, environmental, and occupational health and safety management systems), as well as other social responsibility standards, norms, or initiatives. When applied together, enterprises shall seek to strengthen the coordination and integration between this CSC9000T Management System and other management systems, standards, norms, or initiatives while ensuring its integrity and proper applicability.

This CSC9000T Management System is applicable for the following purposes within enterprises:

- a) identifying social responsibility impacts to prevent, mitigate or eliminate social responsibility risks and fully capitalise on social responsibility opportunities;

- b) establishing, implementing, maintaining, and improving the enterprise's social responsibility management system;
- c) assuring that the enterprise complies with the declared corporate social responsibility code of conduct; and
- d) demonstrating to stakeholders its compliance with this CSC9000T Management System.

II Terms and Definitions

Corporate Social Responsibility

Through transparent and ethical behaviours, enterprises take responsibility for the impacts of its decisions and activities on society and the environment, which contribute to sustainable development, including health and social welfare, take into account the expectations of stakeholders, comply with laws, regulations, and international norms of conduct, and are embedded throughout the organisation and practised in management activities.

Management System

The set of interrelated or interacting elements within an enterprise that are required to establish policies and objectives and to achieve those objectives; a management system can focus on one or more areas, and its scope may include the entire enterprise, its specific functions or sections, or one or more functions across multiple enterprises.

Social Responsibility Management System

A management system, or part of a management system, used to achieve the social responsibility policy.

Stakeholders

Individuals or organisations that can influence, be influenced by, or perceive themselves to be influenced by an enterprise' decisions or activities.

Supply Chain

The sequence of activities or parties that provide products and services to an enterprise.

Compliance Requirements

The obligations established by applicable laws, regulations, and other binding norms, and the requirements that an enterprise must or chooses to comply with.

Process

A set of interrelated or interacting activities that transform inputs into outputs.

Risks and Opportunities

Potential adverse and beneficial effects on social responsibility objectives.

Social Responsibility Policy

The general requirements regarding the intention and direction of an enterprise's social responsibility performance, as formally expressed by the top management.

Social Responsibility Aspects

Elements of an enterprise's activities, products, services, and business relationships that are relevant to the requirements of the social responsibility code of conduct and that can interact with stakeholders or the environment, thereby generating social responsibility impacts.

Social Responsibility Objectives

Results set and to be achieved by the enterprise that are consistent with its social responsibility policy.

Social Responsibility Impacts

Any possible changes, whether adverse or beneficial, to stakeholders or the environment, wholly or partially resulting from an enterprise's social responsibility aspects.

Social Responsibility Performance

Measurable (quantitative) or accreditable (qualitative) results achieved through the management of social responsibility impacts.

Due Diligence

The process through which an enterprise identifies, prevents, mitigates, and accounts for how it addresses its actual and potential adverse impacts as an integral part of business decision-making and risk management systems.

Documented Information

The information that is required to be controlled and maintained by an enterprise and the medium on which it is contained, acceptable in any format, carrier or source.

Workplace

All locations where employees need to be present or go due to work commitments, and that are under the direct or indirect control of the enterprise, including locations during travel or transportation (e.g., driving, by plane or by train), working at customers' or clients' premises, or working from home.

Transparency

Openness about decisions and activities that affect society, the economy, and the environment, and willingness to communicate these in a clear, accurate, timely, honest, and complete manner.

Sustainable Consumption

The provision of services and related products to meet the basic needs of mankind and improve quality of life, while reducing the use of natural resources and toxic materials, thereby minimising waste and pollutants generated during the life cycle of services or products, and not endangering the needs of future generations.

Employee/Worker

Employees refer to individuals who, based on legal employment relationships (e.g., labour contracts) or de facto employment relationships, who work under the management of the employer and receive compensation. This includes contracted employees (full-time, part-time), as well as de facto employees.

Note: This includes both management and non-management personnel. Depending on the circumstances, employees may also include individuals working within the enterprise's control, such as the employees of external suppliers, labour dispatch workers, interns, etc.

Freedom of Association

The right of both employees and employers to freely establish and join organisations of their choice, without prior approval, in order to promote and protect their rights.

Collective Negotiation

The process through which employers or enterprise organisations negotiate with worker organisations regarding working conditions and employment terms, while concluding collective agreements.

Forced or Compulsory Labour

Any work or service that is forced upon an individual against their will through threat of punishment or coercion. This includes forcing others to work through means such as violence, debt bondage, confiscation of identification documents, and restrictions on personal freedom.

Child Labour

Work that deprives children of their childhood, potential, and dignity, and is harmful to their physical and mental development.

Note: The *Labour Law of the People's Republic of China* prohibits the employment of minors under the age of 16.

Young Worker

Workers who are above the minimum employment age but are under the age of 18.

Note: The *Labour Law of the People's Republic of China* defines young workers as those aged between 16 and 18. The protection of young workers' rights shall strictly comply with the *Law of the People's Republic of China on Protection of Minors*, the *Provisions on Special Protection of Young Workers*, and the *Regulations on Labour Security Supervision*, among other related laws and regulations.

Violence and Harassment

Violence and harassment in the workplace refers to unacceptable behaviours and practices that are intended to cause, actually cause, or may possibly cause physical, psychological, sexual harm, or economic loss, including gender-based violence and harassment.

Note: The scope of the workplace also includes situations related to work, as well as communications resulting from work.

Grievance

Concerns or complaints expressed by individuals or groups who believe that their rights have been adversely affected by the actions or inactions of the enterprise.

Note: Establishing grievance mechanisms is a key process for enterprises to manage social responsibility risks and listen to the opinions of its stakeholders.

Remedy/Remediation

The process of taking responsibility for adverse impacts and addressing and compensating for them.

Note: Remedies may include apologies, restoration to the previous state, indemnity, financial compensation, cessation of harmful behaviour, or holding responsible parties accountable, with the aim of restoring victims to their rightful status before the damage occurred.

Family-friendly Workplace

A work environment where policies and practices are developed and implemented to help employees balance both work and family responsibilities.

Note: For example, providing flexible work arrangements, parental leave, nursing rooms, childcare services, and other supportive measures.

Environment

The natural environment in which the enterprise operates, including air, water, land, natural resources, plants, animals, humans, and space, and their interrelationships.

Pollution Sources

Locations, equipment, facilities, and organisms that discharge harmful substances into the environment or result in harmful impacts on the environment. Plants and animals (including humans) may also become sources of pollution.

Life Cycle

A sequential series of stages within a product and service system, from obtaining raw materials from nature or natural resources to final disposal.

Note: Typical stages include raw material acquisition, design, production, transportation and/or delivery, use, end-of-life treatment, and final disposal.

Life Cycle Assessment

An objective process for evaluating the social and environmental impacts associated with products and services, processes, and activities, covering the entire life cycle of products and services, processes, and activities.

Climate Change

Climate change caused by human activities, either directly or indirectly, that alters the composition of the Earth's atmosphere beyond the natural variations in a climate observed during similar periods.

III Management Approaches

When establishing and implementing a social responsibility management system, process management approach, risk-based due diligence, and innovation management based on sustainable development collectively form a dynamic and synergistic management framework. This framework uses process management approach as its systematic foundation, ensuring the continuous operation and improvement of management activities through the PDCA cycle. Risk-based due diligence serves as the core mechanism and baseline measure, embedded within process management to focus on identifying, preventing, and eliminating negative impacts in operations and business relationships. Innovation management based on sustainable development acts as the forward-looking orientation and driving force, propelling enterprises to proactively identify sustainability opportunities and support the creation and growth of long-term value.

1 Process Management Approach

This System advocates the adoption of the process management approach in developing and implementing a social responsibility management system and improving its effectiveness. This approach enables the enterprise to effectively control the interlinked and interdependent processes of the management system, so that the overall performance of the enterprise can be enhanced for better integration, effectiveness, and efficiency.

The process management approach involves the systematic definition and management of processes and their interactions by using the PDCA cycle and risk-based due diligence in accordance with the policy and strategic direction of the enterprise, to achieve the intended outcomes, effectively take advantage of opportunities, and prevent the occurrence of unintended outcomes. The PDCA cycle can be applied to all processes and to the social responsibility management system as a whole. It can be briefly defined as follows:

- a) Plan: Establish the objectives of the system and its processes, and provide resources needed to deliver the expected results of the enterprise's social responsibility code of conduct;
- b) Do: Implement what is planned;
- c) Check: Monitor and measure the implementation of the plan against the social responsibility policy, code of conduct, objectives, indicators, and other requirements, and report the results;
- d) Act/Adjust: Take actions to continually improve the social responsibility performance.

The process management approach requires the enterprise to determine the processes needed for the social responsibility management system and understand their operations throughout their enterprise. The enterprise shall:

- a) determine the inputs required and the outputs expected from these processes;
- b) determine the sequence and interaction of these processes;
- c) determine and apply the criteria and methods (including monitoring, measurements, and related performance indicators) needed to ensure the effective operation and control of the processes;
- d) determine the resources needed for these processes and ensure their availability;
- e) assign the responsibilities and authorities for these processes;
- f) identify risks and opportunities and take appropriate actions;
- g) evaluate these processes and implement any changes needed to ensure that these processes achieve their intended outcomes; and
- h) improve the processes and the social responsibility management system.

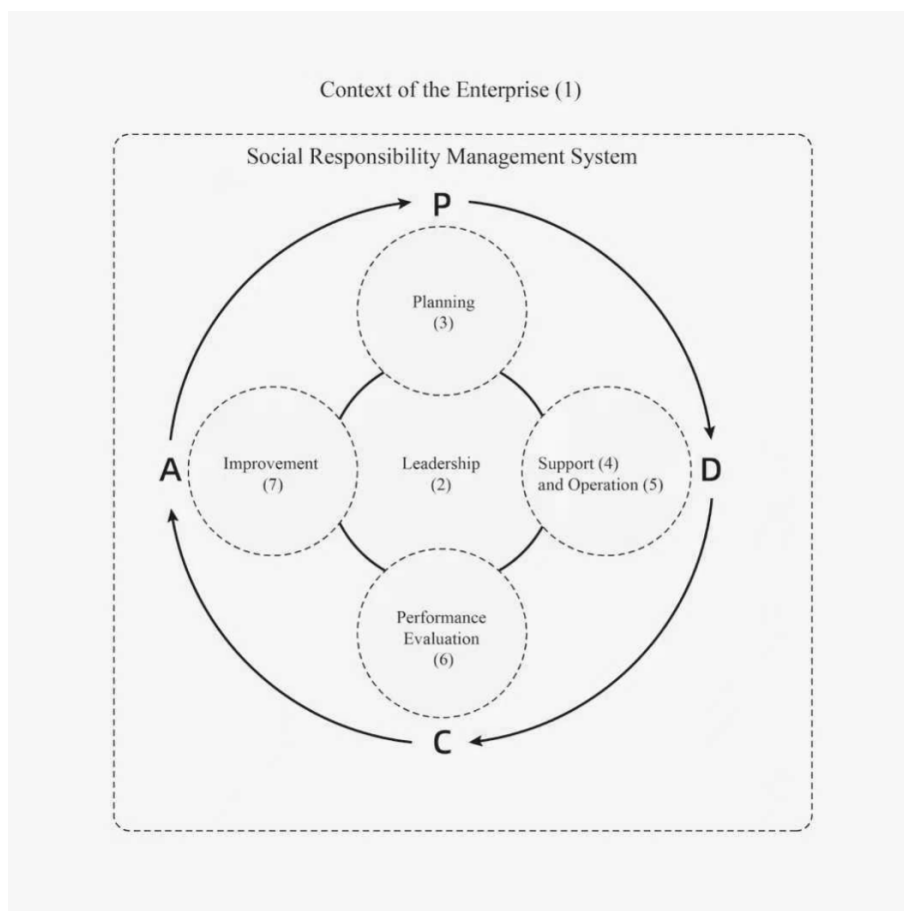


Figure 1: Relationship between the PDCA and the Framework of CSC9000T

2 Risk-Based Due Diligence

To conform to the requirements of this System, an enterprise needs to plan and implement actions to address risks, enabling them to increase the effectiveness of the social responsibility management system, achieve improved results, and prevent adverse impacts.

The core approach of risk-based due diligence is to assess the adverse social responsibility impacts that may be caused or exacerbated by the enterprise's activities, or that are directly related to its products, services, or business relationships. Enterprises should incorporate these impacts into internal functions and processes, take appropriate actions, track the effects of such actions, and communicate relevant information to stakeholders as and when necessary.

Risk-based due diligence requires the integration of the management system with the code of conduct to assess risks against code of conduct requirements and prevent, mitigate and eliminate risks for adverse impacts through the operation of the management system. It differs in complexity as the size, nature of operations, and background of the enterprise vary. However, it should be continuous, as risks may change at any time due to changes in the business and operational background of the enterprise.

Specifically, the risk-based due diligence includes the following steps:¹

- a) establish due diligence policies;
- b) identify and assess adverse impacts in operations, supply chains, and business relationships;
- c) cease, prevent, or mitigate adverse impacts;
- d) track implementation and results;
- e) communicate on how to eliminate the impact; and
- f) when appropriate, provide for or cooperate in remediation.

¹Please refer to the *Guidance on Social and Environmental Due Diligence for China's Textile and Apparel Enterprises*.

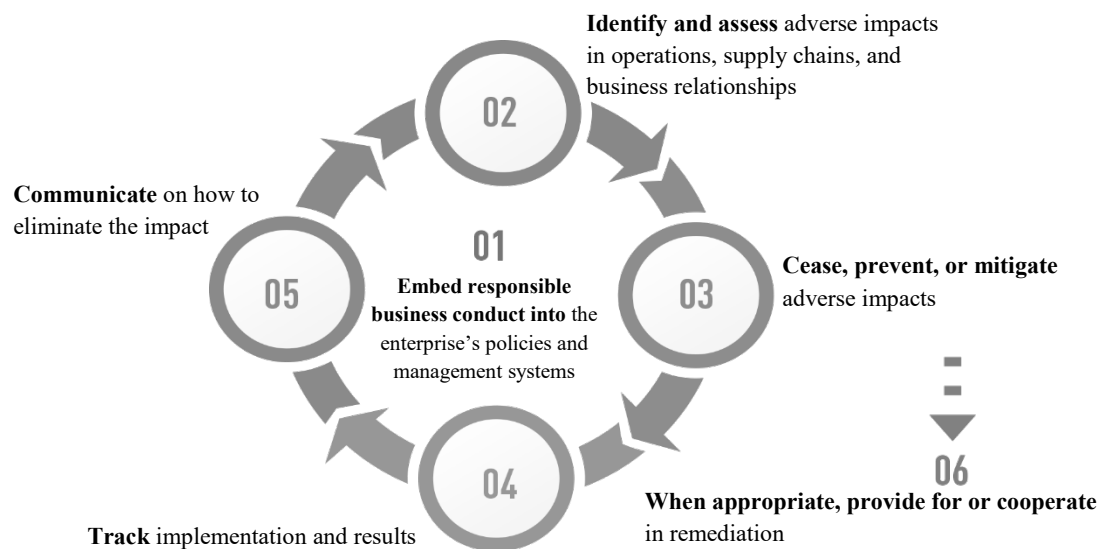


Figure 2: Due Diligence Process

3 Innovation Management Based on Sustainable Development

In addition to risk management, the enterprise needs to view risks and challenges from the perspective of development, and prevent and eliminate risks as well as seize opportunities through innovations oriented towards sustainable development, including in areas such as technologies, products, services, new businesses, and business models.

Specifically, the innovation management based on sustainable development includes the following aspects:

- a) based on identified risks, analyse and identify corresponding sustainable development aspects, and drive innovations in technologies, products and services, and management models, with the goal of achieving sustainable development;
- b) based on the expectations of stakeholders and society, identify business opportunities that the enterprise can utilise, as well as opportunities to meet the needs of both the stakeholders and society as a whole, while achieving the enterprise's own development; and
- c) based on the social development challenges in the local area and the key sustainable development issues faced by the industry in which the enterprise operates, leverage the enterprise's mission and strengths to innovate solutions for these challenges and issues, thereby promoting sustainable development for both society and the industry, while creating new competitive edges and business opportunities for the enterprise.

IV Social Responsibility Management System

1 Context of the Enterprise

1.1 Understanding the enterprise and its context

The enterprise shall identify and determine internal and external aspects relevant to its strategies and objectives that affect the achievement of the intended outcomes of its social responsibility management system. Such aspects shall include both positive and negative aspects that may influence or be influenced by the enterprise.

The enterprise may identify its context from global, national, industrial, regional, internal, and business relationship dimensions, and, in this process, determine the various factors that influence the enterprise's strategies, objectives, and sustainability.

1.2 Understanding the demands and expectations of the stakeholders

The enterprise shall determine the stakeholders involved in the social responsibility management system, as well as their relevant demands and expectations and, in particular, identify the applicable legal, regulatory, and other compliance requirements within these demands and expectations.

The enterprise may give priority to the following stakeholders:

- a) customers, consumers, and users of its products and services;
- b) employees and other labourers in the supply chain;
- c) suppliers, distributors, and other business entities in the supply chain;
- d) peers and industry organisations;
- e) governmental departments and legislative bodies;
- f) shareholders and investors;
- g) civil society organisations and media that pay attention to social responsibility issues; and
- h) communities and their residents.

The enterprise shall identify key stakeholders and analyse how they influence the enterprise's operations, products, services, and supply chain activities, or how they are influenced by the enterprise, including both actual and potential impacts.

1.3 Determining the scope of the social responsibility management system

The enterprise shall determine the boundaries and scope of application of the social responsibility management system.

When determining this scope, the enterprise shall consider:

- a) the internal and external aspects referred to in Section 1.1;
- b) the legal, regulatory, and other compliance requirements referred to in Section 1.2;
- c) its organisational structure, function(s), and physical boundaries;
- d) its activities, products, services, and business relationships; and
- e) its authority and ability to exercise control and influence.

The enterprise shall retain documented information on the determination of the scope and make it accessible to stakeholders.

1.4 Establishing a social responsibility management system

The enterprise shall establish, implement, maintain, and continually improve a social responsibility management system, including the processes needed and their interactions, in accordance with the requirements of this System, fully and systematically considering the requirements in Sections 1.1-1.3, and applying the process management approach (see Chapter III) to enhance the social responsibility performance of the enterprise.

2 Leadership

2.1 Commitment

Top management of an enterprise shall fully fulfill the following functions to demonstrate its leadership and commitment to social responsibility management:

- a) ensure that the policies and objectives of the social responsibility system align with the enterprise's strategies;
- b) ensure that the requirements of the social responsibility management system are embedded into the enterprise's operational decisions, business processes, and business relationships;
- c) ensure the availability of resources needed for establishing, implementing, maintaining, and improving the social responsibility management system;
- d) communicate the importance of the social responsibility management system effectively and ensure the general consensus, full understanding, and complete implementation of the social responsibility management system within the enterprise;
- e) urge, direct, and support managers and employees to enhance the effectiveness of the social responsibility management system;
- f) verify the effectiveness of the social responsibility management system, establish clear accountability mechanisms, and assume ultimate responsibility;

- g) establish, guide, and foster a corporate culture that supports the intended outcomes of the social responsibility management system;
- h) drive improvement of the social responsibility management system;
- i) establish and implement processes for stakeholder engagement and ensure that no retaliation occurs as a result of reporting risks; and
- j) support other management roles to fulfill their duties in the relevant areas.

2.2 Social responsibility policy

Top management shall establish, implement, and maintain a social responsibility policy within the defined scope of its social responsibility management system. This policy shall:

- a) be appropriate to the strategy and context of the enterprise, including the social responsibility impacts of its operations, products, services, and business relationships;
- b) provide a framework for setting social responsibility objectives;
- c) include a commitment to proactively fulfill social responsibility;
- d) include a commitment to proactively implement due diligence, including prevention, mitigation, and elimination of adverse impacts on stakeholders;
- e) include a commitment to meet legal, regulatory, and other compliance requirements;
- f) include a commitment to continually improve the social responsibility management system; and
- g) include a commitment to the involvement of employees or their representatives.

The enterprise shall maintain the social responsibility policy as documented information, ensure that it is fully communicated, understood, and applied within the enterprise, and make it accessible to stakeholders.

2.3 Responsibilities and authorities

2.3.1 Responsibilities and authorities of top management

Top management shall ensure that the responsibilities and authorities for relevant roles are assigned, communicated, and understood throughout the enterprise, with the goal of:

- a) ensuring that the social responsibility management system conforms to the requirements of this System;
- b) achieving intended outcomes in the operational process of the social responsibility management system;
- c) strengthening the focus on key stakeholders throughout the enterprise;

- d) maintaining the integrity of the social responsibility management system during any changes that may occur;
- e) holding business units accountable for social responsibility performance within their scope of operations; and
- f) reporting on the performance of the social responsibility management system, opportunities for improvement, changes, or innovations to top management.

2.3.2 Responsibilities and authorities of the social responsibility management department

Top management may appoint a lead department for the comprehensive implementation of the social responsibility management system. The main responsibilities of the department include:

- a) understanding the context of the enterprise (see Sections 1.1 and 1.2);
- b) drafting the social responsibility policy (see Section 2.2) and management systems related to social responsibility;
- c) drafting or coordinating with other departments to draft social responsibility objectives (see Section 3.4) and corresponding implementation measures (see Section 3.5);
- d) leading the planning of resources (see Section 4.1) and competence (see Section 4.2) for the development of the social responsibility management system;
- e) take responsibility for promoting social responsibility awareness and capacity building among all staff (see Section 4.3);
- f) leading the communication and engagement process with key stakeholders (see Section 4.4);
- g) leading and overseeing the operation of processes related to the social responsibility management system (see Section 5) and performance evaluation (see Section 6), and reporting to top management; and
- h) coordinating to establish grievance procedures that align with due diligence, and planning risk countermeasures (see Section 5.3) and remedial measures (see Section 7.2).

3 Planning

3.1 General requirements

The enterprise shall establish, implement, and maintain the processes needed to meet the requirements in Section 3.1. When planning for the social responsibility management system, the enterprise shall:

- a) consider its own conditions and context (see Section 1.1), the demands and expectations of its stakeholders (see Section 1.2), and the scope of the social responsibility management system (see Section 1.3);
- b) determine the risks and opportunities related to its social responsibility impacts (see Section 3.2), legal, regulatory, and other compliance requirements (see Section 3.3), and other issues;
- c) seek to prevent and mitigate adverse impacts, including any potential adverse impacts; and
- d) provide adequate assurance for the achievement of the intended outcomes of the social responsibility management system and support continual improvement.

Within the scope of the social responsibility management system, the enterprise shall determine potential emergencies that may have a social responsibility impact and establish, implement, and maintain procedures to prepare for and respond to such potential emergencies (see Section 5.3).

3.2 Identifying social responsibility aspects and impacts

Within the defined scope of the social responsibility management system, the enterprise shall identify and determine the social responsibility aspects that can be controlled and influenced by its activities, products, services, and business relationships, assess their impacts, and identify risks and opportunities. In this process, the enterprise shall:

- a) identify the aspects with or, potentially having, significant social responsibility impacts in accordance with the code of conduct in Chapter V of this System;
- b) take into account the life cycle approach and potential changes, including planned or newly developed, new or modified activities, products, services and business relationships;
- c) establish clear criteria and prioritise the identified aspects having significant social responsibility impacts; and
- d) identify abnormal conditions and potential emergencies.

The enterprise shall retain documented information covering the following:

- a) social responsibility aspects and their impacts, particularly those having significant social responsibility impacts; and
- b) processes and measures for identifying and addressing social responsibility impacts, with these being communicated across various levels and functions within the organisation.

3.3 Legal, regulatory, and other compliance requirements

The enterprise shall establish, implement, and maintain processes to:

- a) identify and obtain the latest legal, regulatory, and other compliance requirements applicable to the enterprise's social responsibility management system;
- b) determine how to apply these legal, regulatory, and other compliance requirements to the enterprise, and what information needs to be communicated; and
- c) ensure that these legal, regulatory, and other compliance requirements are taken into account when establishing, implementing, maintaining, and continually improving its social responsibility management system.

The enterprise shall maintain and retain documented information on legal and regulatory requirements and other requirements, ensuring that it is updated in a timely manner to reflect any changes.

3.4 Planning of social responsibility objectives

The enterprise shall establish social responsibility objectives in relevant functions and levels, aligned with the processes required for the social responsibility management system. These social responsibility objectives shall:

- a) be aligned with the enterprise's strategies, operational objectives, and social responsibility policy;
- b) be consistent with the priority of significant social responsibility aspects;
- c) comply with legal, regulatory, and other compliance requirements;
- d) respond to identified risks and opportunities; and
- e) respect and consider the expectations of key stakeholders.

The social responsibility objectives shall also be measurable and monitored, communicated, and updated as appropriate.

3.5 Measures to achieve objectives

When planning measures to achieve social responsibility objectives, the enterprise shall:

- a) identify social responsibility impacts(see Section 3.2), respond to risks and opportunities, comply with legal and regulatory requirements and other requirements (see Section 3.3), and prepare for and respond to emergencies (see Section 5.3);

- b) embed and implement these measures within the processes of its social responsibility management system or other business processes;
- c) identify necessary resources, responsible persons and departments, completion time, and evaluation methods for results, including indicators to monitor the achievement of social responsibility objectives;
- d) consider comprehensively technical feasibility, costs, benefits, and operation and business requirements, and adopt the best solution under the premise of economic feasibility and cost effectiveness, including learning from best practices of other enterprises; and
- e) evaluate the effectiveness of these measures.

The enterprise shall retain documented information on social responsibility objectives and measures, ensuring that it is communicated, understood, and applied within the enterprise.

4 Support

4.1 Resources

The enterprise shall determine and provide the resources necessary for the establishment, implementation, maintenance, and continual improvement of the social responsibility management system. This includes human resources, financial resources, and support for mechanisms related to investment decisions, capacity building, awareness raising, and stakeholder communication and engagement.

4.2 Competence

To ensure the effectiveness of the social responsibility management system, the enterprise shall:

- a) determine the necessary competence of persons working under its control who affect or may affect its social responsibility performance;
- b) ensure that these persons have the required competence to perform their work effectively based on appropriate education, training, or experience;
- c) take measures, as applicable, to acquire and maintain the necessary competence, which may include:
 - 1) training or improvement programmes;
 - 2) adoption of new technologies or updating of infrastructure;
 - 3) seeking external assistance, including hiring competent personnel or engaging with external experts; and
- d) evaluate the effectiveness of the actions taken.

The enterprise shall retain appropriate documented information as evidence of competence.

4.3 Awareness

The enterprise shall ensure that the persons working under its control are fully aware of:

- a) the social responsibility policy;
- b) the relevant social responsibility objectives;
- c) the significant social responsibility aspects associated with their work and actual or potential impacts, particularly relevant risks and the measures identified;
- d) their contribution to the effectiveness of the social responsibility management system, including the benefits derived from enhanced social responsibility performance; and
- e) the negative impacts of non-conformance with the social responsibility management system requirements, including compliance requirements.

4.4 Communication and engagement

4.4.1 General requirements

The enterprise shall establish, implement, and maintain processes for communication and engagement with all relevant internal and external stakeholders, including their representatives (if any), throughout the development, planning, implementation, performance evaluation, and improvement actions of the social responsibility management system. These processes shall include defining what to communicate, when to communicate, with whom to communicate and/or engage, and how to communicate and/or engage.

In establishing the processes for communication and engagement, the enterprise shall:

- a) consider legal, regulatory, and other compliance requirements;
- b) ensure that the communicated social responsibility information is consistent and reliable with the information created within the social responsibility management system;
- c) provide the necessary mechanisms, time, training, and resources for communication and engagement;
- d) ensure timely access to clear, understandable, and relevant social responsibility management system information;
- e) identify, reduce, or eliminate barriers or obstacles in the way of communication and engagement;
- f) respond to communication and engagement requests related to its social responsibility management system; and

g) establish necessary dispute resolution mechanisms.

The enterprise shall retain documented information as evidence of its communication and engagement with stakeholders.

4.4.2 Internal communication

The enterprise shall communicate information relevant to the social responsibility management system across various levels and functions within the organisation. This includes information on the implementation and execution of its social responsibility policy and objectives in each functional department, the requirements for work division and cooperation among functional departments, and, when necessary, communication regarding changes to the social responsibility management system.

The enterprise shall ensure that its communication processes enable persons working under its control to contribute to continual improvement, emphasise communication and consultation with non-managerial persons, and respect their engagement.

4.4.3 External communication and engagement

The enterprise shall disclose and externally communicate information relevant to the social responsibility management system, in accordance with the established communication and engagement processes. This includes publishing social responsibility reports or special reports when necessary.

The enterprise shall establish processes to ensure the effective engagement of the stakeholders who are severely affected by major decision-making and significant business activities, and fully consider their interests and expectations.

The enterprise shall consider legal, regulatory, and other compliance requirements.

4.5 Documented information

4.5.1 General requirements

The enterprise's social responsibility management system shall include the documented information required by this System, and any additional documented information determined by the enterprise as necessary to demonstrate the effectiveness of the social responsibility management system.

The complexity of the documented information within the social responsibility management system may vary across enterprises, depending on:

- a) the enterprise's size, activities, products, services, and business types;
- b) the need to demonstrate compliance with legal, regulatory, and other compliance requirements;
- c) the complexity of the processes and their interactions; and
- d) the competence of the persons working under its control.

4.5.2 Creation and updating

When creating and updating documented information on the social responsibility management system, the enterprise shall ensure appropriate:

- a) identification and description (e.g., title, date, author, or reference number);
- b) format (e.g., language, software version, and graphics) and media (e.g., paper or electronic media); and
- c) review and approval to ensure appropriateness and sufficiency.

4.5.3 Control of documented information

Documented information required by the social responsibility management system and by this System shall be controlled to ensure that:

- a) it is available and suitable for use when needed; and
- b) it is adequately protected (e.g., from loss of confidentiality, improper use, or loss of integrity).

For the control of documented information, the enterprise shall appropriately manage aspects such as distribution, access, retrieval, and use; storage and preservation (including maintaining legibility); control of changes (e.g., version control); and retention and disposal.

Documented information of external origin that is identified by the enterprise as necessary for planning and implementing the social responsibility management system shall also be identified and controlled.

5 Operation

5.1 Operational planning and control

The enterprise shall plan, implement, control, and maintain the processes required to meet social responsibility management system requirements, and implement measures identified in Section 3.5 by establishing operating criteria for the processes based on the code of conduct as outlined in Chapter V of this System and by implementing process control in accordance with those operating criteria.

The enterprise shall establish processes for implementing and controlling both temporary and permanent changes planned that may affect social responsibility performance. These changes include:

- a) new products, services, and processes, or changes to existing products, services, and processes;
- b) changes in legal, regulatory, and other compliance requirements;
- c) changes in knowledge or information related to social responsibility risks; and
- d) development in knowledge and technology.

The enterprise shall assess the consequences of unintended changes and take appropriate actions to prevent or mitigate any adverse impacts.

The enterprise shall retain documented information deemed necessary as evidence to demonstrate that the processes have been carried out as planned.

5.2 Procurement

The enterprise shall define the processes to control procurement, outsourcing, and other functions within the social responsibility management system. This includes:

- a) establishing, implementing, and maintaining processes to control the procurement of products and services in consideration of the due diligence approach (see Chapter III);
- b) coordinating with suppliers on their purchasing process to ensure that they and persons working under their control meet the enterprise's social responsibility management system requirements; and
- c) defining and applying social responsibility criteria for selecting suppliers, in alignment with the code of conduct in Chapter V of this document, and ensuring that outsourcing

arrangements comply with legal, regulatory, and other requirements and align with the intended outcomes of the social responsibility management system.

5.3 Emergency preparedness and response

The enterprise shall, based on the social responsibility code of conduct (see Chapter V), anticipate potential emergencies, establish, implement, and maintain procedures to prepare for and respond to such potential emergencies. To this end, the enterprise shall:

- a) be prepared to respond to emergencies through planned measures to prevent or mitigate adverse social responsibility impacts arising;
- b) respond to actual emergencies;
- c) ensure that response actions are appropriate to the emergency and its potential social responsibility impacts;
- d) provide training for the planned responses, and, where feasible, periodically test and practise the planned response actions;
- e) periodically review, revise, and update the processes and planned response actions, particularly after an emergency or test;
- f) communicate with all persons working under its control and provide information relevant to their duties and responsibilities;
- g) communicate relevant information with contractors, visitors, emergency response agencies, government departments, and local communities (where applicable); and
- h) ensure that the needs and capabilities of all relevant stakeholders are considered, and where appropriate, involve them in the planning of responses.

The enterprise shall retain documented information deemed necessary as evidence to demonstrate that the processes have been carried out as planned.

6 Performance Evaluation

6.1 Monitoring, measurement, analysis, and evaluation

6.1.1 General requirements

The enterprise shall monitor, measure, analyse, and evaluate its social responsibility performance. The prioritisation of monitoring, measurement, and analysis activities shall be consistent with the prioritisation determined in Section 3.2. To this end, the enterprise shall determine:

- a) what needs to be monitored and measured;
- b) the methods for monitoring, measurement, analysis, and evaluation necessary to ensure valid results;
- c) the criteria against which the enterprise will evaluate its social responsibility performance, and appropriate indicators;
- d) when the monitoring and measuring shall be performed; and
- e) when the results from monitoring and measurement shall be analysed and evaluated.

The enterprise shall ensure that calibrated or verified monitoring and measurement equipment is used and maintained as appropriate.

The enterprise shall evaluate its social responsibility performance and the effectiveness of its social responsibility management system.

The enterprise shall retain documented information as evidence of the monitoring, measurement, analysis, and evaluation results.

6.1.2 Compliance evaluation

The enterprise shall establish, implement, and maintain processes to evaluate compliance with legal, regulatory, and other requirements.

To this end, the enterprise shall determine the frequency of compliance evaluation, assess conformity, take actions when necessary, and maintain information on its compliance status.

The enterprise shall retain documented information on the results of its compliance evaluation.

6.2 Internal audit

The enterprise shall conduct internal audits at planned intervals or irregularly as required to provide information on whether the social responsibility management system:

- a) conforms to the enterprise's requirements for its social responsibility management system and the requirements of this System; and
- b) is effectively implemented and maintained.

The enterprise shall establish, implement, and maintain an internal audit programme, including:

- a) considering the social responsibility importance of the processes concerned, changes affecting the enterprise, and the results of previous audits;

- b) the frequency, methods, responsibilities, communication and engagement, planning requirements, and reporting of the audits;
- c) defining the audit criteria and scope for each audit;
- d) selecting auditors and conducting audits to ensure the objectivity and impartiality of the audit process;
- e) ensuring that audit results are reported to relevant management;
- f) ensuring that audit results are communicated to persons working under its control and their representatives (if any) and other relevant stakeholders; and
- g) taking actions to address nonconformities and continually improve its social responsibility management performance (see Section 7).

The enterprise shall retain documented information as evidence of the implementation of the audit programme and the audit results.

6.3 Management review

Top management shall review the enterprise's social responsibility management system, at planned intervals or irregularly as required, to ensure its continuing suitability, adequacy, and effectiveness.

The inputs for the management review shall include consideration of:

- a) the status of actions from previous management reviews;
- b) changes in:
 - 1) external and internal issues relevant to the social responsibility management system;
 - 2) stakeholders' demands and expectations, including compliance obligations;
 - 3) significant social responsibility aspects; and
 - 4) risks and opportunities;
- c) the extent to which social responsibility objectives have been achieved;
- d) information on the enterprise's social responsibility performance, including trends in:
 - 1) nonconformities and corrective actions;
 - 2) monitoring and measurement results;
 - 3) compliance with obligations; and
 - 4) audit results;
- e) adequacy of resources;
- f) contents of stakeholder communication and engagement, including grievances; and
- g) opportunities for continual improvement.

The outputs of the management review shall include:

- a) conclusions on the continuing suitability, adequacy, and effectiveness of the social responsibility management system;
- b) decisions related to continual improvement opportunities;
- c) the need for any changes to the social responsibility management system;
- d) the need for resources;
- e) actions required if social responsibility objectives have not been achieved;
- f) opportunities to improve the integration of the social responsibility management system with other business processes, if needed; and
- g) any implications for the strategic direction of the enterprise.

Top management shall communicate the relevant outputs of the management review to stakeholders and their representatives (if any) (see Section 4.4).

The enterprise shall retain documented information as evidence of the results of management reviews.

7 Improvement

7.1 General requirements

The enterprise shall identify and determine opportunities for improvement, and take necessary actions to achieve the intended outcomes of its social responsibility management system.

7.2 Nonconformity and corrective actions

The enterprise shall establish, implement, and maintain processes to identify nonconformities, including reporting, investigation, and taking actions.

When a nonconformity occurs, the enterprise shall:

- a) respond to the nonconformity and, when applicable, take corrective and control actions to address the consequences, including ceasing and mitigating any adverse social responsibility impacts;
- b) evaluate the need to eliminate the causes of the nonconformity, to ensure that it does not recur or occur elsewhere, by reviewing the nonconformity, determining the causes of the nonconformity, and determining if similar nonconformities exist, or could potentially occur;
- c) implement any actions needed, including providing remedies to the stakeholders impacted adversely;

- d) assess the effectiveness of any corrective actions taken;
- e) make changes to the social responsibility management system when necessary; and
- f) cooperate with other stakeholders when taking corrective actions.

Corrective actions shall be appropriate to the significance of the effects of the nonconformities encountered, including the social responsibility impacts. Seek legal remedies when and where necessary.

The enterprise shall retain documented information as evidence of:

- a) the nature of the nonconformities and any subsequent actions taken; and
- b) corrective actions and their outcomes, including their effectiveness.

7.3 Continual improvement

The enterprise shall continually improve the suitability, adequacy, and effectiveness of the social responsibility management system to continually enhance its social responsibility performance.

The enterprise shall maintain and retain documented information as evidence of continual improvement.

V Social Responsibility Code of Conduct

1 Responsibility for People

The responsibility for people requires the enterprise to follow the principle of putting people first, to respect the rights of stakeholders such as employees, consumers, and community residents, and to promote the coordinated development of the enterprise and people.

1.1 Employees

1.1.1 The enterprise shall consider the fundamental rights and principles outlined in the International Labour Organization (ILO) *Declaration on Fundamental Principles and Rights at Work*, including: freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced or compulsory labour; the effective abolition of child labour; the elimination of discrimination in respect of employment and occupation; and a safe and healthy working environment. Specifically, the enterprise shall:

- a) Respect employees' legal rights to join and form trade unions, elect employee representatives, hold workers' congress, and engage in collective bargaining, as well as the right not to participate in such activities; meanwhile, the enterprise shall not interfere in any way with the establishment, functioning, or administration of trade unions or collective bargaining mechanisms.
- b) Ensure that no individual is compelled to perform any work or labour to which they have not voluntarily consented through threat of punishment or coercion, including violence, threats, debt bondage, forced contracts, trafficking, restriction of personal liberty, withholding of owed wages or statutory benefits, and other means that are used to compel or coerce employees into performing work or complying with management rules.
- c) Ensure not to engage in or support the employment of minors below the local minimum age for employment, and if such minors are employed, take proactive and prudent actions to provide relief for these minors.
- d) Ensure that the rights and interests of young workers are protected, and a safe and healthy work environment and reasonable working hours are provided to guarantee their physical and mental health and growth.
- e) Prevent discrimination, exclusion, or unfair treatment based on ethnicity, race, gender, religious belief, age, domicile, nationality, disability, marital or reproductive status, illness, or other reasons in recruitment, training, promotion, remuneration and benefits, working conditions, organisation of and participation in trade unions, retirement, and dismissal.

- f) Eliminate any form of violence and harassment, including verbal, written, visual, or physical harassment, as well as sexual violence and sexual harassment; Implement reasonable preventive measures, grievance acceptance procedures, and investigation handling processes to prevent and stop acts of violence and harassment.
- g) Comply with occupational health and safety regulations, respect employees' rights to work and live in a healthy and safe environment, take effective measures to prevent potential health and safety accidents, injuries, and diseases, and provide employees with a safe, healthy work and living environment.

1.1.2 The enterprise shall adhere to the applicable laws and industry practices regarding the protection of labourers' rights and interests², including but not limited to the following:

- a) Conclude labour contracts shall be concluded on the basis of legality, fairness, equality, voluntariness, mutual agreement, and good faith, ensure that the content and process of contract signing comply with the laws and regulations, and respect the employees' right to terminate the employment relationship in accordance with legal provisions or contractual agreements.
- b) Comply with applicable laws, collective agreements, or industry standards regarding working hours, rest and leave, and labour safety and hygiene requirements; in particular, all overtime shall be voluntary and meet occupational safety and health requirements.
- c) Pay employees in legal tender, promptly, regularly, and in full, an amount no less than the legally required wages, including full payment for overtime; Pay social insurance in accordance with the law; Provide employees with the benefits agreed upon in the labour contract or collective agreement; Provide employees with a detailed breakdown of their wages and benefits for each payment period, and any deductions from wages can only be made under conditions and within limits specified by law, the labour contract, or the collective agreements.
- d) Establish effective grievance and remedy mechanisms, including independent grievance channels for issues such as forced labour, child labour, discrimination, violence and harassment, and provide remedies for victims of verified incidents.

² Enterprises operating in the Chinese mainland shall comply with the *Labour Law of the People's Republic of China*, the *Labour Contract Law of the People's Republic of China*, and other relevant laws, administrative regulations, local regulations, autonomous and separate regulations, rules, and normative documents.

1.1.3 The enterprise should focus on the development of employees, including but not limited to:

- a) Respect employees' development needs and invest necessary resources in their vocational education and skills training³, continuously improving employees' business qualities and skill levels.
- b) Provide employees with career development training and offer scientific and reasonable career development pathways to enhance employees' sense of professional fulfillment.
- c) Conduct wage monitoring, support equal pay for equal work, and ensure that wages are sufficient to provide employees and their families with a decent standard of living.
- d) Focus on employees' mental health, enrich their cultural activities and social life, and take measures such as psychological assistance and mental health education to prevent and improve employees' psychological issues.
- e) Pay attention to the needs of specific groups such as women, young workers, persons with disabilities, ethnic minorities, and foreign-related employees (including foreign employees, cross-border dispatch personnel, and locally hired foreign staff), and foster a diverse and inclusive work environment.
- f) Care for employees and their families, create a family-friendly workplace, encourage and assist employees in achieving work-life balance, and provide support to employees in need.

1.2 Consumers

The enterprise shall:

1.2.1 Ensure that the products or services provided meet all the agreed or legally mandated health and safety standards, including those related to health warnings and product safety information.

1.2.2 Provide clear and accurate information regarding the price, ingredients, performance, safe use, environmental impacts, maintenance, and disposal of products and services to respect the consumers' right to be informed.

1.2.3 Conduct commercial advertising and marketing activities fairly and equitably, provide truthful, complete, accurate, and sufficient information without misleading or deceiving consumers, and avoid discrimination against any consumer group.⁴

³ The enterprise should provide necessary digital and intelligent skills training based on actual job requirements.

⁴ The enterprise should ensure that the application of new technologies or new consumption scenarios does not mislead or discriminate against consumers.

1.2.4 Respect and protect consumers' privacy, and reasonably collect, store, and use personal information and data.

1.2.5 Provide after-sales service to consumers as required by law or according to industry practices.

The enterprise should:

1.2.6 Leverage new technologies to enhance innovation and provide better products and services to consumers.

1.2.7 Consider the scope of impact of operations, products, and services, and where appropriate, design and offer products and services suitable for specific groups such as women, children, the elderly, and persons with disabilities to meet the needs of different types of consumers to the greatest extent possible.

1.2.8 Provide added-value services related to product use to enhance the consumer experience.

1.3 Community

The enterprise shall:

1.3.1 Respect the basic rights of community residents, including personal safety rights, land rights, ecological and environmental rights, and cultural and heritage rights.

1.3.2 Fully disclose the information of relevant activities before undertaking major activities or investment projects that affect the local communities, and when and where necessary, proactively consult with local residents or their authorised representatives to gain their understanding and support.

1.3.3 Conduct necessary community engagement while fully considering the impact on community participants, ensuring their personal safety, property security, and other rights and interests.

The enterprise should:

1.3.4 Utilise its own strengths and technical expertise, in combination with its economic capacity and business characteristics, to participate in, support, or conduct projects and activities that contribute to the development of the community and residents, especially projects and activities benefiting the rights of specific groups such as women, children, and persons with disabilities.

1.3.5 Establish a grievance mechanism for external stakeholders, accept complaints from the stakeholders, and promptly investigate, resolve, and provide feedback.

2 Responsibility for the Planet

The responsibility for the planet aims to minimise the adverse impacts of the enterprise on the environment. It requires the enterprise to reduce pollution, conserve resources, lower greenhouse gas emissions, adapt to climate change, and ensure the sustainable development of the enterprise in harmony with the ecological environment.

2.1 Pollution

The enterprise shall:

2.1.1 Comply with laws and regulations related to pollution emissions, including obtaining, maintaining, and updating the necessary environmental permits and qualifications according to the law, ensuring that pollutants are discharged within the required limits.

2.1.2 Ensure that the management of raw materials and chemicals, especially the transportation, storage, use, recycling, discharge, treatment, and destruction of hazardous chemicals, meets the highest applicable legal standards.

2.1.3 Establish accurate environmental information management records and comply with relevant information disclosure requirements.⁵

The enterprise should:

2.1.4 Identify pollution sources, improve production processes and facilities, reduce material consumption, use eco-friendly materials wherever possible, and take specific measures or procedures to prevent and reduce the generation of toxic and hazardous substances.

⁵ For enterprises operating in the Chinese mainland, compliance with the *Measures for the Administration of the Legal Disclosure of Environmental Information by Enterprises* should be considered.

2.1.5 Gradually reduce the types and intensity of pollutants and improve discharge standards.

2.1.6 Conduct detailed analysis and verification of chemicals used, and reduce or eliminate emissions and pollution of hazardous chemicals within the supply chain to protect consumers, workers, and the environment.

2.1.7 Provide targeted training to employees and customers to strengthen their knowledge and application of hazardous chemical management, and help customers diagnose or mitigate the environmental impacts associated with the products and services they purchase.

2.2 Resources

The enterprise should:

2.2.1 Formally and publicly support social responsibility initiatives or principles, and ensure not to use natural resources that are internationally recognised as causing conflicts or environmental issues, either directly or indirectly.

2.2.2 Adopt product life cycle assessment principles in design and management to improve the utilisation rate of resources, establish product recycling systems, extend product life, and reduce waste and pollution.

2.2.3 Take resource efficiency actions in business activities, products, and services to reduce the use of energy, water, and other resources, strengthen material utilisation, recycling, or reuse, and adopt appropriate measures to reduce internal waste emissions.

2.2.4 Provide sustainability information related to products and services with the aim of enabling consumers and customers to understand the resource utilisation properties and sustainability credentials of products and services, support consumer choices that promote sustainable consumption, and provide solutions to help consumers and customers mitigate the environmental impacts of their own consumption.

2.2.5 Provide training to employees on resource recycling and energy conservation, and consumption reduction, and develop partnerships or activity plans aimed at reducing resource consumption.

2.3 Climate change

The enterprise should:

2.3.1 Embed climate change issues into the enterprise's management policies, commit to mitigating climate change by improving energy efficiency and optimizing the energy mix during operations, and gradually reduce both direct and indirect greenhouse gas emissions within its sphere of influence.

2.3.2 Take proactive adaptation actions, identify and implement appropriate measures to manage the potential impacts of climate change on the enterprise and its stakeholders.

2.3.3 Provide training and information on climate action for employees and other stakeholders, enabling them to understand the impacts of climate change and potential future trends, and foster their self-awareness to respond to and mitigate climate change.

2.3.4 When developing and implementing climate action plans, consider and promote a just transition, pay attention to and support employees, communities, and other stakeholders who may be affected, and foster the coordinated development of environmental goals and social equity.

3 Responsibility for Prosperity

The responsibility for prosperity requires enterprises to improve corporate governance, embed social and environmental factors into their core strategies and operations, and build compliant, sustainable business models and a fair market environment.

3.1 Corporate governance

The enterprise shall:

3.1.1 Establish a clearly defined and well-structured corporate ownership structure, and improve the enterprise's audit and supervision system, financial and accounting systems, and income distribution mechanisms.

3.1.2 Build a governance structure that aligns with the enterprise's organisational form, improve internal governance rules, develop standardised articles of association, and effectively regulate the behaviour of controlling shareholders, actual controllers, and management.

3.1.3 Conduct stakeholder engagement and information disclosure in compliance with the regulations, and establish a stakeholder communication mechanism.

3.2 Business ethics

The enterprise shall:

3.2.1 Regard fairness and integrity as the fundamental principles of production, operations, and market competition.

3.2.2 Respect and protect intellectual property rights, including the intellectual property rights and proprietary technologies of the enterprise and others.

3.2.3 Oppose unfair competition practices, including market monopoly, and refrain from gaining competitive advantages through maliciously lowering prices or harming competitors.

3.2.4 Prevent and punish commercial bribery and other forms of corruption in business operations and the relationships with stakeholders.

3.2.5 Ensure information security and data privacy, establish a data protection system, and manage the response process for information leakage incidents.

The enterprise should:

3.2.6 Focus on mid- and long-term value creation, and based on its own business characteristics, engage in responsible innovations in technologies, products and services, business models, and management by centering around the problems faced in economic and social development and the need to advance sustainable development.

3.2.7 Promote the deep integration of digital technologies with the enterprise's production, operations, and management; Under the premise of ensuring security, strengthen the enterprise's data governance and data circulation application capabilities, and promote the development and utilisation of data resources.

3.2.8 Establish a comprehensive innovation impact assessment mechanism, conduct an overarching social and environmental impact assessment, identify and mitigate potential adverse impacts, and ensure responsible innovation.

3.3 Supply chain management

The enterprise should:

3.3.1 Use this Code of Conduct as a condition for selecting suppliers and contractors, and assist them in meeting these requirements through information sharing, technological guidance, capacity training, and supplier evaluations.

3.3.2 Strengthen coordination between departments such as procurement, production, and technical support, reduce the competition and conflicts between social responsibility objectives and commercial objectives within the supply chain, and enhance supply chain transparency.

3.3.3 Establish communication mechanisms on social responsibility issues with all parties in the supply chain, and foster a collaborative mechanism for shared responsibility and risk, as well as shared value and development.

3.3.4 Implement due diligence in the supply chain, take preventive and mitigation measures for identified major risks, and provide or cooperate to provide appropriate remedial measures when adverse impacts are caused or aggravated by the enterprise's activities.⁶

⁶ Please refer to the *Guidance on Social and Environmental Due Diligence for China's Textile and Apparel Enterprises*.

Appendix: International Conventions, Instruments, Standards, and Initiatives

1. Universal Declaration of Human Rights, UN, 1948
2. International Convention on the Elimination of All Forms of Racial Discrimination, UN, 1965
3. International Covenant on Economic, Social and Cultural Rights, UN, 1966
4. International Covenant on Civil and Political Rights, UN, 1966
5. Universal Copyright Convention (as revised at Paris in 1971), UNESCO, 1971
6. Convention on the Elimination of All Forms of Discrimination against Women, UN, 1979
7. Convention on the Rights of the Child, UN, 1989
8. International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, UN, 1990
9. United Nations Global Compact, UN, 2000
10. United Nations Convention against Corruption, UN, 2003
11. Convention on the Rights of Persons with Disabilities, UN, 2006
12. United Nations Declaration on the Rights of Indigenous Peoples, UN, 2007
13. Guiding Principles on Business and Human Rights, UN, 2011
14. Transforming our world: the 2030 Agenda for Sustainable Development, UN, 2015
15. The Paris Agreement, UN, 2015
16. The ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, ILO, 2022
17. The ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, ILO, 2022
18. ILO Convention No. 14 Weekly Rest (Industry) Convention, ILO, 1921
19. ILO Convention No. 19 Equality of Treatment (Accident Compensation) Convention, ILO, 1925
20. ILO Convention No. 26 Minimum Wage-Fixing Machinery Convention, ILO, 1928
21. ILO Convention No. 29 Forced Labour Convention, ILO, 1930
22. ILO Convention No. 87 Freedom of Association and Protection of the Right to Organise Convention, ILO, 1948
23. ILO Convention No. 98 Right to Organise and Collective Bargaining Convention, ILO, 1949
24. ILO Convention No. 100 Equal Remuneration Convention, ILO, 1951
25. ILO Convention No. 105 Abolition of Forced Labour Convention, ILO, 1957

26. ILO Convention No. 111 Discrimination (Employment and Occupation) Convention, ILO, 1958
27. ILO Convention No. 122 Employment Policy Convention, ILO, 1964
28. ILO Convention No. 138 Minimum Age Convention, ILO, 1973
29. ILO Convention No. 144 Tripartite Consultation (International Labour Standards) Convention, ILO, 1976
30. ILO Convention No. 150 Labour Administration Convention, ILO, 1978
31. ILO Convention No. 155 Occupational Safety and Health Convention, ILO, 1981
32. ILO Convention No. 159 Vocational Rehabilitation and Employment (Disabled Persons) Convention, ILO, 1983
33. ILO Convention No. 170 Chemicals Convention, ILO, 1990
34. ILO Convention No. 182 Worst Forms of Child Labour Convention, ILO, 1999
35. ILO Convention No. 190 Violence and Harassment Convention, ILO, 2019
36. Children's Rights and Business Principles, UNICEF & UN Global Compact, 2012
37. United Nations Convention on the Law of the Sea, UN, 1982
38. Vienna Convention for the Protection of the Ozone Layer, UN, 1985
39. The Montreal Protocol on Substances that Deplete the Ozone Layer, UN, 1987
40. Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, UN, 1989
41. United Nations Framework Convention on Climate Change, UN, 1992
42. Convention on Biological Diversity, UN, 1992
43. United Nations Convention to Combat Desertification, UN, 1994
44. Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, UN, 1998
45. The Cartagena Protocol on Biosafety, UN, 2000
46. The Stockholm Convention on Persistent Organic Pollutants, UN, 2001
47. Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity, UN, 2010
48. Minamata Convention on Mercury, UN, 2013
49. Convention on International Trade in Endangered Species of Wild Fauna and Flora, Secretariat of CITES, deposited with the Swiss Confederation, 1973
50. International Convention for the Prevention of Pollution from Ships (MARPOL), IMO, 1973 (as modified by the Protocol of 1978)

51. OECD Due Diligence Guidance for Responsible Business Conduct, OECD, 2018
52. OECD Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector, OECD, 2018
53. OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, OECD, 2023
54. EU Corporate Sustainability Reporting Directive, EU, 2023
55. EU Corporate Sustainability Due Diligence Directive, EU, 2024
56. EU Ecodesign for Sustainable Products Regulation, EU, 2024
57. ISO 26000:2010 Guidance on Social Responsibility, ISO, 2010
58. ISO 9001:2015 Quality Management Systems — Requirements, ISO, 2015
59. ISO 14001:2015 Environmental Management Systems — Requirements with guidance for use, ISO, 2015
60. ISO 45001: 2018 Occupational Health and Safety Management Systems — Requirements with guidance for use, 2018
61. ISO 50001:2018 Energy Management Systems — Requirements with guidance for use, 2018
62. ISO 37301:2021 Compliance Management Systems — Requirements with guidance for use, 2021
63. ISO 37001:2025 Anti-Bribery Management Systems — Requirements with guidance for use, 2025
64. amfori BSCI System Manual (2022), amfori, 2022
65. ISEAL Code of Good Practice for Sustainability Systems, ISEAL, 2023
66. SA8000:2026 (working draft), Social Accountability International (SAI), 2024

Appendix: Laws and Regulations of the People's Republic of China

Topic	Laws and Regulations
Employee/Worker	<p>Constitution of the People's Republic of China</p> <p>Labour Law of the People's Republic of China</p> <p>Labour Contract Law of the People's Republic of China</p> <p>Law of the People's Republic of China on Promotion of Employment</p> <p>Trade Union Law of the People's Republic of China</p> <p>Law of the People's Republic of China on Prevention and Control of Occupational Diseases</p> <p>Law of the People's Republic of China on Work Safety</p> <p>Regulation on Labour Security Supervision</p> <p>Special Provisions on Labour Protection of Female Employees</p> <p>Provisions on Prohibition of Child Labour</p> <p>Regulation on Paid Annual Leave for Employees</p> <p>Provisions on Collective Contracts</p> <p>Provisions on Minimum Wages</p> <p>Interim Provisions on Wage Payment</p>
Consumers	<p>Law of the People's Republic of China on the Protection of Consumer Rights and Interests</p> <p>Regulations for the Implementation of the Law of the People's Republic of China on the Protection of Consumer Rights and Interests</p> <p>Product Quality Law of the People's Republic of China</p> <p>Price Law of the People's Republic of China</p> <p>Advertisement Law of the People's Republic of China</p> <p>Law of the People's Republic of China Against Unfair Competition</p> <p>E-Commerce Law of the People's Republic of China</p> <p>Personal Information Protection Law of the People's Republic of China</p> <p>Cybersecurity Law of the People's Republic of China</p>

Topic	Laws and Regulations
	Interim Provisions on the Administration of Recall of Consumer Goods
Community	Land Administration Law of the People's Republic of China Regulations for the Implementation of the Land Administration Law of the People's Republic of China Law of the People's Republic of China on the Promotion of Rural Revitalization Environmental Protection Law of the People's Republic of China Law of the People's Republic of China on Prevention and Control of Water Pollution Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste Law of the People's Republic of China on Environmental Impact Assessment Mineral Resources Law of the People's Republic of China Organic Law of the Villagers' Committees of the People's Republic of China Organic Law of the Urban Residents Committees of the People's Republic of China Emergency Response Law of the People's Republic of China Law of the People's Republic of China on the Protection of Cultural Relics Intangible Cultural Heritage Law of the People's Republic of China
Environment	Constitution of the People's Republic of China Environmental Protection Law of the People's Republic of China Law of the People's Republic of China on Prevention and Control of Water Pollution Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution Law of the People's Republic of China on Prevention and Control of

Topic	Laws and Regulations
	<p>Soil Contamination</p> <p>Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste</p> <p>Law of the People’s Republic of China on the Prevention and Control of Noise Pollution</p> <p>Law of the People’s Republic of China on Prevention and Control of Radioactive Pollution</p> <p>Law of the People’s Republic of China on Environmental Impact Assessment</p> <p>Water Law of the People’s Republic of China</p> <p>Forest Law of the People’s Republic of China</p> <p>Grassland Law of the People’s Republic of China</p> <p>Land Administration Law of the People’s Republic of China</p> <p>Law of the People’s Republic of China on the Protection of Wildlife</p> <p>Mineral Resources Law of the People’s Republic of China</p> <p>Fisheries Law of the People’s Republic of China</p> <p>Law of the People’s Republic of China on Conserving Energy</p> <p>Circular Economy Promotion Law of the People’s Republic of China</p> <p>Cleaner Production Promotion Law of the People’s Republic of China (Revised in 2012)</p> <p>Yangtze River Protection Law of the People’s Republic of China (Effective in 2021)</p> <p>Yellow River Protection Law of the People’s Republic of China (Effective in 2023)</p> <p>Biosecurity Law of the People’s Republic of China (Effective in 2021)</p> <p>Wetlands Protection Law of the People’s Republic of China (Effective in 2022)</p>
Corporate Governance	<p>Company Law of the People’s Republic of China</p> <p>Law of the People’s Republic of China on Securities</p> <p>Code of Corporate Governance for Listed Companies</p> <p>Guidelines for Articles of Association of Listed Companies</p>

Topic	Laws and Regulations
	Rules for the Shareholders' Meetings of Listed Companies Administrative Measures for Independent Directors of Listed Companies Civil Code of the People's Republic of China (Book Three Contracts)
Business Ethics	Civil Code of the People's Republic of China (Book Two Real Rights, Book Three Contracts, and Book Seven Tort Liability) Law of the People's Republic of China Against Unfair Competition Anti-monopoly Law of the People's Republic of China Trademark Law of the People's Republic of China Patent Law of the People's Republic of China Copyright Law of the People's Republic of China Price Law of the People's Republic of China Criminal Law of the People's Republic of China Data Security Law of the People's Republic of China Personal Information Protection Law of the People's Republic of China
Supply Chain Management	Civil Code of the People's Republic of China Law of the People's Republic of China on Work Safety Product Quality Law of the People's Republic of China Environmental Protection Law of the People's Republic of China Measures for the Administration of Legal Disclosure of Enterprise Environmental Information Law of the People's Republic of China Against Unfair Competition Guidelines for Investor Relations Management of Listed Companies Guidelines for Self-Regulation of Listed Companies