

COMMUNICATION ON ENGAGEMENT (COE)

Beijing New Century Academy on Transnational Corporations



Period covered by this Communication on Engagement

From: October 1, 2021 To: September 30, 2023

Beijing New Century Academy on Transnational Corporations (NATC) reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Description of Actions

1、Promoting the assessment tool for ESG effective compliance management and best practices sharing

(1) Two high-level expert forums in 2022:

The 1st "Expert Forum on Rule of Law and Compliance" was supported by Tianjin University Law School and Capital Finance Research Institute of China University of Political Science and Law.

The 2nd expert forum on the theme "International Rules and ESG Compliance Management of Overseas Infrastructure Projects" was held in Beijing with over 40 participants. Three senior scholars and two experts from China Development Bank and Asian Infrastructure Investment Bank made speeches and held discussions on ESG standard benchmarking, ESG risk management and ESG compliance policy.

(2) The book "Advanced Research on ESG Compliance" was drafted and published in 2023. 24 senior experts, scholars, former officials and compliance officers were invited to draft the research reports or case reports for the book.

2、Bringing up compliance talents for Chinese enterprises

(1) NATC conducted 1st compliance training on March 2022 online for elementary level practitioners: the "12th NATC Compliance Practical Training". Three compliance officers, one lawyer and three senior researchers gave lectures on the training. 217 trainees from SOEs and private enterprises in different regions of China participated in the training.

(2) The 2nd training was conducted on July 2022 through online meeting app: "Training Program for Compliance Personnel in SOEs, i.e., the 13th NATC Compliance Practical Training", with 465 trainees from central and regional SOEs, private enterprises, civil organizations and law firms participating in the courses.

(3) NATC conducted a two-day intermediate level compliance training program “ESG compliance risk management practice for overseas infrastructure construction” online. Six scholars and compliance officers gave relevant lectures focused on overseas ESG compliance risk management practice, especially in overseas infrastructure and foreign contracting projects. In total 215 participants, mainly from SOEs, and a few from private enterprises from different regions of China participated in the training.

3、 Research project on “Guide to ESG Compliance Management Requirements and Key Issues for Overseas Infrastructure” in 2022

NATC conducted research and completed the ESG Compliance Application Guide which applies to business activities, particularly infrastructure construction projects, where there are environmental and/or social risks and/or impacts. The guideline mainly focuses on the prominent issues and characteristics of ESG compliance management of Chinese enterprises on the Belt and Road, conducts research and analysis, and identifies the priorities in the requirements and guidelines for ESG compliance management of overseas infrastructure construction.

4、 Carry out the project of "Compliance Guidelines and Case Studies on the Implementation of the 10 Principles of the United Nations Global Compact in the Belt and Road Infrastructure Project" in 2023

(1) Research on the relevant international treaties, standards, rules and norms for the implementation of principles 7-10 of the Global Compact in infrastructure projects along the Belt and Road

(2) Draft the Corporate Compliance Guide for the Implementation of Global Compact Principles 7-10 in Belt and Road Infrastructure Projects

(3) Collect and compile 100 questionnaire cases on the implementation of principles 7-10 of the Global Compact in the field of infrastructure of the "Belt and Road"

Measurement of Outcomes

1、 The forums and efforts to publicize compliance tools and advocate ESG compliance, altogether promoted enterprises to "go global" while complying with global rules, and enhanced transparency and information disclosure. And this pushed the voluntary compliance behavior of all kinds of entities in society.

2、 For two elementary trainings, the trainees who gave their feedback to NATC thought the trainings were very successful and would be recommended to others. According to the responses from the trainees, courses could help them to address practical problems in daily work. The trainees finished the intermediary training program equipped with knowledge and abilities in the field of overseas ESG compliance. The courses were rated highly by the trainees as practical to address compliance issues in their daily work.

3、 The “Guide to ESG Compliance Management Requirements and Key Issues for Overseas Infrastructure” have

assisted related stakeholders to ensure that projects comply with relevant standards and regulations in terms of environmental, social and corporate governance in order to achieve sustainable development and minimize negative impacts. And this will help to improve the sustainability, risk management and social responsibility of the project and gain recognition and support from all parties.

4、Through stakeholder research, publication and demonstration of research results, communication and consultation with various stakeholders such as enterprises, governments, non-profit organizations, industry associations, UNGC networks, etc., NATC enhanced the awareness and ability of relevant enterprises and better align their business with the 10 principles of the global contract, as well as promoted and coached enterprises in developing and implementing ESG compliance guidelines.