Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR)

36th SESSION
30 October – 1 November 2019
Room XIX, Palais des Nations, Geneva

Thursday, 31 October 2019
Morning Session

Agenda item 3. Practical implementation, including measurement, of core indicators for entity reporting on the contribution towards the attainment of the Sustainable Development Goals: Review of case studies

Presented by

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Promoting Sustainable Development, Shaping a Bright Future: The Case of MCC

Ye Zhang, October 31, 2019
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I. About MCC

MCC consolidated with China Minmetals Corporation (CMC) and became a member of CMC in late 2016.

MCC at 290th among the Fortune Global 500 companies in 2016, before the consolidation.

CMC, a trailblazer across the whole industry chain from resource acquisition & exploration to project design, construction, operation, distribution, and further processing.

CMC at 112th among the Fortune Global 500 companies in 2019.
I. About MCC

**In China, accounting for 90% Steel Plant Construction**
Ansteel(1948), WISCO, Baogang group, TISCO, Pangang group, Baosteel...

**Accounting for 60% Steel Plant Construction Internationally**
Vietnam Ha Tinh Joint Steel Plant, the Malaysian Kuantan Steel Plant, the India TATA Steel Plant......
In year of 2018, MCC had......

01 Assets and Employment
Total assets: USD 63.95 billion
Employees: 96,646

02 Subsidiaries
46 direct subsidiaries, 13 Grade-A scientific research and design institutes and 15 large-scale construction enterprises.

03 Overseas Institution
151 overseas offices in 57 countries and regions
88 are located in 32 Belt and Road Initiative signatories

04 Research and Development
25 national science and technology R&D platforms
over 53,000 engineering & technical personnel
27,000 patents in force
ranking 4th among all the central enterprises for six consecutive years (2013-2018)
II. UNCTAD’s GCI and MCC’s Sustainability Indicators

- As requested by ISAR, UNCTAD launched its initiative on selecting a limited number of core SDG indicators for company reporting, and a Guidance on Core Indicators (GCI) has been prepared.

- A case study has been undertaken, aiming to examine the practical implementation of the GCI by MCC for reporting on the SDGs.

- It covers the time frame from January 1, 2018 to December 31, 2018, with certain important earlier years traced back to as needed.
II. UNCTAD’s GCI and MCC’s Sustainability Indicators

- Currently MCC prepares its Social Responsibility Report in accordance with guidelines of the Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange.

- The CSR Report is also prepared with reference to the relevant guidance of the State-owned Assets Supervision and Administration Commission of the State Council, the General Administration of Quality Supervision, Inspection and Quarantine of China, the International Organization for Standards and the Global Reporting Initiative.
II. UNCTAD’s GCI and MCC’s Sustainability Indicators

- The case study on MCC and the summary table in its annex shows that MCC reported 29 indicators among the total 33 core indicators of the GCI in 2018.

- The number of reported indicators will be increased to 30 in 2019.
## II. UNCTAD's GCI and MCC's Sustainability Indicators

<table>
<thead>
<tr>
<th>B.1</th>
<th>Sustainable use of water</th>
<th>B.1.1. Water recycling and reuse</th>
<th>6.3.1.</th>
<th>10,840,966 m³</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>B.1.2. Water use efficiency</td>
<td>6.4.1.</td>
<td>11.98 m³/US 10,000 dollars of GDP</td>
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<td></td>
<td></td>
<td>B.1.3. Water stress</td>
<td>6.4.2.</td>
<td>Total water consumption: 52,436,944 cubic meters</td>
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<td>B.2</td>
<td>Waste management</td>
<td>B.2.1. Reduction of waste generation</td>
<td>12.5.</td>
<td>Data was not collected due to different statistical standards</td>
</tr>
<tr>
<td></td>
<td></td>
<td>B.2.2. Waste reused, re-manufactured and recycled</td>
<td>12.5.1.</td>
<td>Waste concrete recycled: 219,259 cubic meters (39.72% of Recycling rate)</td>
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<td>Steel scrap recycled: 44,296 tons (22.44% of Recycling rate)</td>
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<td>Waste wood recycled: 197,990 cubic meters (62.76% of Recycling rate)</td>
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<td>Leftover materials recycled: 2,873 tons (34.07% of Recycling rate)</td>
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<td>B.2.3. Hazardous waste</td>
<td>12.4.2.</td>
<td>Incineration residues recycled: 122,502 tons (100% of recycling rate)</td>
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<td>B.3</td>
<td>Greenhouse gas emissions</td>
<td>B.3.1. Greenhouse gas emissions (scope 1)</td>
<td>9.4.1.</td>
<td>China’s domestic greenhouse gas emissions (scope 1 and 2): 5,855,204 tons</td>
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<tr>
<td>B.4</td>
<td>Ozone-depleting substances and chemicals</td>
<td>B.4.1. Ozone-depleting substances and chemicals</td>
<td>12.4.2.</td>
<td>0</td>
</tr>
<tr>
<td>B.5</td>
<td>Energy consumption</td>
<td>B.5.1. Renewable energy</td>
<td>7.2.1.</td>
<td>Data was not collected due to different statistical standards</td>
</tr>
<tr>
<td></td>
<td></td>
<td>B.5.2. Energy efficiency</td>
<td>7.3.1.</td>
<td>Electricity: 1,429 kWhs/US 10,000 dollars of GDP</td>
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<td>Heat: 103.200 KJs/US 10,000 dollars of GDP</td>
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<td>Gasoline: 0.0371 ton/US 10,000 dollars of GDP</td>
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<td>Diesel: 0.8358 ton/US 10,000 dollars of GDP</td>
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<td>Natural gas: 10.2424 cubic meters/US 10,000 dollars of GDP</td>
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<td>Heavy oil: 0.0251 ton/US 10,000 dollars of GDP</td>
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</table>

- Example of the environmental indicators: one of the four areas of GCI.
- Data are collected through the Energy Conservation and Emission Reduction Big Data Information Reporting System.
- Data cover MCC’s all factories and project departments.
III. MCC Promotes Sustainable Development

For a long time, MCC has integrated sustainable development into its operation.

- High-quality operation for stronger internal impetus
- High-tech and high-quality development for a better ability of value creation
- Green development and environmental protection to promote the development of ecological civilization
- Win-win cooperation and common development in the spirits of joint governance, mutual benefits and shared honour
III. MCC Promotes Sustainable Development

- Superior Products & Services
- Risk Management
- Excellent HR Governance
- Human-Nature Harmony
III. MCC Promotes Sustainable Development

- Forefront of ENR’s Top 250 International Contractors for ten consecutive years;

- Best Sustainable Performance, Most Investment Value and Best Sustainability Report;

- Class-A (Best) listed Company on the Shanghai Stock Exchange, Top Ten Contributors to China's Urban Energy Transformation, and Outstanding Company for the 40th Anniversary of China’s Steel Reform and Opening-up.
Thank you!