

## IV. Questionnaire and Sample Profile

This chapter introduces the 254 respondents to the questionnaire developed in order to better understand the trends and gaps in the sustainable development practices of Chinese companies overseas. This Questionnaire covers four aspects: corporate governance, economy, environment and social. The distribution of the sample companies in terms of shareholding nature, geographical location and industry coincide with and relatively reflect the due distribution of Chinese “going global” companies. The data underlying this can also be used as baseline for future analysis.

### 1. Questionnaire Design and Distribution

Three major factors were considered in the design of the questionnaire:

- (1) International norms and standards;
- (2) Actual state of Chinese companies’ overseas operations; and
- (3) Key concerns of the international community.

The questionnaire comprises five major categories, namely general company profile, corporate governance, economic issues, environmental issues and social issues. It contains more than 60 questions in total with 18 sub-categories.

Table 4.1: Questionnaire design logic

Areas of Sustainable Development	Sub-categories in the questionnaire	International Norms and Standards (such as ISO 26000 and those adopted by Global Compact, GRI, etc.)	Actual State of Chinese Companies’ Overseas Operations	Key Concerns of the International Community
Corporate Governance	Risk management mechanism	✓	✓	✓
	Corporate social responsibility management mechanism	✓	✓	✓
	Stakeholder communication mechanism	✓	✓	✓
	Internationalized management		✓	✓

Table 4.1 (continued): Questionnaire design logic

Areas of Sustainable Development	Sub-categories in the questionnaire	International Norms and Standards (such as ISO 26000 and those adopted by Global Compact, GRI, etc.)	Actual State of Chinese Companies' Overseas Operations	Key Concerns of the International Community
Economic Issues	"Going global" strategy		✓	✓
	Compliance	✓	✓	✓
	Localized operations	✓	✓	✓
	Fair competition	✓	✓	✓
	Operating income	✓	✓	✓
Environmental Issues	Compliance	✓	✓	✓
	Environment management system	✓	✓	✓
	Energy consumption	✓	✓	✓
	Emission, wastewater discharge and waste management	✓	✓	✓
	Biodiversity protection	✓	✓	✓
Social Issues	Compliance	✓	✓	✓
	Labor relations	✓	✓	✓
	Community issues	✓	✓	✓
	Public welfare investment	✓	✓	✓

The questionnaire was distributed mainly via the following two channels:

(1) The SASAC Research Center was responsible for distributing and collecting the questionnaire among central enterprises under the supervision of SASAC; and

(2) Provincial-level Departments of Commerce were responsible for distributing and collecting the questionnaire among local state-owned enterprises and private companies, with the Chinese Academy of International Trade and Economic Cooperation under China's Ministry of Commerce acting as the coordinator.

The surveyed companies completed the questionnaire during December 2014 and March 2015. A total of 254 valid responses were received.

## 2. Sample Profile

Ownership type: For the 254 companies responded to the survey, 36% are state-owned enterprises and 63% are private companies.

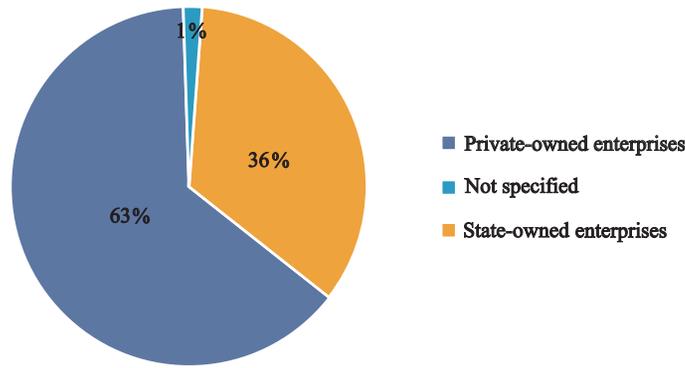


Figure 4.1: Sample profile: ownership type

Region of investment: As shown in Figure 4.2, 63% of the companies (160 companies) have investments in Asia, more than any other region. 13% of the companies (or 34 companies) have investments in South America, the lowest among all continents.

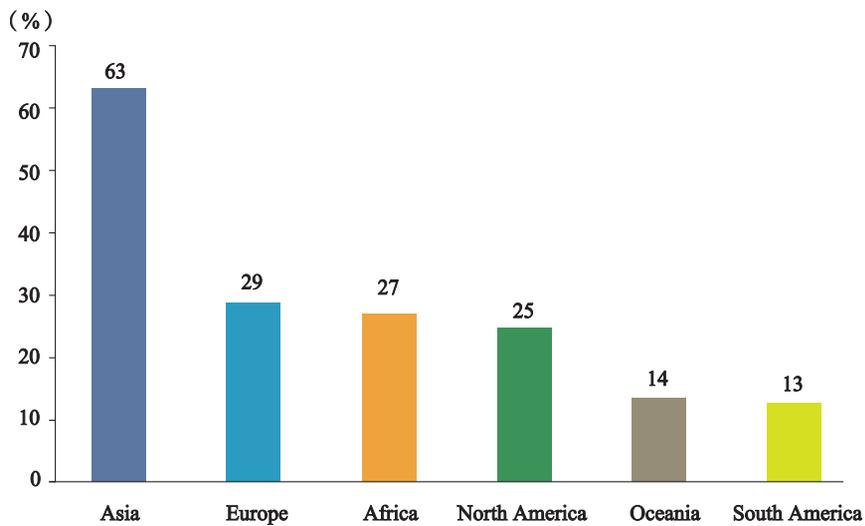


Figure 4.2: Sample profile: region of investment

Overseas investment scale: As shown in Figure 4.3, investments made by surveyed companies range from \$1 million to \$100 million. Companies whose investment exceeds \$100 million take up a relatively higher share of the surveyed companies.

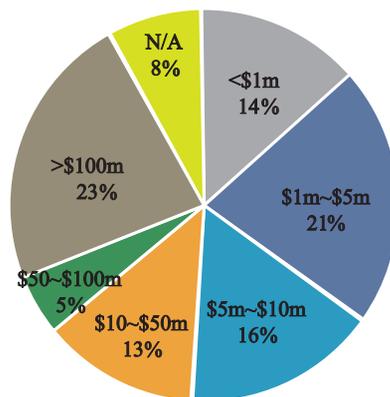


Figure 4.3: Sample profile: scale of overseas investments

Industry distribution: Table 4.2 shows the distribution of industries where companies have made investments.

Table 4.2: Sample profile: industry distribution of investments overseas

Type of Industry	Industry	Number of Companies
Primary Industry	Agriculture, forestry, fishery, and animal husbandry	33
Secondary Industry	Manufacturing	75
	Mining, new and renewable energy	54
Tertiary Industry	Information and communication technology	9
	Wholesale and retail	30
	Construction	52
	Other service industry	43

Note: 251 companies answered this question and some companies have invested in more than one industry.

Other service industries include: financial service, leasing and commercial service, as well as sports and entertainment, etc.

Table 4.3: Sample profile: companies by geography and industry

	Agriculture, forestry, fishery, and animal husbandry	Manufacturing	Mining, new and renewable energy	Information and communication technology	Wholesale and retail	Construction Industry	Other Service Industry
Europe	12	28	18	5	10	6	10
North America	3	23	18	5	6	9	12
South America	0	11	18	1	1	6	7
Oceania	2	8	17	2	2	3	9
Asia	15	49	42	5	17	37	30
Africa	1	16	25	3	4	24	11
Total Number of Companies	33	75	54	9	30	52	43

Note: Some companies have invested in multiple regions.

Years of overseas operations: The number of years of overseas operations is shown in Figure 4.4. Companies with more than ten years of experience operating overseas take up a relatively higher percentage (28%).

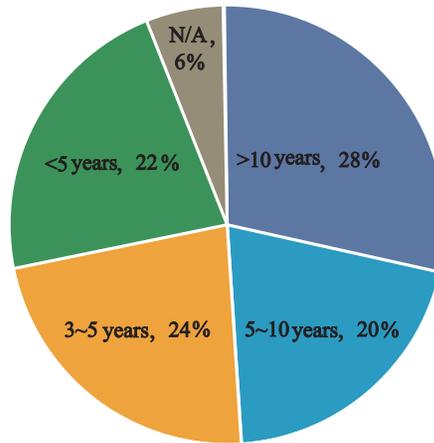


Figure 4.4: Sample profile: years of operating overseas

Types of investment and cooperation overseas: As shown by Figure 4.5, surveyed companies mainly make greenfield investments overseas (56%). 31% of the companies surveyed have completed merger and acquisition deals overseas; 24% of the companies are engaged as contractors for overseas projects; and 13% of the companies export some kind of labor service.

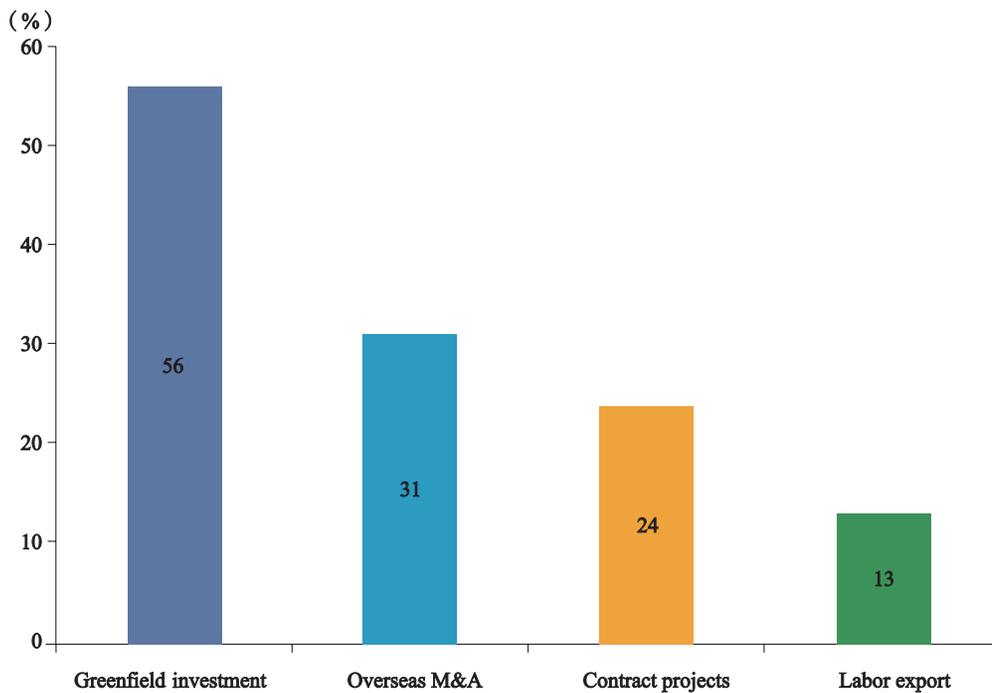


Figure 4.5: Sample profile: types of investment and cooperation overseas