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Announcement by the China Securities Regulatory Commission

[2018] No. 29

In order to further standardize the operation of listed companies, improve the governance level of listed companies, protect the legitimate rights and interests of investors, and promote the stable and healthy development of China's capital market, the Commission has revised the Code of Governance for Listed Companies, which is hereby promulgated and will come into force on the date of promulgation.

Securities Regulatory Commission
September 10, 2018

Municipal Corporate Governance Guidelines

Chapter I General Provisions

Article 1 These Standards are formulated in accordance with the basic principles determined by the Company Law of the People's Republic of China (hereinafter referred to as the Company Law), the Securities Law of the People's Republic of China and relevant administrative regulations, and drawing on the practical experience of corporate governance at home and abroad, in order to standardize the operation of listed companies, improve the governance level of listed companies, protect the legitimate rights and interests of investors, and promote the stable and healthy development of China's capital market.

Article 2 These Standards apply to joint stock limited companies established in accordance with the Company Law and listed on the stock exchange in China.

Listed companies should implement the spirit set forth in this Standard and improve corporate governance. The articles of association and governance-related documents of a listed company shall comply with the requirements of this Code. Encourage companies to explore and enrich corporate governance practices and improve the level of corporate governance according to their characteristics.

Article 3 Listed companies shall implement the development concept of innovation, coordination, green, openness and sharing, forward the excellent entrepreneurial spirit, actively fulfill their social responsibilities, and form good corporate governance practices.

The governance of listed companies should be sound, effective and transparent, strengthen internal and external supervision and checks and balances, protect the legitimate rights of shareholders and ensure that they are treated fairly, respect the basic rights and interests of stakeholders, and effectively enhance the overall value of the enterprise.

Article 4 The shareholders, actual controllers, directors, supervisors and senior management of a listed company shall exercise their rights and perform their obligations in accordance with laws, administrative regulations, departmental rules, normative documents (hereinafter collectively referred to as laws and regulations) and self-discipline rules, and safeguard the interests of the company. Directors, supervisors and senior management shall continue to learn, continuously improve their ability to perform their duties, and perform their duties faithfully, diligently, and prudently.

Article 5 Among listed companies, organizations of the Communist Party of China shall be established to carry out Party activities in accordance with the provisions of the Company Law. Listed companies shall provide the necessary conditions for the activities of Party organizations.

In accordance with the Company Law and relevant provisions, state-controlled listed companies shall write the relevant requirements of party building work into the articles of association of the company in combination with the actual conditions of the company's equity structure and operation and management.

Article 6 The China Securities Regulatory Commission and its dispatched agencies shall supervise and administer the activities of listed companies and the conduct of relevant entities in accordance with law, and urge them to take effective measures to improve the governance of companies where there are major problems in corporate governance.

Stock exchanges, the China Association of Listed Companies and other self-regulatory organizations in the securities and futures industry shall, in accordance with the provisions of these Standards, formulate relevant self-discipline rules to improve self-discipline management of listed companies.

The CSRC, its dispatched agencies and relevant self-regulatory organizations may assess the governance status of listed companies and promote their continuous improvement of corporate governance.

Chapter II Shareholders and General Meetings

Section 1 Rights of Shareholders

Article 7 Shareholders enjoy rights and undertake obligations in accordance with laws and regulations and the articles of association.

The articles of association, resolutions of general meetings of shareholders or resolutions of the board of directors of listed companies shall comply with laws and regulations, and shareholders' statutory rights shall not be deprived or restricted.

Article 8 In the governance of listed companies, the rights of shareholders shall be protected in accordance with law, and attention shall be paid to protecting the legitimate rights and interests of small and medium-sized shareholders.

Article 9 A listed company shall establish smooth and effective communication channels with shareholders to ensure shareholders' rights to be informed of major matters of the company, to participate in decision-making and supervision.

Article 10 A listed company shall actively return to shareholders and specify in its articles of association the method of profit distribution, especially the cash dividend policy. A listed company shall disclose the formulation and implementation of cash dividend policy, and if it meets the conditions and does not carry out cash dividends, it shall fully disclose the reason.

Article 11 Shareholders have the right to safeguard their legitimate rights through civil litigation or other legal means in accordance with the provisions of laws and administrative regulations.

Section 2 Norms for General Meetings of Shareholders

Article 12 A listed company shall stipulate in its articles of association the procedures for convening, convening and holding the general meeting of shareholders.

A listed company shall formulate rules of procedure for the general meeting of shareholders and include them in the articles of association or as an annex to the articles of association.

Article 13 The content of the proposal of the general meeting of shareholders shall comply with the relevant provisions of laws and regulations and the articles of association, fall within the scope of the general meeting of shareholders, and have clear and specific resolutions.

Article 14 A listed company shall stipulate in its articles of association the principles for authorizing the board of directors by the general meeting of shareholders, and the content of the authorization shall be clear and specific. The general meeting of shareholders shall not delegate to the board of directors the functions and powers legally exercised by the general meeting of shareholders.

Article 15 The meeting of the general meeting of shareholders shall be set up at a venue and held by a combination of on-site meeting and online voting. The choice of time and place for on-site meetings shall be convenient for shareholders to attend. Listed companies shall ensure that the meetings of the general meeting of shareholders are legal and effective, and facilitate participation of shareholders in the meeting. The general meeting shall give each proposal reasonable time to discuss.

Shareholders may vote in person or entrust others to vote in accordance with the law, and the two have the same legal effect.

Article 16 The board of directors, independent directors and shareholders who meet the relevant requirements of a listed company may solicit their voting rights from the shareholders of the company at the general meeting of shareholders. Listed companies and conveners of general meetings shall not set a minimum shareholding limit on the solicitation of voting rights by shareholders.

The solicitation of voting rights shall be conducted gratuitously, and information such as specific voting intentions fully disclosed to the solicitee. Shareholders' voting rights shall not be solicited in the form of compensation or compensation.

Article 30 The election of directors and supervisors shall fully reflect the opinions of minority shareholders. The meeting of shareholders shall actively implement the cumulative voting system in the election of directors and supervisor companies in which a single shareholder and their concerted actors have an interest of <>% or more shall adopt the cumulative system. A listed company that adopts the cumulative voting system shall stipulate the implementation rules in its association.

Chapter III Directors and Board of Directors

Section 1 Election of Directors

Article 18 A listed company shall stipulate in its articles of association standardized and transparent procedures for nomination and selection of directors to ensure openness, fairness and impartiality in the selection of directors.

Article 19 A listed company shall disclose the detailed information of the candidates for directors before the general meeting of shareholders is convened, so that shareholders can have sufficient understanding of the candidates.

Candidates for director shall make a written commitment before the notice of the general meeting of shareholders, agree to the nomination, promise that the information of the candidates publicly disclosed is true, accurate and complete, and ensure will earnestly perform their duties as directors after being elected.

Article 20 A listed company shall sign a contract with the directors, specifying the rights and obligations between the company and the directors, the term of office of the directors, the directors' responsibilities for violating laws and regulation articles of association, and the compensation for the company's early termination of the contract for any reason.

Section 2 Obligations of Directors

Article 21 Directors shall abide by laws and regulations and the relevant provisions of the articles of association, perform their duties faithfully, diligently and prudently, and fulfill the commitments they have made.

Article 22 Directors shall ensure that they have sufficient time and energy to perform their duties.

Directors shall attend meetings of the Board of Directors and express clear opinions on the matters discussed. If the directors themselves are truly unable to attend, they may entrust other directors in writing to vote on their behalf according to their instructions, and the principal shall independently bear legal responsibility. Independent directors shall not appoint non-independent directors to vote on their behalf.

Article 23 Directors shall be responsible for the resolutions of the board of directors. If the resolution of the board of directors violates laws and regulations, the articles of association of the company or the resolution of the general meeting of shareholders, causing the listed company to suffer serious losses, the directors participating in the resolution shall be liable for compensation to the company. However, if it is proved that the objection was expressed at the time of voting and recorded in the minutes of the meeting, the director may be exempted from liability.

Article 24 With the approval of the general meeting of shareholders, a listed company may purchase liability insurance for its directors. The scope of liability insurance is agreed in the contract, except for the liability of directors caused by violating laws and regulations and the articles of association.

Section 3 Composition and Responsibilities of the Board of Directors

Article 25 The number and composition of the board of directors shall meet the requirements of laws and regulations. The professional structure shall be reasonable. Members of the Board of Directors shall possess the knowledge, skills and experience necessary to perform their duties. Encourage diversity in the board of directors.

Article 26 The board of directors shall be responsible to the general meeting of shareholders and implement the resolutions of the general meeting.

The board of directors shall perform its duties in accordance with the law, ensure that the listed company complies with the provisions of laws and regulations and the articles of association, treats all shareholders fairly, and pays attention to the legitimate rights and interests of other stakeholders.

Article 27 A listed company shall ensure that the board of directors exercises its functions and powers in accordance with relevant laws, regulations and the articles of association, and provide necessary conditions for the directors to perform their duties normally.

Article 28 A listed company shall establish a secretary of the board of directors, who shall be responsible for the preparation and document keeping of the company's general meeting and board of directors' meetings, the management of the company's confidential information, the handling of information disclosure affairs, investor relations and other matters.

As a senior manager of a listed company, the secretary of the board of directors has the right to attend relevant meetings, prepare relevant documents, and understand the company's financial and operational conditions in order to perform his duties. The Directors and other senior management shall support the work of the Secretary of the Board. No institution or individual may interfere with the normal performance of duties by the secretary of the board of directors.

Section 4 Rules of Procedure of the Board of Directors

Article 29 A listed company shall formulate rules of procedure for the board of directors, submit them to the general meeting of shareholders for approval, and include them in the articles of association or as annexes to the articles of association.

Article 30 The board of directors shall convene regular meetings and promptly convene extraordinary meetings as necessary. The agenda of the board of directors meeting shall be formulated in advance.

Article 31 Meetings of the board of directors shall be conducted in strict accordance with the prescribed procedures. The board of directors shall notify all directors in advance within the prescribed time and provide sufficient information. Where two or more independent directors consider that the information is incomplete or the argument is insufficient, they may jointly submit a proposal to the board of directors to postpone the convening of the meeting or postpone the deliberation of the matter, and the board of directors shall adopt it, and the listed company shall disclose the relevant circumstances in a timely manner.

Article 32 The minutes of meetings of the board of directors shall be true, accurate and complete. The directors, the secretary of the board of directors and the recorder present at the meeting shall sign the minutes. The minutes of board of directors meetings shall be properly kept.

Article 33 Where the board of directors authorizes the chairman of the board of directors to exercise part of the functions and powers of the board of directors when the board of directors is not in session, the listed company shall clearly stipulate the principles and specific contents of the authorization in its articles of association. Major matters of a listed company shall be collectively decided by the board of directors, and the functions and powers legally exercised by the board of directors shall not be delegated to the chairman of the board of directors, general manager, etc.

Section 5 Independent Directors

Article 34 A listed company shall establish an independent director system in accordance with relevant provisions. Independent directors shall not concurrently hold other positions in a listed company other than members of special committees of the board of directors.

Article 35 The conditions for holding office and the procedures for election and replacement of independent directors shall comply with relevant provisions. Independent directors must not have a relationship with the listed company, its employees and shareholders that may hinder their independent and objective judgment.

Article 36 Independent directors enjoy the general functions and powers of directors, and at the same time enjoy special powers for relevant matters in accordance with laws and regulations and the articles of association.

Independent directors shall perform their duties independently and shall not be influenced by the major shareholder, controlling shareholders and other organizations or individuals with interests in the listed company. Listed companies shall ensure that independent directors perform their duties in accordance with law.

Article 37 Independent directors shall perform their duties as directors in accordance with law, fully understand the operation and the content of the board of directors' issues, safeguard the interests of listed companies and all shareholders, pay special attention to the protection of the legitimate rights and interests of small and medium-sized shareholders. Independent directors shall report their work to the general meeting of shareholders on an annual basis.

Where conflicts occur between shareholders or directors of a listed company, which has a major impact on the company's operation and management, the independent directors shall take the initiative to perform their duties and safeguard the overall interests of the listed company.

Section 6 Special Committees of the Board of Directors

Article 38 The board of directors of a listed company shall establish an audit committee, and may establish special committees for strategy, nomination, remuneration and assessment as needed. The special committee shall be responsible to the board of directors and perform its duties in accordance with the articles of association and the authorization of the board of directors, and the proposal of the special committee shall be submitted to the board of directors for deliberation and decision.

The members of the special committee shall be composed of all directors, of which the independent directors of the audit committee, nomination committee and remuneration and appraisal committee shall constitute the majority and serve as conveners, and the members of the audit committee shall be accounting professionals.

Article 39 The main duties of the Audit Committee include:

- (1) Supervise and evaluate external audit work, and propose the hiring or replacement of external audit institutions;
- (2) Supervise and evaluate internal audit work, and be responsible for the coordination of internal audit and external audit;
- (3) Review the company's financial information and its disclosure;
- (4) supervise and evaluate the company's internal control;
- (5) Responsible for laws and regulations, articles of association and other matters authorized by the board of directors.

Article 40 The main duties of the Strategy Committee are to study and make recommendations on the company's long-term development strategy and major investment decisions.

Article 41 The main duties of the Nomination Committee include:

- (1) To study the selection criteria and procedures for directors and senior management and make recommendations;
- (2) Selecting qualified candidates for directors and senior management;
- (3) Review and make recommendations on the candidates for directors and senior management.

Article 42 The main duties of the Remuneration and Evaluation Committee include:

- (1) To study the evaluation standards of directors and senior management, conduct assessments and make recommendations;
- (2) To study and review the remuneration policies and programs of directors and senior management.

Article 43: Special committees may hire intermediaries to provide professional opinions. The expenses related to the performance of duties by the special committee shall be borne by the listed company.

Chapter IV Supervisors and the Board of Supervisors

Article 44 The procedures for the selection and appointment of supervisors, the formulation of the rules of procedure of the board of supervisors, and the relevant provisions of the board of directors and the board of supervisors shall be implemented at the board of supervisors with reference to these standards. Employee supervisors shall be elected in accordance with the regulations.

Article 45 The personnel and structure of the board of supervisors shall ensure that the board of supervisors can perform its duties independently and effectively. Supervisors shall have corresponding professional knowledge or work experience and ability to effectively perform their duties. Directors and senior management of a listed company shall not concurrently hold positions as supervisors.

A listed company may establish outside supervisors in accordance with the provisions of its articles of association.

Article 46 Supervisors have the right to know the operation of the company. Listed companies shall take measures to protect the right of supervisors to know and provide necessary assistance for supervisors to perform their duties normally, and shall not interfere or obstruct. The Company shall bear the expenses incurred by auditors in the performance of their duties.

Article 47 The board of supervisors shall inspect the company's finances in accordance with law, supervise the legal compliance of directors and senior management in performing their duties, exercise other functions and powers stipulated in the articles of association, and safeguard the legitimate rights and interests of listed companies and shareholders. The Board of Supervisors may independently engage an intermediary to provide professional advice.

Article 48 The board of supervisors may require directors, senior management, internal and external auditors, etc. to attend meetings of the board of supervisors as observers and answer questions of concern.

Article 49 The supervision records of the board of supervisors and the results of financial inspections shall serve as an important basis for evaluating the performance of directors and senior management.

Article 50 Where the board of supervisors discovers that directors or senior management personnel have violated laws, regulations or the articles of association, it shall perform its supervisory duties and notify the board of directors or report to the general meeting of shareholders, or may directly report to the China Securities Regulatory Commission and its dispatched stock exchanges or other departments.

Section 1 Senior Managers

Article 51 The appointment of senior management personnel shall be carried out in strict accordance with the relevant regulations and the articles of association. The controlling shareholders, actual controllers and their affiliates of a listed company shall not interfere in the normal selection and employment procedures of senior management, and shall not directly appoint senior management personnel beyond the general meeting of shareholders or the board of directors.

Encourage listed companies to adopt an open and transparent approach to selecting and hiring senior managers.

Article 52 A listed company shall sign an employment contract with senior management to clarify the rights and obligations of both parties.

The appointment and dismissal of senior management personnel shall follow legal procedures and be disclosed in a timely manner.

Article 53 A listed company shall specify the duties of senior management personnel in its articles of association and internal control systems of the company. Senior management personnel shall abide by laws and regulations and the articles of association, and perform their duties faithfully, diligently and prudently.

Article 54 Where senior management personnel violate laws, regulations and the articles of association of the company, causing losses to the listed company, the board of directors of the company shall take measures to investigate its legal responsibility.

Section 2: Performance and Performance Evaluation

Article 55 A listed company shall establish fair and transparent performance and performance evaluation standards and procedures for directors, supervisors and senior management.

Article 56 The performance appraisal of directors and senior management shall be organized by the board of directors or the remuneration and appraisal committee established by it, and the listed company may entrust a third party to carry out the performance evaluation.

The performance evaluation of independent directors and supervisors shall be carried out by means of self-evaluation and peer evaluation.

Article 57 The board of directors and the board of supervisors shall report to the general meeting of shareholders the performance of duties by directors and supervisors, the results of performance evaluation and their remuneration, and the company shall disclose them.

Section 3: Remuneration and Incentives

Article 58 A listed company shall establish a mechanism linking remuneration with the company's performance and performance in order to attract talents and maintain the stability of senior management personnel and core employees.

Article 59 The performance evaluation of senior management personnel by a listed company shall serve as an important basis for determining the remuneration and other incentives of senior management personnel.

Article 60 The remuneration of directors and supervisors shall be decided by the general meeting of shareholders. When the board of directors or the remuneration and appraisal committee evaluates or discusses the remuneration of individual directors, they shall recuse themselves.

The remuneration distribution plan for senior management shall be approved by the board of directors, explained to the general meeting of shareholders, and fully disclosed.

Article 61 The content of compensation in the articles of association or relevant contracts involving the early termination of directors, supervisors and senior management personnel of a listed company shall comply with the principle of fairness, and shall not harm the lawful rights and interests of the listed company, and shall not transmit benefits.

Article 62 A listed company may, in accordance with relevant laws and regulations and the articles of association, establish incentive mechanisms such as equity incentives and employee stock ownership.

The incentive mechanism of a listed company shall be conducive to enhancing the company's ability to innovate and develop, and promote the sustainable development of the listed company, and shall not harm the legitimate rights and interests of the listed company and its shareholders.

Section 1: Code of Conduct for Controlling Shareholders and Their Related Parties

Article 63 The controlling shareholders and actual controllers shall have a duty of good faith to the listed company and its shareholders. The controlling shareholder shall exercise its shareholder rights and perform its obligations to the listed company in accordance with law. The controlling shareholder or actual controller shall not use their control to harm the rights and interests of the listed company and other shareholders, and shall not use the controlling position of the listed company to seek illegal benefits.

Article 64 Where a controlling shareholder nominates candidates for directors or supervisors of a listed company, it shall comply with the conditions and procedures stipulated by laws and regulations and the articles of association. The controlling shareholder shall set up approval procedures for the results of the personnel election of the general meeting of shareholders and the appointment resolution of the board of directors.

Article 65 Major decisions made by a listed company shall be made by the general meeting of shareholders and the board of directors in accordance with law. The controlling shareholders, actual controllers and their affiliates shall not interfere with the normal decision-making procedures of listed companies in violation of laws and regulations and the articles of association, harm the legitimate rights and interests of listed companies and other shareholders.

Article 66 The commitments made by the controlling shareholders, the actual controller and the relevant parties of the listed company shall be clear, specific and enforceable, and shall not undertake matters that are obviously impossible to achieve based on prevailing circumstances. The pledge party shall make a declaration of fulfillment in the commitment, clarify the responsibilities for violating the commitment, and earnestly fulfill the commitment.

Article 67 Where the control of a listed company changes, the relevant parties shall take effective measures to maintain the stable operation of the listed company during the transition period. Where major problems arise, the listed company shall report to the China Securities Regulatory Commission, its dispatched agencies and stock exchanges.

Section 2: Independence of Listed Companies

Article 68 The controlling shareholders, actual controllers and listed companies shall separate personnel, assets and business, separate institutions and businesses, and independently account for each company and assume responsibilities and risks.

Article 69 The personnel of a listed company shall be independent of the controlling shareholders. Senior management of the listed company shall not hold other administrative positions other than directors and supervisors in the controlling shareholders. If the senior management of a controlling shareholder concurrently serves as a director or supervisor of a listed company, it shall ensure that there is sufficient time and energy to undertake the work of the listed company.

Article 70 The assets invested by a controlling shareholder in a listed company shall be independent and complete. The ownership shall be clear.

Controlling shareholders, actual controllers and their affiliates shall not occupy or dispose of the assets of a listed company.

Article 71 A listed company shall, in accordance with laws, regulations and the articles of association, establish a complete financial and accounting management systems and adhere to independent accounting.

Controlling shareholders, actual controllers and their affiliates shall respect the financial independence of listed companies and shall not interfere in the financial and accounting activities of listed companies.

Article 72 The board of directors, board of supervisors and other internal bodies of a listed company shall operate independently. There is no hierarchical relationship between the controlling shareholder, the actual controller and its internal institutions and the listed company and its internal institutions.

The controlling shareholders, actual controllers and their affiliates shall not interfere with the specific operation of the listed company in violation of laws and regulations, the articles of association and prescribed procedures, and shall not affect the independence of its operation and management.

Article 73 The business of a listed company shall be independent of the controlling shareholders and actual controllers.

Controlling shareholders, actual controllers and other units controlled by them shall not engage in the same or similar business with the listed companies. Controlling shareholders and actual controllers shall take effective measures to avoid intra-industry competition.

Section 3: Related Party Transactions

Article 74 Listed companies shall strictly perform decision-making procedures and information disclosure obligations in accordance with relevant provisions in related party transactions.

Article 75 A listed company shall sign a written agreement with a related party on related party transactions. The signed agreement shall follow the principles of equality, voluntariness, equivalence and compensation, and the content of the agreement shall be clear, specific and enforceable.

Article 76 A listed company shall take effective measures to prevent related parties from interfering in the company's operation and harming the interests of the company by means of monopolizing procurement or sales channels. Related party transactions shall have commercial substance, prices shall be fair, and in principle, shall not deviate from the price or charging standards of independent third parties in the market.

Article 77 A listed company and its affiliates shall not use related party transactions to convey benefits or adjust profits; they shall not conceal their affiliation in any way.

Chapter VII Institutional Investors and Other Relevant Institutions

Article 78 Institutional investors such as social security funds, enterprise annuities, insurance funds, management pension funds, public funds and other investment entities lawfully supervised by the State financial regulatory authority are encouraged to actively participate in corporate governance through lawfully exercising relevant shareholder rights such as voting rights, right to propose and right to suggest.

Article 79 Institutional investors shall, in accordance with laws, regulations and the articles of association, play an active role in the governance of listed companies by participating in decision-making on major matters, recommending candidates for directors and supervisors, and supervising the performance of duties by directors and supervisors.

Article 80 Institutional investors are encouraged to disclose their objectives and principles for participating in the governance of listed companies, the strategies for exercising voting rights, and the circumstances and effects of the exercise of shareholder rights.

Article 81 When providing professional services such as sponsorship and underwriting, financial advisory, legal and consulting services to listed companies, securities companies, law firms, accounting firms and other intermediaries shall actively pay attention to the governance status of listed companies and promote the formation of good corporate governance practices.

Listed companies should carefully select intermediaries that provide services to them, and pay attention to understanding the honesty and trustworthiness of intermediaries, as well as diligence and responsibility.

Article 82 Small and medium-sized investor protection institutions shall play an active role in the governance of listed companies, and protect the lawful rights and interests of small and medium-sized investors through multiple channels such as the exercise of shareholding.

Chapter VIII: Stakeholders, Environmental Protection and Social Responsibility

Article 83 A listed company shall respect the legitimate rights of banks and other creditors, employees, customers, suppliers, communities and other stakeholders, conduct effective exchanges and cooperation with stakeholders, and jointly promote the sustainable and healthy development of the company.

Article 84 A listed company shall provide necessary conditions for safeguarding the rights and interests of stakeholders; when its legitimate rights and interests are infringed, stakeholders shall have the opportunity and channels to obtain relief in accordance with law.

Article 85 Listed companies shall strengthen the protection of employees' rights and interests, and support employee unions and trade union organizations in exercising their functions and powers in accordance with law. The board of directors, the supervisors and the management shall establish diversified communication channels with employees and listen to employees' opinions on the company's operation, financial status and major matters involving employees' interests.

Article 86 Listed companies shall actively practice the concept of green development, integrate ecological and environmental protection requirements into their development strategies and corporate governance processes, actively participate in the construction of ecological civilization, and play an exemplary and leading role in pollution prevention and control, resource conservation and ecological protection.

Article 87 While maintaining the sustainable development of the company, improving business performance and protecting the interests of shareholders, a listed company shall actively perform its social responsibilities in community welfare, disaster relief and public welfare undertakings.

Encourage listed companies to pair up to help poor counties or villages, take the initiative to connect with and activate poor areas to develop industries, cultivate talents, and promote employment.

Chapter IX: Information Disclosure and Transparency

Article 88 A listed company shall establish and implement a management system for information disclosure affairs. Listed companies and other parties bound by disclosure obligations shall disclose information truthfully, accurately, completely, promptly and in strict accordance with laws and regulations, self-discipline rules and the articles of association, and shall not make false or misleading statements, material omissions or other improper disclosures. Where information disclosure matters involve state secrets or commercial secrets, they are to be handled in accordance with relevant provisions.

Article 89 Directors, supervisors and senior management shall ensure that the information disclosed by a listed company is accurate, complete, timely and fair.

Listed companies shall formulate codes of conduct that regulate the external release of information by directors, supervisors and senior management, and clarify the circumstances under which public disclosure is not permitted without the permission of the board of directors.

Article 90 Shareholders, actual controllers, acquirers, counterparties and other persons bound by information disclosure obligations holding a specified proportion of shares shall disclose information in accordance with relevant provisions, and cooperate with the information disclosure work of the listed company, promptly inform the listed company of major matters such as changes in control, changes in rights and interests, relationship with other units and individuals, and changes therein, respond to inquiries from investors, listed companies, and ensure that the information provided is true, accurate and complete.

Article 91 In addition to disclosing information in accordance with mandatory provisions, listed companies are encouraged to voluntarily disclose information that may have an impact on the decision-making of shareholders and other stakeholders.

Voluntary information disclosure shall abide by the principle of fairness, maintain the continuity and consistency of information disclosure, must not make selective disclosure, must not use voluntary information disclosure to engage in market manipulation or trading, or other violations of laws and regulations, and must not violate public order and good customs or harm the public interest. Where information with a certain predictive nature is voluntarily disclosed, the basis for the forecast shall be clarified, and possible uncertainties and risks shall be indicated.

Article 92: Information disclosed by parties bound by disclosure obligations shall be concise, clear, and easy to understand. Listed companies shall ensure that users can obtain information in an economical and convenient manner.

Article 93 The chairman of the board of directors shall bear primary responsibility for the management of information disclosure affairs of listed companies.

The secretary of the board of directors is responsible for organizing and coordinating the company's information disclosure affairs, handling the public announcement of listed company information and other related matters.

Article 94 A listed company shall establish an internal control and risk management system, and set up a full-time department to designate an internal department to be responsible for inspecting and supervising the company's important operational behavior, control of subordinate companies, the disclosure of financial information and compliance with laws and regulations.

Listed companies regularly disclose the establishment and implementation of the internal control system and the audit of accounting firms on the effectiveness of the internal control of listed companies in accordance with relevant regulations.

Article 95 A listed company shall, in accordance with laws, regulations and the requirements of relevant departments, disclose environmental information and perform social responsibilities such as poverty alleviation.

Article 96 A listed company shall, in accordance with relevant provisions, disclose relevant information on corporate governance, periodically analyze the status of corporate governance, formulate plans and measures to improve corporate governance, and conscientiously implement them.


Chapter X Supplementary Provisions

Article 97 Where the China Securities Regulatory Commission and other departments have special provisions on the information disclosure arrangements of relevant listed companies in accordance with law, they shall comply with those provisions. Where a pilot enterprise issues shares or depository receipts in China and is listed, its corporate governance shall be implemented with reference to these Standards, except for matters applicable to the laws and regulations of the place of overseas registration.

Article 2002 These Standards shall take effect on the date of promulgation. The Code of Governance for Listed Companies No. 7) promulgated on January 2002, 1 was abolished at the same time.

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