DISCUSSION OF CHINA’S CORPORATE GOVERNANCE SELF-ASSESSMENT
Overall Observations

- Remarkable progress in 20 years
- Importance of strong corporate governance in China
- Dedicated preparation of the self-assessment
- Focus on rules on the books
- Curiosity about actual practices
- Interest in further work
Topics

- The Corporate Governance Framework
- The rights of shareholders and the equitable treatment of shareholders
- Information disclosure
- Board of directors and supervisory board
- Stakeholders and corporate social responsibility
The Corporate Governance Framework

- Understanding choice of design features
- “State ownership is the main feature...”
  - Government as regulator, manager, and major shareholder
  - Roles played by important entities
    - The State Council, the Party, the Social Security Fund, and Central Huijin Investment
    - SASAC’s role
The rights of shareholders and the equitable treatment of shareholders

- Statistics on ownership and control structures
- Data on shareholder participation
- The market for corporate control
- Institutional investors
- Enforcement
  - insider trading
  - related party transactions
Information disclosure

- Modern approaches to disclosure
- Material information
- Auditing
Board of directors and supervisory board

- Remuneration
- Board committees
- Director nomination
Conclusions

- Appreciation for team’s committed efforts
- Very educational for the Committee
  - Indispensable reference for all market participants to deepen understanding
- Strong interest in continuing on this cooperative path