



Department of Rule of Law
China Securities Regulatory Commission
Fukai Building, No. 19 Financial Street
Xicheng District
Beijing 100033
China

Date: 01.01.26

Re: Consultation on the Regulations on the Supervision and Administration of Listed Companies (Draft for Public Comment)

We refer to China Securities Regulatory Commission's (CSRC) invitation to comment on draft Regulations on the Supervision and Administration of Listed Companies (the Regulations) and welcome the opportunity to provide feedback. We commend CSRC's initiative to consolidate and strengthen the regulatory framework for listed companies through this comprehensive administrative regulation.

Norges Bank Investment Management (NBIM) is the investment management division of the Norwegian Central Bank and is responsible for investing the Norwegian Government Pension Fund Global. NBIM is a globally diversified investment manager with USD 1.94 trillion (CNY 13.9 trillion) as of 30 June 2025, of which approximately USD 48.7 billion (CNY 349.14 billion) was invested in the shares of 662 Chinese OR China incorporated listed companies.

As an investor with around 70 percent of our holdings in listed equity, we depend on thriving public markets that foster long-term value creation. Robust minority shareholder protection is fundamental to well-functioning capital markets. Strong protections ensure fair treatment, facilitate information flows, and support an effective market for corporate control – all of which directly impact our long-term investment returns. The Regulations represent a significant advance in China's corporate governance framework, with investor protection as the foundational principle. We therefore welcome CSRC's efforts to strengthen these safeguards.

Please find our responses and recommended enhancements to selected articles in the annex, grounded in our [Global Voting Guidelines](#). We shared some of these views during the CSRC consultation on the Corporate Governance Code.¹ We thank you for considering our perspective and remain at your disposal should you wish to discuss these matters further.

Yours sincerely

Signed by:

The signature of Carine Smith Ihenacho, written in cursive.

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Carine Smith Ihenacho
Chief Governance and Compliance Officer

Signed by:

The signature of Jeanne Stampe, written in cursive.

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Jeanne Stampe
Lead Policy Advisor

¹ [Consultation on the Corporate Governance Code for Listed Companies \(Revised Draft for Comments\) | Norges Bank Investment Management](#)



Annex – NBIM comments

Chapter 1: General Provisions

Article 1 - Protection of Investor Rights

We strongly support investor protection as a foundational principle of these Regulations. This is consistent with our long-standing view that minority shareholder protection is essential for well-functioning capital markets.

Article 3 - Director Duties

We support the requirement that directors and senior management perform their duties with loyalty and diligence and welcome the prohibition on controlling shareholders and de facto controllers abusing their position to harm the interests of the listed company or other shareholders. We address the scope of the duty of loyalty in our comments on Article 12.

Chapter 2: Corporate Governance

Article 6 – Articles of Association

Recommended enhancement

We recommend that Article 6 require listed company articles of association to specify that the roles of chairperson and CEO shall not be held by the same individual, except temporarily in exceptional circumstances with enhanced safeguards. The chairperson is responsible for guiding company strategy and promoting shareholders' interests, while the CEO is responsible for implementing strategy and day-to-day management. The board's responsibilities – hiring, remunerating, monitoring and replacing the CEO – require independence from management. Where roles are combined temporarily, the board should disclose measures to mitigate conflicts of interest.²

Article 7 - Shareholder Meeting Procedures

We support the requirement for shareholders' meetings to combine on-site meetings with online voting, which is critical for enabling participation by international shareholders and domestic investors who face practical barriers to attending in person. Shareholder participation strengthens the legitimacy of shareholder decisions and enhances corporate accountability.³

We particularly welcome the supermajority voting thresholds for major asset restructuring, equity incentive plans, employee stock ownership plans, and the supermajority-of-minority requirement for spin-off listings. These thresholds provide essential protection for minority shareholders in transactions that may significantly affect their interests. All shareholders should have the right to vote on fundamental corporate decisions.⁴

Recommended enhancement

² [NBIM Position Paper. Separation of chairperson and CEO](#)

³ [Consultation on the Corporate Governance Code for Listed Companies \(Revised Draft for Comments\) | Norges Bank Investment Management](#)

⁴ [NBIM Global Voting Guidelines 2025](#). Section 4: Shareholder Approval



We recommend that Article 7 requires individual vote counting for director elections, with separate votes on each candidate and publication of full voting results. Bundling candidates into a single voting item forces shareholders into all-or-nothing choices – artificially supporting all candidates or rejecting entire slates. Individual voting allows shareholders to express nuanced views on each candidate's suitability, signal concerns constructively, and hold individual directors accountable.⁵

Article 9 - Audit Committee

We support the audit committee provisions, particularly the majority independence requirement, the exclusion of senior management, and the independent accounting professional as convener. This aligns with our Global Voting Guidelines on audit committee composition.⁶

Recommended enhancements

External audit oversight: Article 9 (3) can be extended to include explicit authority over the external auditors' appointment, reappointment, removal, and fee approval. This would strengthen auditor independence – a key concern given our voting policy on non-audit fee ratios.⁷

Article 9(5) – Risk management: Article 9 (5) can be extended to include responsibility for risk management oversight. The audit committee is well-positioned for this role given its existing oversight of financial reporting and internal controls.

Article 10 - Independent Directors

We support the one-third independence threshold for controlled companies. The requirement for independent directors to express clear opinions on matters under deliberation enhances board accountability and effectiveness.

Recommended enhancement

We recommend a higher independence threshold for non-controlled companies: a majority of shareholder-elected board members should be independent of management, dominant shareholders, and business relationships.

Article 12 - Duty of Loyalty

We strongly support the comprehensive duty of loyalty provisions. The detailed enumeration of prohibited conduct in items (1) through (6) provides clear guidance for directors and senior management and establishes enforceable standards for regulators. We also welcome the explicit prohibition on controlling shareholders and de facto controllers organising or instigating such conduct.

Recommended enhancement

We recommend that the duty of loyalty be explicitly extended to shareholders, not only to the company. A duty owed solely to "the company" as an abstract entity may not adequately protect minority shareholders where their interests diverge from those of controlling shareholders or management. Requiring directors to consider the interests of all shareholders would strengthen minority shareholder

⁵ [Individual vote count in board elections | Norges Bank Investment Management](#)

⁶ [NBIM Global Voting Guidelines 2025](#), Section 1: Board Independence

⁷ [NBIM Global Voting Guidelines 2025](#), Section 5: Company Reporting



protection and reinforce the investor protection objectives stated in Article 1. This dual duty formulation is consistent with the G20/OECD Principles of Corporate Governance.⁸

Article 13 - Duty of Diligence

We support the requirement for directors to exercise reasonable care for the best interests of the company and welcome the procedural requirements for directors to consider whether materials are sufficient and voting procedures lawful.

Article 14 - Internal Control and Related Party Oversight

We strongly support the requirement that directors and senior management supervise the company's internal control system and prevent controlling shareholders, de facto controllers, and other related parties from engaging in conduct that harms the company.

The reporting mechanism is particularly important for minority shareholder protection: directors must immediately report suspected harmful conduct, the audit committee must investigate and disclose findings within 30 days, and the board must pursue remedies including compensation and legal action where harm is found. This creates clear accountability and a defined enforcement pathway.

Article 15 - Board Secretary Role

We support the comprehensive duties assigned to the board secretary, particularly the responsibility to ensure truthful, accurate, complete, timely and fair disclosure, and to review the legality of meeting procedures and voting mechanisms, and manage investor relations. The designation of the board secretary as a senior manager - combined with the requirement that directors and other senior management cooperate and provide access to information - creates clear accountability for disclosure quality and governance compliance. This aligns with our Global Voting Guidelines' emphasis that shareholders should receive full, accurate and timely information regarding the company.⁹

Article 16 - Remuneration Mechanisms

We support the requirement for listed companies to specify remuneration assessment mechanisms, including withholding and clawback provisions. Transparency on remuneration structure and total remuneration helps avoid unacceptable outcomes and limits the prospect of unanticipated or outsized awards.¹⁰ Clawback mechanisms are essential for ensuring that remuneration is genuinely linked to sustainable long-term performance and for deterring excessive risk taking.

Recommended enhancement

We recommend that a substantial proportion of annual remuneration should be provided as shares that are locked in for five to ten years, regardless of resignation or retirement. This aligns executive and shareholder interests and ensures remuneration is driven by long-term value creation.

⁸ G20/OECD Principles of Corporate Governance 2023, Chapter II

⁹ [NBIM Global Voting Guidelines 2025](#), Section 5: Company Reporting

¹⁰ [NBIM Position Paper: CEO Remuneration](#)



Article 19 - Related Party Transactions

We support the requirement for listed companies to explain the necessity, fairness, and compliance of related party transactions, and to identify related parties. We welcome the prohibition on conflicted directors and shareholders exercising voting rights on such transactions.

Recommended enhancements

Voting provisions: We note that Article 19's voting provisions are less clearly stated than Article 20, which explicitly requires shareholder meeting resolution and disclosure for guarantees to related parties. We recommend that Article 19 adopt similarly clear requirements for material related party transactions.

Disclosure: Companies should disclose their policies and procedures for monitoring, approving and disclosing related party transactions. For each material transaction, disclosure should include at minimum: the transaction date, the affiliation of each party, the nature of the transaction, and its terms.

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Materiality definition: We recommend broadening the definition of material transactions using dual thresholds: (i) a single-transaction threshold to identify individually material transactions, and (ii) a cumulative threshold to capture the aggregate impact of multiple smaller transactions over a rolling multi-year period.

Approval thresholds: Material related party transactions should be approved by independent board members. For extraordinary or significant transactions, a majority of minority shareholders' approval should be mandatory, not discretionary. In addition, the definition of minority shareholders for this purpose should explicitly exclude counterparties with capital or business alliances and dealings or any affiliations. This ensures transactions proceed only with support from shareholders who have no potential conflict of interest.

Pricing: Transactions with related parties should be carried out on market terms and be clearly beneficial to all shareholders.

Article 20 - Guarantees to Related Parties

We strongly support the requirement that guarantees to controlling shareholders, de facto controllers, and other related parties be subject to shareholders' meeting resolution and disclosure.

The prohibition on misappropriating listed company property is a critical safeguard against value extraction. The remedy allowing the board to deduct dividends to offset losses from related party non-performance is an innovative enforcement mechanism. This provides the board with a practical tool to recover value for the listed company without requiring lengthy legal proceedings.

Article 21 - Horizontal Competition

We support the requirement that controlling shareholders and de facto controllers engaging in competitive business must obtain the listed company's prior consent, with over half of independent

¹¹ [NBIM Position Paper: Related-Party Transactions](#)



directors agreeing before submission to the board and shareholders' meeting. The exclusion of related parties from voting ensures decisions are made in the interests of all shareholders.

This provision addresses a significant concern for minority shareholders: value diversion through competing businesses operated by controlling shareholders. The approval sequence – independent directors first, then board, then shareholders – provides multiple checkpoints. This aligns with our position that independent board members are better placed to scrutinise decisions for signs of inequitable treatment and to protect minority shareholders from potential abuse by dominant shareholders or other insiders.¹²

Article 23 - Controlling Shareholder Definition

We support the comprehensive definition of controlling shareholders and *de facto* controllers. The multiple criteria – shareholding above 50% of shares, ability to determine appointment of more than half of board members, or sufficient actual control of voting rights to materially influence shareholder meeting resolutions – capture the various ways control can be exercised. In particular, item (3) captures situations where control is achieved through lower shareholdings combined with other factors such as shareholder fragmentation or concert party arrangements.

We particularly welcome two provisions:

De facto control: The inclusion of directors, senior management and other persons who actually perform duties and can control major financial and operational decisions addresses situations where control is exercised without formal shareholding – an important gap in many regulatory frameworks.

No controlling shareholder situations: Extending the regulations to the party controlling the largest proportion of voting rights (above 5%) where a company discloses no controlling shareholder prevents companies from avoiding accountability through claims of dispersed ownership.

The rebuttable presumption approach – requiring parties disputing their control status to present and disclose contrary evidence – places the burden appropriately and enhances transparency.

Article 26 - Voting Rights Transfers

We support the prohibition on shareholders transferring their voting rights to others to be exercised according to the will of others. This will address concerns about empty voting and hidden control arrangements that can undermine the integrity of shareholder decision-making.

Recommended enhancements

Article 26 should address potential loopholes where shares are lent to others expressly for income generation but in effect to facilitate voting according to the will of these others.

Chapter 2 should include provisions on voting rights proportionality. Voting rights should be proportional to economic rights – one share should give one vote. Dual-class structures give certain shareholders disproportionate voting power compared to their economic interest, leading to entrenchment and

¹² [NBIM Position Paper: Board Independence](#)



reduced accountability. Where unequal voting structures exist, they should be time-limited with sunset clauses. Shareholders should approve any introduction or extension of unequal voting rights.¹³

Chapter 3: Information Disclosure

Article 31 - Audit Committee Gatekeeping

We support the requirement that financial and accounting reports be approved by over half of audit committee members before submission to the board. The provision that reports not approved by the audit committee shall not proceed to the board gives the audit committee clear gatekeeping authority over financial disclosure.

We particularly welcome the requirement that audit committee members who cannot guarantee the truthfulness, accuracy, or completeness of financial reports shall vote against or abstain. This creates clear individual accountability and ensures the annual report presents a fair and accurate assessment of the company's position, including material risk factors.¹⁴

Recommended enhancement

We note that the threshold of "more than half of all members" represents a simple majority. Given the critical importance of financial reporting integrity, CSRC may wish to consider whether a higher threshold – such as two-thirds of audit committee members – would provide additional assurance, particularly for the approval of annual reports.

Article 33 - Audit Committee Investigation Powers

We support empowering the audit committee to engage internal or external auditors to investigate suspected false reporting or internal control deficiencies. The requirement to announce investigation progress and results promptly ensures transparency and provides an important check on management.

We also welcome the authority of CSRC to order audit committee investigations and require disclosure of results. The obligation for directors, senior management, and staff to cooperate actively strengthens the effectiveness of this enforcement mechanism.

Article 34 - Clawback and Malus Provisions

We support clawback provisions requiring boards to recover compensation paid to executives and senior management based on false financial reports. Mandatory recovery of remuneration, profits, shares, and options is essential for accountability and deterrence.

Recommended enhancement

We recommend clarifying that "responsible shareholders" should explicitly include controlling shareholders and their concert parties when they are found responsible for false accounting. While boards bear ultimate accountability, the prevalence of related party transactions and controlling shareholder influence means that boards—and even auditors—can be misled by false accounts.

¹³ [Multiple share classes | Norges Bank Investment Management](#)

¹⁴ [NBIM Global Voting Guidelines 2025](#), Section 5: Company Reporting



Article 40 - Use of Raised Funds

We support the requirement that listed companies use funds raised from public offerings in accordance with disclosed purposes. The clear enumeration of what constitutes unauthorised change – including cancelling projects, investing in new projects, or supplementing working capital without shareholder approval – provides essential protection for investors who provided capital based on stated uses. This aligns with our position that existing shareholders should have the right to approve new share issuances to evaluate significant capital decisions and ensure that capital raised is not deployed in a value-destructive way.¹⁵

Recommended enhancement

We recommend that the Regulations also include provisions protecting shareholders' pre-emptive rights in equity issuances. Share issuances should treat all existing shareholders fairly, with the right to participate pro rata to maintain their voting share and benefit from any potential discount. Issuances without pre-emptive rights should be limited to 10% of share capital. Pre-emptive rights ensure fair treatment and remove the risk of unwanted dilution.¹⁶

Chapter 4: Mergers and Acquisitions

Article 41/42 – Mandator Tender Offer

We support the 30% ownership threshold for mandatory tender offers, ensuring minority shareholders have an equal opportunity to exit at the same terms offered in a control transaction. The inclusion of persons acting in concert in this threshold prevents acquirers from circumventing the requirement through coordinated arrangements.

We also support the requirement in Article 42 for timely announcements and tender offers, which provides the market transparency necessary for informed shareholder decision-making.

Article 44 - Shareholding Disclosure Thresholds

We support the disclosure requirements for acquisitions crossing ownership thresholds. The requirement to announce within three days when holdings reach multiples of 5%, with trading restrictions until three days after announcement, provides essential market transparency. The additional requirement for next-day announcement when holdings cross 1% multiples (after reaching 5%) ensures ongoing visibility as control accumulates. These provisions support orderly markets and informed shareholder decision-making.

Recommended enhancement

We recommend that the definition of "holdings" is expanded to include options, warrants, and other derivatives that provide economic exposure or potential voting rights. Acquirers could otherwise circumvent disclosure requirements by accumulating control through derivative instruments while remaining below reporting thresholds in direct shareholdings. Including derivatives in the definition would ensure comprehensive transparency regarding changes in ownership and control.

¹⁵ [NBIM Position Paper: Shareholder Rights in Equity Issuances](#)

¹⁶ [Shareholder rights in equity issuances | Norges Bank Investment Management](#)



Article 45 - Fair Treatment in Tender Offers

We support the requirement for acquirers to treat shareholders holding the same class of shares fairly and to reasonably determine the tender offer price. Equal treatment is fundamental to minority shareholder protection in control transactions. This aligns with our Global Voting Guidelines: we will not support transactions that do not treat all shareholders equitably, or where conflicts of interest could negatively affect shareholders.¹⁷

Recommended enhancement

We recommend clarifying that where multiple share classes exist, each class should have the right to vote separately on a transaction. The thresholds for tender offers and major asset restructuring should apply within each class.

Article 46 - Major Asset Restructuring

We strongly support the requirement that major asset restructuring should not harm the legitimate rights and interests of the listed company and its shareholders. We will not support corporate transactions where there are conflicts of interest that could negatively affect shareholders or that do not create long-term value for shareholders.

Article 47 - Restructuring Report Requirements

We support the requirement that major asset restructuring shall be submitted to the shareholders' meeting for deliberation after board resolution. We welcome the board's obligation to determine and disclose whether the transaction constitutes a related party transaction, whether ownership is clear, and whether pricing is fair.

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Valuation disclosure: The requirement for "pricing basis" is too vague to enable shareholders to evaluate whether pricing is fair. The major asset restructuring report should disclose the valuation methodology, the rationale for selecting that methodology, and the key underlying assumptions. Shareholders need to understand not merely the price but how it was derived.

Minority shareholder approval: For extraordinary or significant transactions, a majority of minority shareholders' approval should be mandatory. This ensures that major transactions affecting company value proceed only with support from non-conflicted shareholders.

Article 48 - Stock Exchange Review

We support the stock exchange's authority to review restructuring plans and reports, require supplementary disclosures and professional opinions, and request CSRC regulatory measures where restructuring involves manifestly unfair pricing or policy violations.

Recommended enhancement

We recommend that Article 48 requires a mandatory independent fairness opinion on all major asset restructuring transactions, rather than leaving this to the stock exchange's discretion. Independent

¹⁷ [NBIM Global Voting Guidelines 2025](#), Section 6: Capital Management



fairness opinions provide essential protection for minority shareholders by ensuring that an independent party has assessed whether transaction terms are fair from a financial point of view.

Given the definition in Article 46 – transactions resulting in material changes to the company's main business, assets, or revenue – the threshold for major asset restructuring is already appropriately calibrated to significant transactions. If a narrower scope is preferred, the mandatory independent opinion requirement should at minimum apply to transactions involving a change of control or related party transactions.

There should be transparency about the mandate for the opinion, the compensation for the opinion provider and any business relationships between the opinion provider and the transaction parties.¹⁸ Mandatory independent opinions are standard practice in many jurisdictions and would significantly strengthen investor protection.

Chapter 5: Investor Protection

Article 52 - Investment Value and Investor Communication

We strongly support the requirement for the board to fully consider the interests and returns of investors when deliberating on major company matters, and for directors and senior management to engage with investors through earnings briefings and investor communication meetings.

Article 55 - Share Repurchase

We support the requirement for listed companies to specify conditions, procedures, and decision-making bodies for share repurchases.

Recommended enhancement

We recommend that Article 55 requires mandatory cancellation of repurchased shares with a limited exception for shares retained for employee and executive compensation plans. Accumulated treasury shares can be used to manipulate voting outcomes, serve as a defense against hostile takeovers, or be reissued in ways that dilute minority shareholders. Mandatory cancellation ensures that repurchased shares genuinely reduce the share count and benefit all remaining shareholders proportionately.¹⁹ This is consistent with our Global Voting Guidelines under which we will not support the introduction of anti-takeover measures.²⁰ A vibrant market for corporate control is important as it serves as an effective external governance mechanism. Cancellation also ensures that share repurchases can be defined as returns to shareholders within capital allocation programmes envisaged under the Listed Company Supervision Guidelines No. 10 — Market Value Management.²¹

¹⁸ [NBIM Response to CSRC Consultation on the Corporate Governance Code for Listed Companies, 22 August 2025](#)

¹⁹ [NBIM Position Paper: Shareholder Rights in Equity Issuances](#)

²⁰ [NBIM Global Voting Guidelines 2025](#), Section 6: Capital Management

²¹ [上市公司监管指引第10号——市值管理](#)



Article 58 - Delisting Shareholder Rights

We strongly support the provision that dissenting shareholders may require the company to repurchase their shares upon delisting. This appraisal right is essential protection for minority shareholders who invested based on the expectation of continued listing and the governance protections that listing provides.

Recommended enhancement

We recommend that Article 58 requires a minimum delisting price such as the higher of a 3-month lookback volume-weighted average price or fair value determination, in addition to shareholder approval. This approach is consistent with international practice, including the German Stock Exchange Act Section 39(2).

Delisting removes significant benefits for shareholders, including liquidity, price transparency, and regulatory oversight. Even when a company remains listed on a foreign exchange, shareholders face practical barriers including different trading hours, currency exposure, different settlement systems, and reduced analyst coverage. These barriers disproportionately affect retail investors. Combining shareholder approval with fair price protection would ensure minority shareholders receive appropriate compensation when the benefits of listing are removed

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