

Report on INEDs of Listed Companies Questionnaire

Welcome to Deloitte China's Survey on Independent Non-Executive Directors of Listed Companies. Independent non-executive directors (INEDs) perform supervisory duties in listed companies and hence are called the "gatekeeper" for compliant operations of listed companies. This survey aims to understand the performance of INEDs in listed companies in fulfilling their duties in corporate governance, in order for us to analyze and obtain insights into the role positioning of INEDs. To help us guarantee the quality of this survey, **please complete the questionnaires by yourself as an INED**. Deloitte China will keep all the information collected through this survey strictly confidential. Upon completion of the questionnaires, please send it back to Deloitte China INED Program Senior Manager Selina Zhao (jiezhao@deloitte.com.hk). The questionnaires will take about 10-15 minutes to fill in. Thank you very much for your great support!

Part 1: INEDs election and appointment

- 1) How did you come to serve as an INED for the listed company () (select all that apply)?
 - a) I was contacted and nominated by the board of the listed company
 - b) I was contacted and nominated by the management of the listed company
 - c) I was contacted and nominated the shareholder of the listed company
 - d) I was appointed through public selection or recommendation by other external organizations
 - e) I contacted the listed company myself hoping to serve as INED
 - f) Others _____ (please specify)
- 2) As an INED, what is the ratio of INEDs in the board of the listed company you serve ()?
 - a) 0-10%
 - b) 10-20%
 - c) 20-30%
 - d) 30-50%
 - e) More than 50%
- 3) How many listed companies at most do you serve as an INED at the same time ()?
 - a) 1-2
 - b) 3-4
 - c) 5
 - d) Others _____ (please specify)

Part 2: Performance of duties as INED

- 4) For board resolutions, how many times in average do you raise an objection annually as an INED ()?
- a) 0
 - b) 1-3
 - c) 3-5
 - d) 5-10
 - e) >10
 - f) Others _____ (please specify)
- 5) As an INED, how many consecutive years in average do you serve a company ()?
- a) <1 year
 - b) 1-3 years
 - c) 3-5 years
 - d) >5 years
 - e) Others _____ (please specify)
- 6) As an INED, how many days in average do you work for each listed company in a year ()? How many days do you work on site at the listed company ()?
- a) Less than 10 days
 - b) 10-30 days
 - c) More than 30 days
 - d) Others _____ (please specify)
- 7) In terms of attending board meetings, how many times in average do you attend board meetings of each listed company in person () and by delegation () in a year?
- a) 1-5
 - b) 5-10
 - c) 10-20
 - d) More than 20
 - e) Others _____ (please specify)
- 8) How do you mainly prepare your INED's work report ()?
- a) Write it by yourself in person
 - b) Write it collectively with other INEDs and sign
 - c) Others _____ (please specify)
- 9) What obstacles do you think an INED would mainly come across when performing his/her duties () (select all that apply)?
- a) There is no obstacle
 - b) Deliberate cover-up by relevant personnel of the listed company
 - c) Rejection of objections by relevant personnel of the listed company
 - d) Hampering and non-cooperation by relevant personnel of the listed company
 - e) Others _____ (please specify)

Part 3: Performance mechanism for INEDs

- 10) Your remuneration as an INED at each listed company is about ().

- a) Less than RMB50,000
- b) RMB50,000-100,000
- c) RMB100,000-500,000
- d) RMB500,000-1,000,000
- e) More than RMB1,000,000
- f) Others _____ (please specify)

11) Are there any incentive mechanisms established by the listed companies that you have served ()? Do these mechanisms have any positive effect ()? If so, please specify ()

- a) There is/are incentive mechanism(s)
- b) There is no incentive mechanism
- c) They have positive effect
- d) They have no real effect
- e) Not clear
- f) Others _____ (please specify)

12) CSRC's *Guidelines for the Establishment of Independent Directors System by Listed Companies* states that "listed companies may establish necessary independent director liability insurance systems in order to mitigate the risks that may arise in the normal performance by independent directors of their duties and responsibilities". Have the listed companies you serve or other companies you know established any INED liability insurance system or other similar INED liability protection mechanism ()? Do these protection mechanisms have any positive effect ()?

- a) There is/are INED liability insurance system(s) / protection mechanism(s)
- b) There is no INED liability insurance system / protection mechanism
- c) They have positive effect _____ (please specify)
- d) They have no real effect
- e) Not clear
- f) Others _____ (please specify)

Part 4: Suggestions for corporate governance and the function of INEDs

13) What aspect do you think should be focused on to enhance the independent and supervisory function of INEDs for listed companies () (select all that apply)? Or please specify if you have any other suggestions.

- a) The selection of INEDs should be conducted in a more independent way
- b) Regulation and penalties for violations of INEDs should be increased
- c) Tighter restrictive mechanisms should be established for M&A, restructuring, bankruptcy and other major issues
- d) Others _____ (please specify)

14) What aspect do you think should be improved in terms of selection and appointment of INEDs () (select all that apply)? Or please specify if you have any other suggestions.

- a) Select INEDs through a market-oriented manager approach
- b) Set up an association of INEDs, or an INED selection agency to recommend candidates for listed companies
- c) Establish a full-time INED system

- d) INEDs must not be designated by majority shareholders or management
- e) Other suggestions _____ (please specify)

15) What aspect do you think should be improved in terms of performance, accountability and self-discipline of INEDs () (select all that apply)? Or please specify if you have any other suggestions.

- a) Establish an INED accountability system in the holding company, such as introducing voting mechanisms for minority shareholders
- b) Tie the results of an INED's performance review to his/her contract renewal, remuneration, etc.
- c) Set up an industrial supervisory authority to provide third-party assessment and supervision for the performance of INEDs
- d) Other suggestions _____ (please specify)

Part 5: General information of INED and listed companies

16) Are you a full-time or part-time INED ()? If you are a part-time INED, what do you do, or what did you do before retirement for a job ()?

- a) Full-time INED
- b) Part-time INED
- c) College scholar
- d) Accountant, legal or other professional
- e) Government official
- f) Industry association member
- g) Business person
- h) Others _____ (please specify)

17) What is the industry of the listed company you have served as an INED () (select all that apply)?

- a) Energy
- b) Manufacturing
- c) Financial services
- d) Technology, media and telecommunications
- e) Internet
- f) Consumer products and retail
- g) Life sciences and healthcare
- h) Others _____ (please specify)

18) What types of enterprises are the listed companies you have served as an INED () (select all that apply)?

- a) Central SOE
- b) SOE (non-central)
- c) Private enterprise
- d) Others _____ (please specify)

19) What is the listing location for the listed companies you have served as an INED () (select all that apply)?

- a) Chinese Mainland

- b) Hong Kong
 c) Others _____ (please specify)

Personal details *[All fields below are required]*

Name of INED					
Age of INED	<input type="checkbox"/> ≤ 20	<input type="checkbox"/> 21-30	<input type="checkbox"/> 31-40	<input type="checkbox"/> 41-50	<input type="checkbox"/> ≥ 51
Company name			Position		
Email			Tel/mobile:		

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