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The corporate governance and institutional framework

The quality of the institutional, legal and regulatory framework is an important foundation for implementing the *G20/OECD Principles of Corporate Governance*, requiring effective supervision and enforcement that market participants can rely on. Chapter 2 provides insights on the legal framework for corporate governance, revealing the frequency of legislative reforms in this area, as well as the continued relevance of national corporate governance codes or equivalent instruments and their monitoring as complementary mechanisms. Legal and regulatory frameworks should be coupled with strong and independent institutional oversight and Chapter 2 also offers information on the lead regulatory institution for corporate governance of listed companies in each jurisdiction, and on mechanisms to ensure their independence.

2.1. The regulatory framework for corporate governance

Corporate governance legal frameworks continue to adapt to a changing environment: during 2021-22 nearly 70% of Factbook jurisdictions amended either their company law or securities law or both. During the same period, national corporate governance codes or equivalent frameworks were updated by approximately one-third of Factbook jurisdictions. The balance between formal regulation and a “comply or explain” approach in the corporate governance framework varies across jurisdictions.

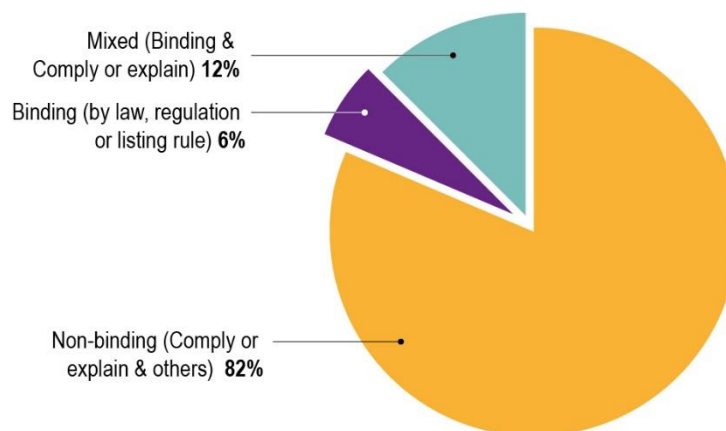
Traditionally, jurisdictions have used different combinations of laws and regulatory instruments on the one hand, and codes and principles on the other to oversee corporate governance issues. In all surveyed jurisdictions, the corporate governance framework is set forth by company laws and securities or capital markets laws, which provide for additional binding requirements for listed companies, contributing to the enforceability of shareholder protection for regulators. In most jurisdictions, the corporate governance framework is complemented by other binding regulations, often included in listing rules issued by the stock exchange or specific regulations issued by the main public regulators for corporate governance (Table 2.1).

Almost all Factbook jurisdictions have a national corporate governance code or equivalent instrument for corporate governance principles and recommendations, testifying to the continued relevance of such complementary mechanisms in allowing flexibility and the development of company best practices, particularly for emerging corporate governance issues.

The *G20/OECD Principles of Corporate Governance*, as revised in 2023, specifically refer to corporate governance codes in Principle I.B: “Corporate governance codes may offer a complementary mechanism to support the development and evolution of companies’ best practices, provided that their status is duly defined” (OECD, 2023^[1]). Eighty-two percent of the jurisdictions surveyed have a corporate governance code that follows a non-binding soft law “comply or explain” or similar approach. Some of these jurisdictions, including **Indonesia** and **South Africa**, have opted for specific variations of the “comply or explain” non-binding approach, such as “apply and/or explain” (See Box 2.1 for more examples).

Conversely, 18% of jurisdictions have either binding or partly binding instruments, a slight increase compared to 16% in 2021. Six jurisdictions (12%) (**Costa Rica; Hong Kong (China); Israel; Mexico; Saudi Arabia; and Türkiye**) have opted for a mixed system of binding and voluntary measures (Figure 2.1).

Figure 2.1. Implementing mechanisms for corporate governance codes and regulations



Note: Based on 49 jurisdictions. See Table 2.2 for data. When not categorised as “Binding”, or “Mixed”, notwithstanding different preferences in naming approaches by jurisdictions, non-binding approaches fall within the category “Non-binding (Comply or explain & others)”, including those named “Apply or explain”, “Apply or explain an alternative”, and “Apply and explain”.

Only three jurisdictions use a binding approach. These jurisdictions do not have a national code or equivalent instrument under the “comply or explain” framework, and are also the only jurisdictions that adopt a legally binding approach. **India** and the **United States** rely upon their laws, regulations and listing rules as their legal corporate governance framework. The **People’s Republic of China** (hereafter ‘**China**’) is another notable exception. Its national corporate governance code, updated in 2018, is fully binding so may be considered as a mandatory set of provisions.

Box 2.1. Variations on “comply or explain” reporting on corporate governance codes

A few countries have developed unusual systems for promoting implementation of national corporate governance codes that do not strictly follow the most common “comply or explain” approach but can also be categorised as non-binding soft law approaches. For example, in **Costa Rica**, it is mandatory to implement the National Council of Supervision of the Financial System (CONASSIF) Corporate Governance Regulation but based on a “comply and explain” rule with some flexibility, unlike the more common model followed in other countries under which the company may simply choose not to comply but must explain why. While complying with the code is considered mandatory, companies may also apply the principle of proportionality, meaning that a company may justify not implementing certain provisions due to its circumstances. Listed companies are nevertheless mandated under the national code to establish and disclose their own codes and additional information consistent with the disclosure and transparency recommendations of the *G20/OECD Principles of Corporate Governance*.

In **Saudi Arabia**, the Capital Market Authority’s Corporate Governance Regulations are binding by default for all companies listed on the Main Market, except when provisions clarify that they represent guiding provisions. In addition, the Regulations also specify that there are some mandatory provisions for companies on the Parallel Market.

South Africa’s King IV Report on Corporate Governance (King IV Code) issued by the Institute of Directors in South Africa of 2016 represents a set of recommendations and best practices in line with the soft law approach, but it has an application regime named “apply and explain”. While the Code’s principles are described as voluntary, companies are expected to apply the principles and provide an explanation of the practices implemented, explaining how they support the application of the principles.

In **Malaysia**, the Malaysian Code on Corporate Governance follows an alternative application method named “apply or explain an alternative”, according to which companies that are not applying the practices prescribed by the Code must provide an explanation for the departure, and disclose an alternative practice that meets the intended outcome of the principles of the Code.

Mexico is an example of a mixed approach involving binding laws and voluntary code recommendations. In 2005, its securities market law incorporated a minimum framework of the practices and principles of sound corporate governance for listed companies contained in the Code of Principles and Best Practices in Corporate Governance. That is, while the Code itself is not binding, many of the practices recommended in it have become binding by law. Moreover, stock exchange listing rules require listed companies to disclose their degree of adherence to the Code both to the stock exchange on which their stock is traded, and to investors. Stock exchange listing rules also require issuing companies to be knowledgeable about the Code.

National corporate governance codes or equivalent instruments are updated regularly: 16 jurisdictions amended or revised their codes or made equivalent changes in their listing requirements and rules (e.g. **United States**) in 2021-22 (Table 2.3). Nearly two-thirds of jurisdictions revised their codes or equivalent framework between 2019 and 2022. Five jurisdictions updated their code more than once during that period (**Austria**; **Germany**; **Hong Kong (China)**; **Saudi Arabia**; and the **United States**) Since the last revision of the *G20/OECD Principles of Corporate Governance* in 2015, more than 90% of all surveyed

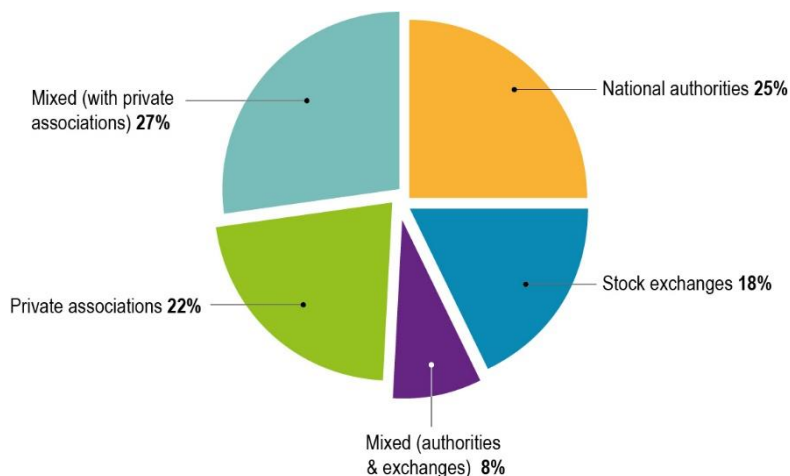
jurisdictions have revised their codes or equivalent provisions at least once. For example, **Germany** carries out reviews of its Corporate Governance Code on an annual basis to determine whether best practices included are still relevant or need to be adapted, with the latest update taking effect in June of 2022. **Malaysia** has updated its code four times since it was first adopted in 2000, including most recently in 2021.

In the majority of jurisdictions, national authorities and/or stock exchanges have taken the lead in establishing or revising the codes. In some jurisdictions, codes are devised and updated by working groups comprising institutions representing different markets segments (such as the Interagents Working Group in **Brazil**), as well as both public and private actors, such as in **Indonesia** where the National Committee on Corporate Governance includes representatives from regulatory authorities, issuers as well as individual market experts and assists the Financial Services Authority (OJK) as custodian of the corporate governance code and instruments.

The most common approach adopted for overseeing corporate governance codes by Factbook jurisdictions is a mixed public-private sector model, involving either joint oversight exercised by national authorities together with a mix of private sector groups (27%) or of national authorities and stock exchanges (8%). National authorities have played a growing role as the formal and sole custodian for their codes and updates, increasing from 17% to 25% of jurisdictions between 2015 and 2022.

Stock exchanges and private associations when they carry out these functions alone also play an important role as the key custodian in 18% and 22% of surveyed jurisdictions respectively (Table 2.3, Figure 2.2). For example, in **Hungary**, the Corporate Governance Committee is an advisory committee of the Budapest Stock Exchange (BSE). Members of the Committee include representatives of issuers, regulatory authorities and the stock exchange, as well as independent market experts and lawyers appointed by BSE's board of directors.

Figure 2.2. Custodians of corporate governance codes



Note: Based on 49 jurisdictions. See Table 2.3 for data.

To support effective disclosure and implementation of non-binding “comply or explain” codes, a national report is published in more than two-thirds of the jurisdictions covered by the Factbook, a notable increase from 2015 when less than half published such reports. Reviewing listed companies’ adherence to such codes is an increasingly common practice across jurisdictions, in line with the recommendations of the *G20/OECD Principles of Corporate Governance*, as revised in 2023. Responsibility for publishing such reports is more or less evenly split between governmental authorities, stock exchanges, and private sector or stakeholder groups.

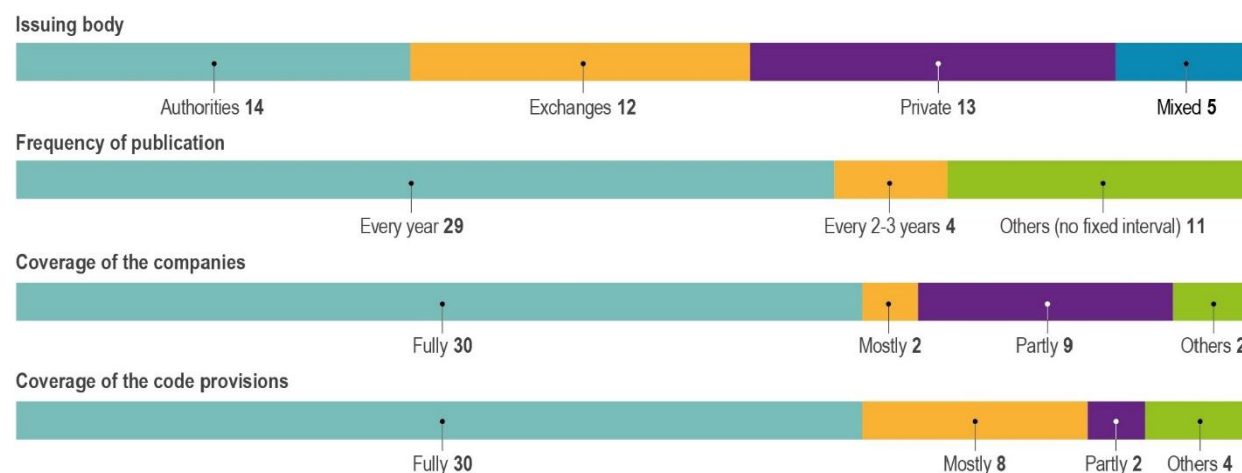
The *G20/OECD Principles of Corporate Governance*, as revised in 2023, in addition to recognising corporate governance codes as a tool to develop good governance, also highlight the importance of clear definitions in terms of coverage, implementation, compliance and sanctions of corporate governance codes or equivalent instruments to strengthen their effectiveness for companies.

Among surveyed jurisdictions, at least 44 institutions (in 34 jurisdictions) issue a national report reviewing listed companies' adherence to the corporate governance code in the domestic market. The report is published by more than one institution in eight jurisdictions (**Belgium, Canada, Denmark, France, Italy, Lithuania, Portugal** and **Slovenia**).

Importantly, **Brazil, Poland**, and **South Africa** for the first time report reviewing adherence to the corporate governance codes in this edition of the Factbook.

Almost two-thirds of institutions issue these reports annually, which usually cover all listed companies and all code recommendations. Among surveyed jurisdictions, 15 of them do not issue a national report on corporate governance as of 2022, including **India** and the **United States**, which do not have a corporate governance code based on the “comply or explain” approach.

Figure 2.3. National reporting on adherence to corporate governance codes



Note: Based on 44 reporting institutions in 34 jurisdictions. See Table 2.4 for data.

Overall, national regulators review listed companies' adherence and publish these reports in 14 jurisdictions, while stock exchanges review and publish them in 12 jurisdictions. Although the role of national authorities in issuing these reports has not changed since 2021, more stock exchanges and private groups have taken this role. Notably, in jurisdictions that have started publishing a national report in the past two years, the responsibility has been assigned either to a stock exchange, such as the Warsaw Stock Exchange in **Poland**, or to private groups, for example KPMG in **Brazil** and the Institute of Directors/King Committee in **South Africa**. Exchanges and private groups are responsible for publishing reports on listed companies' adherence to codes in more than a half of jurisdictions surveyed, a significant increase since 2015 when stock exchanges were responsible for issuing reports on codes in seven jurisdictions and private institutions in nine (Table 2.4, Figure 2.3).

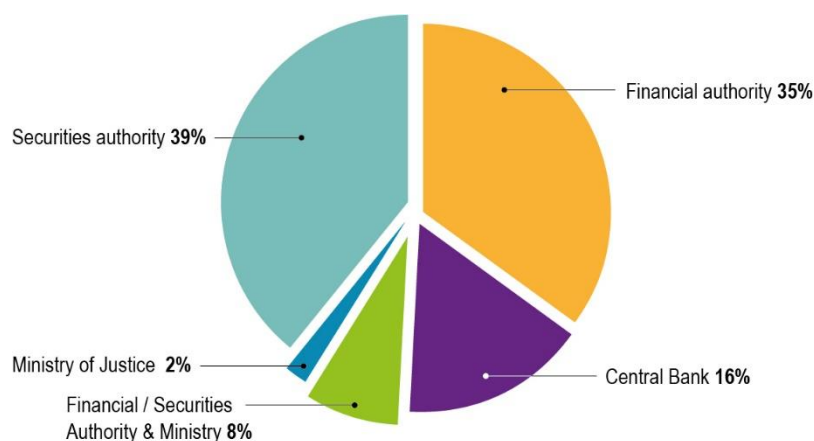
2.2. The main public regulators of corporate governance

In all surveyed jurisdictions, public regulators have the authority to supervise and enforce the corporate governance practices of listed companies. Securities or financial regulators generally play the key role in most jurisdictions.

Public regulators have the authority to supervise and enforce corporate governance practices of listed companies in all surveyed jurisdictions. Securities regulators, financial regulators or a combination of the two play the lead or at least a shared role in 82% of all jurisdictions (Table 2.5, Figure 2.4). Central banks play the key role in an additional eight jurisdictions (16%).

A few jurisdictions take differing approaches. **Korea** is the only jurisdiction in which the ministry in charge of corporate governance is the Ministry of Justice. This ministry also has the main responsibility for the supervision and enforcement of corporate governance. In **India**, the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI), the securities market regulator, are both responsible for enforcing the corporate governance framework. In some jurisdictions, such as the **Czech Republic, Luxembourg, the Netherlands, Singapore, and Sweden**, the role of the public regulators is limited only to issues related to securities laws, as in principle, civil rules on corporate governance are mainly supervised and enforced privately. The authority of corporate governance regulators has proven to be quite stable over the years and has not changed significantly since 2015.

Figure 2.4. Who is the regulator of corporate governance?



Note: Based on 49 jurisdictions. See Table 2.5 for data.

In some jurisdictions, the division of responsibilities for regulatory and supervisory functions involves multiple layers. For example, in **South Africa**, the Companies and Intellectual Property Commission (“CIPC”) is responsible for company law and corporate governance requirements such as the functioning and composition of the audit committee, while the Johannesburg Stock Exchange enforces stock exchange listing requirements. In the **United Kingdom**, the Financial Reporting Council (FRC) sets codes and standards including for corporate governance, but the FRC’s corporate governance monitoring and third country auditor registration activities are relevant to the work of and may lead to enforcement by the Financial Conduct Authority. In the **United States**, state law is the primary source of corporate governance law, but the federal securities regulator (the Securities and Exchange Commission) and exchanges regulate certain governance matters.

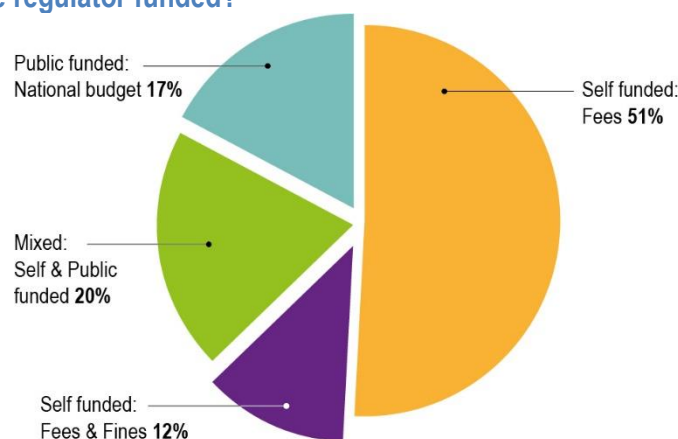
Autonomy over their budget can reinforce the operational independence of regulators. Sixty percent of regulators are funded fully by fees from regulated entities or by a combination of fees

and fines. Others rely upon a mix of public and regulated entity funding sources, while just 17% of regulators are fully financed by their government’s budget.

Most regulators (30 institutions in 28 jurisdictions) are fully self-funded by fees. Other regulators (seven institutions) ensure budgetary autonomy by supplementing their self-funding with fines. Mixed sources of financing from both public funds and fees from regulated entities are also common (12 institutions in ten jurisdictions). Only ten regulatory institutions rely exclusively on government funding for their budget (Figure 2.5).

The *G20/OECD Principles of Corporate Governance* recognise and emphasise the importance of regulators’ autonomy, resources, and capacity as key aspects to allow them to carry out their functions in a professional and objective manner (Principle I.E). The revised *Principles* provide examples of how jurisdictions have achieved autonomy and collected adequate resources, for example by imposing levies on supervised entities with or as an alternative to government funding. The *Principles*, at the same time, underline that fees imposed on regulated entities should not impede independence from market participants and should be imposed transparently and according to objective criteria.

Figure 2.5. How is the regulator funded?



Note: Based on 59 regulatory institutions across 49 jurisdictions. Jurisdictions with more than one main regulator are counted more times. See Table 2.6 for data.

The issue of the independence of regulators is commonly addressed through the creation of a formal governing body. The most common size for the board of these bodies across jurisdictions surveyed is five to seven members, but it ranges from as low as two members (Austria) to as high as 17 (Switzerland).

The *G20/OECD Principles of Corporate Governance* note how the creation of a formal governing body, typically a board, council or commission, is the solution adopted by many jurisdictions to address political independence (Principle I.E).

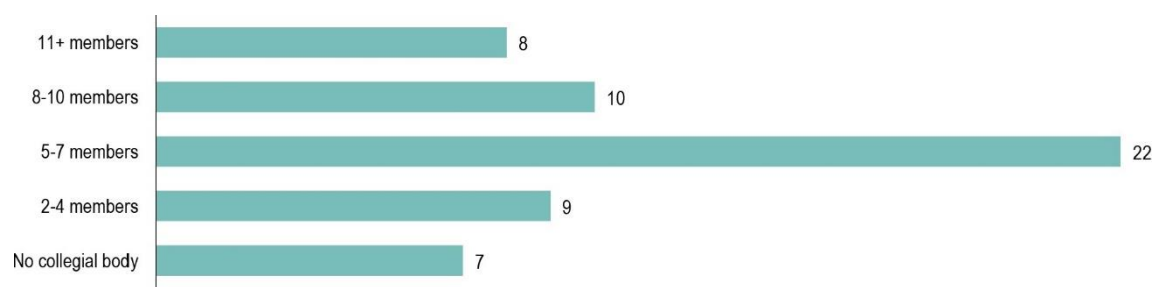
In line with the recommendations of the *G20/OECD Principles of Corporate Governance*, 87% of the regulatory institutions established by the Factbook jurisdictions have established a formal governing body (e.g. a board, council or commission) (Figure 2.6). **Colombia, Korea, and Slovenia** are the only regulators without a governing board for any of their regulatory bodies responsible for the supervision of corporate governance requirements. Four additional jurisdictions (**India, Japan, Saudi Arabia, and South Africa**), which have more than one regulator, report a mixed approach with at least one regulatory institution lacking a governing body.

Seats on these governing bodies are sometimes reserved for representatives from specific institutions, such as central banks (in 20 governing bodies across 19 jurisdictions), public sector institutions (in 16

governing bodies across 15 jurisdictions) or from the private sector (in 12 bodies across 11 jurisdictions) (Table 2.7).

In the **United States**, no more than three out of five Commissioners of the Securities and Exchange Commission may belong to the same political party. In **France**, the Autorité des Marchés Financiers (AMF) has one of the largest boards with 16 members, including judges from the Supreme courts (Cour de Cassation and Conseil d'État). In **Switzerland**, the SIX Exchange Regulation (SER) division is overseen by a 17-member board responsible for enforcement of SIX Exchange listing rules.

Figure 2.6. What size are boards of regulators?



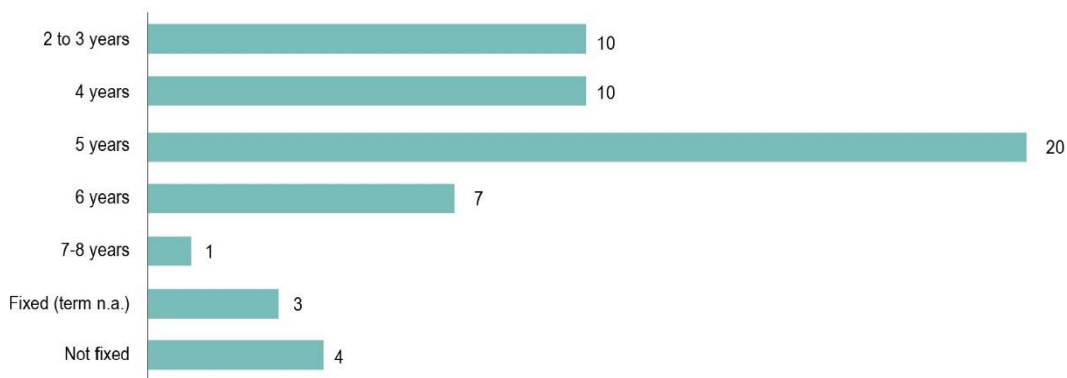
Note: Based on 56 institutions in 49 jurisdictions. Jurisdictions with more than one main regulator are counted more than once. See Table 2.7 for data.

Members of the governing body of a national regulator are usually given fixed terms of appointment ranging from two to eight years, with all but four regulators allowing their re-appointment.

According to the *G20/OECD Principles of Corporate Governance*, as revised in 2023, to foster regulatory independence, members of the governing body are appointed for fixed terms, and as an additional precaution, some jurisdictions have also staggered appointments to avoid overlaps with the political calendar. Another solution adopted by some jurisdictions to strengthen independence and reduce potential conflicts of interest of regulators is the introduction of policies to restrict post-employment movement to industry through mandatory time gaps or cooling-off periods (Principle I.E).

Members of a governing body or a regulatory head such as a commissioner or superintendent are appointed for fixed terms in 51 out of 56 institutions. Of the 49 Factbook jurisdictions, only four do not make fixed term appointments (SEHK's Board in **Hong Kong (China)**; FSA's Commissioner in **Japan**; the Ministry of Justice governed by a Minister in **Korea**; and CNBV's Governing Board in **Mexico**). When specified, maximum terms generally range from two to eight years, and most commonly are set at four or five years (for 10 and 20 institutions, respectively) (Table 2.8, Figure 2.7).

The re-appointment of members is allowed in all jurisdictions that set fixed terms with the exception of **Brazil, Italy, Peru** and **Portugal**. The re-appointment of the chairperson is not allowed in **France** and is allowed only once in **Hungary** for the Governor of the Financial Stability Board. The number of reappointments is limited to one in six additional jurisdictions (**Costa Rica, the Czech Republic, France, Ireland, Saudi Arabia, and Spain**) and to two in one jurisdiction (the **Netherlands**).

Figure 2.7. What term of office do board members/heads of the regulator serve?

Note: Based on 55 institutions for 49 jurisdictions reporting data. Jurisdictions with more than one main regulator are counted more than once. One institution among surveyed jurisdictions, SEBI's board in India, has a different manner for setting the duration of the appointment and is not included in this figure. See Table 2.8 for data.

Table 2.1. The main elements of the regulatory framework: Laws and regulations

Jurisdiction	Company Law			Securities Law			Other relevant regulations on corporate governance
		Latest update			Latest update		
		Original language	English		Original language	English	
Argentina	Companies Law	2014		Capital Market Law No. 26831	2018		Rule No. 622/13 (Ordered Text 2013 CNV)
Australia	Corporations Act 2001		2022				Listing rules
Austria ¹	Commercial Code	2019		Stock Corporation Act	2019		
Belgium ¹	Code of Companies and Associations	2019		Law of 2 August 2002	2022	2013	
Brazil	Corporation Act	2022	2001	Securities Act	2022	2002	CVM Resolution No. 80/2022; Novo Mercado Listing Regulation
Canada	Federal (<i>Canada Business Corporations Act</i>) or provincial statutes	2022 (federal)	2022 (federal)	Provincial securities laws (e.g. Securities Act in Ontario)	-		<i>Canada Business Corporations Regulations</i> (federal) plus provincial regulations
Chile	Corporations Law	2021		Securities Market Law	2022		Rule No. 385 of 2015 (CMF) Rule No. 30 amended by Rule No 461 of 2021 (CMF)
China	The Company Law of the People's Republic of China	2018	-	Securities Law of the People's Republic of China	2019	-	Code of Corporate Governance for Listed Companies in China; Regulations (CSRC)
Colombia	Commercial Code	1971	-	Securities Market Law 964	2005	-	Rules, Instructions (SFC)
	Law 222 of 1995	1995					
Costa Rica	Code of Commerce	2016	-	Regulatory Law of the Securities Market	1997	-	
Czech Republic	Business Corporations Act	2020	2012	Capital Market Undertakings Act	2022	2020	
Denmark	Company Act	2022	2021	Capital Markets Act	2022	-	Listing rules by Nasdaq Copenhagen: Rules for issuers of shares
	Financial Statements Act	2022	2019				
Estonia	Commercial Code	2022	2022	Securities Market Act	2022	2022	Listing rules of Nasdaq Baltic Tallinn
Finland	Limited Liability Companies Act	2022	2019	Securities Markets Act	2020	2013	Listing rules by Nasdaq Helsinki Nordic Main Market Rulebook for Issuers of Shares Corporate Governance Code

Jurisdiction	Company Law			Securities Law			Other relevant regulations on corporate governance
		Latest update			Latest update		
		Original language	English		Original language	English	
France	Code de Commerce	2020	2013	Code monétaire et financier	2020	2010	
Germany ¹	Commercial Code	2022	2017-2021	Securities Trading Act	2020	2018	-
	Stock Corporation Act	2022	2022				
Greece	Law 4548/2018	2018		Law 4706/2020 Law 4449/2017	2020 2017	2020	HCMC Decision 1A/890/18.09.2020 on sanctions imposed under Article 24 of Law 4706/2020 HCMC Decision 1/891/30.09.2020 on the evaluation of the Internal Control System (ICS) and provisions on Corporate Governance of law 4706/2020
Hong Kong (China) ¹	Companies Ordinance	2022	2022	Securities and Futures Ordinance	2022	2022	Main Board and GEM Listing Rules
	Companies (Winding Up and Miscellaneous Provisions) Ordinance	2022	2022				
Hungary	Civil Code	2022	2022	Act on the Capital Market	2022	2022	Corporate Governance Recommendations of BSE
Iceland	Act on Annual Account	2018	2006	Act on Markets in Financial Instruments no 115/2021	2021		Act on Financial undertakings (161/2002), Act on Insurance activities (56/2010) Nasdaq Iceland Rules for Issuers
	Act on Public Limited Companies	2017	2010				
India	Companies Act 2013		2022	Securities and Exchange Board of India Act	1992	2021	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
				Securities Contract (Regulation) Act	1956	2021	
Indonesia	Company Law	2007	2007	Capital Market Law	1995	1995	OJK Regulations IDX Listing Rules
Ireland	Companies Act	2014	2022	Securities Markets Regulations		2022	Regulations Listing Rules
				Funds Regulation		2019	

Jurisdiction	Company Law			Securities Law			Other relevant regulations on corporate governance
		Latest update			Latest update		
		Original language	English		Original language	English	
Israel	Companies Law	2018	2011	Securities Law	2017	2017	Securities Regulations (ISA), Companies Regulations Ministry of Justice (MOJ)
Italy	Civil Code	2022	-	Consolidated Law on Finance	2022	2022	Regulations (Consob)
Japan	The Companies Act	2019	2022	Financial Instruments and Exchange Act	2020	2020	Regulations (FSA) Securities Listing Regulations (TSE)
Korea	Company Act	2020	2018	Financial investment Services and Capital Markets Act	2021	2021	Act on Corporate Governance of Financial Companies
Latvia	Company Law	2022	2021	Financial Instrument Market Law	2022	2021	Group of Companies Law , Listing rules Stock Buyback Law
Lithuania	Law on Companies	2022	2014 (related changes 2017)	Law on Securities	2019	2015	Law on Markets in Financial Instruments
Luxembourg	Companies Act	2021	-	Law on markets in financial instruments	2021	-	
Malaysia	Companies Act	2019	2019	Securities Commission Malaysia Act	2017	2017	Bursa Malaysia Listing Requirements
							Guidelines on Conduct of Directors of Listed Corporations and their Subsidiaries (released in 2020) ²
				Capital Markets and Services Act	2015	2015	Guidelines on Conduct for Capital Market Intermediaries (issued in 2021)
				Securities Industry Act	2004	2004	
Mexico	General Law of Mercantile Corporations (Companies' Law)	2018	-	Securities Market Law	2019		Rules applicable to Issuers (CNBV) Stock Exchanges Internal Rules & Regulations
Netherlands	Netherlands Civil Code	2021		Act on Financial Supervision	2020		
				Act on the Supervision of Financial Reporting	2019		
New Zealand	Companies Act 1993		2014	Financial Markets Conduct Act 2013		2021	Financial Markets Conduct Regulations

Jurisdiction	Company Law			Securities Law			Other relevant regulations on corporate governance
		Latest update			Latest update		
		Original language	English		Original language	English	
Norway	Public Limited Liability Companies Act	2022	2014	Securities Trading Act	2014	2014	Listing Rules
Peru	General Corporation Law	2021	-	Securities Market Law	2020	2017	Qualification on Independent Directors Guidelines Report on Compliance with the Code of Good Corporate Governance for Peruvian Corporations
Poland	Code of Commercial Companies	2022		Act on Trading in Financial Instruments Act on Public Offer of Financial Instruments	2022		
Portugal	Companies Code Law 148/2015: Rules on board structure and duties of supervisory board members in public interest entities.	2022 2022	2022	Securities Law	2022	2022	CMVM Regulation No. 4/2013 on Corporate Governance
Saudi Arabia	Companies Law	2022	-	Capital Market Law	2003	2018	Corporate Governance Regulation issued by the CMA
Singapore	Companies Act		2018	Securities and Futures Act		2018	SGX Listing Manual; Corporate governance regulations for banks, insurers and financial market infrastructures
Slovak Republic	Commercial Code	2022	-	Act on Securities Act on Stock Exchange	2022 2022	-	Act on Accounting
Slovenia ¹	Companies Act	2021	2019	Market in Financial Instruments Act	2021	2019	
South Africa	Companies Act	2008	2011	Financial Markets Act	2012	2012	
Spain	Capital Company Act	2021		Securities Market Law	2021		Regulations (CNMV); Good Governance Code of Listed Companies

Jurisdiction	Company Law			Securities Law			Other relevant regulations on corporate governance
		Latest update			Latest update		
		Original language	English		Original language	English	
Sweden	Companies Act	2006		The EU Market Abuse Regulation	2016		Self-regulation (Rulebook for issuers, Corporate Governance Code, Securities Council's statements)
							SFSA's regulations
				Securities Market Act	2007		
				Financial Instruments Trading Act	1991		
	Financial Instruments Trading (Market Abuse Penalties) Act	2017					
Switzerland ³	The Code of Obligations (CO)	2023	2023	Financial Market Infrastructure Act	2021	2021	Laws, Ordinances, Circulars, Self-regulation (FINMA)
				Regulations of the Swiss Stock Exchange	2023	2023	
Türkiye	Turkish Commercial Code No. 6102 (TCC)	2022	-	Capital Market Law No. 6362	2021	2020	Communiqués (CMB)
United Kingdom	Companies Act of 2006		2006	Financial Services and Markets Act 2000		2016	Listing Rules, Prospectus Rules, Disclosure Guidance and Transparency Rules (FCA)
United States	State corporate laws		-	Securities Act of 1933		2022	NYSE Listed Company Manual Nasdaq Rulebook
				Securities Exchange Act of 1934		2022	

Key: "-" = no data available. The online version of the publication contains links to websites and reports where available.

1. Regarding takeover bids, some jurisdictions (e.g. **Austria, Belgium, Germany and Slovenia**) set out a separate legal framework, while **Hong Kong (China)** has a non-statutory code.
2. In **Malaysia**, the Guidelines on Conduct of Directors of Listed Corporations and their Subsidiaries were updated on 12 April 2021 to include guidance on the group governance framework.
3. In **Switzerland**, the amendments of the Code of Obligations (CO) and to the Regulations of the Swiss Stock Exchange entered into force on 1 January 2023.

Table 2.2. The main elements of the regulatory framework: National codes and principles

Jurisdiction	Key national corporate governance codes and principles	Implementation mechanism			
		Basis for framework	Approach ¹	Disclosure in annual company report	Surveillance
Argentina	Corporate Governance Code	Law or regulation	Apply or not, explain ²	Required	Securities regulator
Australia	Corporate Governance Principles and Recommendations	Listing rule	Comply or explain	Required	Stock exchange
Austria	Austrian Code of Corporate Governance	Law or regulation	Comply or explain	Required	
Belgium	The 2020 Belgian Code on Corporate Governance	Law or regulation	Comply or explain	Required	Securities regulator
Brazil	Brazil Corporate Governance Code - Listed Companies	Law or regulation	Comply or explain	Required	Securities regulator & stock exchange
Canada	Corporate Governance: Guide to Good Disclosure	Law or regulation	Comply or explain	Required	
Chile	Practices for Corporate Governance Rule No.385	Law or regulation	Comply or explain ³	Other	Securities regulator
	Contents of Corporate Annual Report. Rule No.30 amended by Rule No. 461 of CMF	Law or regulation	Explain	Required	Securities regulator
China	The Code of Corporate Governance for Listed Companies in China 2018	Law or regulation, Listing rule	Binding	Required	Securities regulator & Stock exchange
Colombia	Codigo Pais 2014	Law or regulation ⁴	Comply or explain	Required	Securities regulator
Costa Rica	CONASSIF Corporate Governance Regulation	Law or regulation	Binding & Comply or explain ⁵	Required	Securities regulator
Czech Republic	Czech Corporate Governance Code	Voluntary	Comply or explain	Required	-
Denmark	Recommendations on Corporate Governance	Law or regulation, Listing rule	Comply or explain	Required	Securities regulator, Stock exchange
Estonia	Corporate Governance Recommendations	Law or regulation	Comply or explain	Required	Securities regulator, Stock exchange & Private
Finland	Finnish Corporate Governance Code	Law or regulation, Listing rule	Comply or explain	Required	Stock exchange & Securities regulator
France	AFEP MEDEF Corporate Governance Code of Listed Corporations and Middlednext corporate governance code designed for listed small and medium listed companies (VaMPs)	Law or regulation	Comply or explain	Required	Private & Securities regulator
Germany	German Corporate Governance Code	Law or regulation	Comply or explain	Required	Different stakeholders appointed by Government
Greece	Hellenic Corporate Governance Code For Listed Companies	Law or regulation	Comply or explain	Required	
Hong Kong (China)	Corporate Governance Code (Appendix 14 of the Main Board Listing Rules / Appendix 15 of the GEM Listing Rules)	Listing rule	Binding & Comply or explain	Required	Stock exchange
Hungary	Corporate Governance Recommendations of BSE	Law or regulation	Comply or explain	Required	Corporate Governance Committee & Stock Exchange
Iceland	Corporate Governance Guidelines	Listing rule	Comply or explain	Required	Stock exchange

Jurisdiction	Key national corporate governance codes and principles	Implementation mechanism			
		Basis for framework	Approach ¹	Disclosure in annual company report	Surveillance
India	SEBI (listing Obligations and Disclosure Requirement) Regulations, 2015	Law or regulation	Binding	Required	Securities regulator & Stock exchange
Indonesia	Indonesia Good Corporate Governance Code	Voluntary	Apply or explain	Not Required	-
	Corporate Governance Guidelines of Public companies- OJK Regulation 21/2015, OJK Circular Letter 32/2015	Law or regulation	Comply or explain	Required	Securities regulator
Ireland	Irish Stock Exchange Listing Rules applying UK Corporate Governance Code with Irish Annex	Listing rule	Comply or explain	Required	-
Israel ⁶	Code of recommended corporate governance embedded in Companies Law	Law or regulation	Other and Comply or explain	Required	Securities regulator
Italy	Corporate Governance Code	Law or regulation, Listing rule	Comply or explain	Required	Securities regulator, Stock exchange & Private
Japan	Japan's Corporate Governance Code	Listing rule	Comply or explain	Required	Stock exchange
Korea	Code of Best Practices for Corporate Governance/ Disclosure Rules on KOSPI Market Governance	Listing rule	Comply or explain	Other ⁷	Stock exchange
Latvia	Corporate Governance Code	Law or regulation, Listing rule	Comply or explain	Required	Stock exchange
Lithuania	The Corporate Governance Code for the Companies Listed on Nasdaq Vilnius	Law or regulation, Listing rule	Comply or explain	Required	Securities regulator & Stock exchange
Luxembourg	Ten Principles of Corporate Governance	Listing rule	Comply or explain	Required	Stock exchange
Malaysia	Malaysian Code on Corporate Governance	Listing rule	Apply or explain an alternative	Required	Securities regulator & Stock exchange
Mexico	Code of Principles and Best Practices in Corporate Governance (Corporate Governance Code)	Law or regulation, Listing rule ⁸	Binding (partly)	Required	Securities regulator & Stock exchange
Netherlands	Dutch Corporate Governance Code	Law or regulation	Comply or explain	Required	Securities regulator
New Zealand	NZX Corporate Governance Code	Listing rule	Comply or explain	Required	Securities regulator
Norway	Norwegian Code of Practice for Corporate Governance	Listing rule	Comply or explain	Required	-
Peru	Corporate Governance Code for Peruvian Companies	Law or regulation	Comply or explain	Required	Securities regulator
Poland	Code of Best Practice of GPW Listed Companies	Voluntary	Comply or explain	Required	Stock exchange
Portugal	Corporate Governance Code of the Portuguese Institute of Corporate Governance (IPCG)	Law or regulation	Comply or explain	Required	Privation institution
Saudi Arabia	Corporate Governance Regulations	Law or regulation	Binding & Comply or explain	Required	Securities regulator
Singapore	Code of Corporate Governance	Listing rule	Comply or explain	Required	Stock exchange
Slovak Republic	Corporate Governance Code for the Slovak Republic	Law or regulation, Listing rule	Comply or explain	Required	Stock Exchange, Private institution (Slovak Corporate Governance Association)

Jurisdiction	Key national corporate governance codes and principles	Implementation mechanism			
		Basis for framework	Approach ¹	Disclosure in annual company report	Surveillance
Slovenia	Corporate Governance Code for Listed Companies	Law or regulation, Listing rule	Comply or explain	Required	Securities regulator & Stock exchange
South Africa	King Code IV	Listing rule	Apply and explain	Required	Stock exchange
Spain	Good Governance Code for Listed Companies	Law or regulation	Comply or explain	Required	Securities regulator
Sweden	Swedish Corporate Governance Code	Listing rule	Comply or explain	Required but can be a separate document	Stock exchange
Switzerland	Swiss Code of Best Practice for Corporate Governance	Voluntary	Comply or explain	-. ⁹	-
	Directive on Information relating to Corporate Governance	Listing rule	Comply or explain	Required	Stock exchange
Türkiye	Corporate Governance Principles	Law or regulation	Binding & Comply or explain	Required	Securities regulator
United Kingdom	UK Corporate Governance Code	Listing rule	Comply or explain	Required	Securities regulator
United States	Nasdaq Rulebook	Law or regulation, Listing rule	Binding	Required	Securities regulator & Stock exchange
	NYSE Listed Company Manual		Binding	Required	

Key: “-” = no data available. The online version of the publication contains links to websites and reports where available.

1. Jurisdictions have opted for different formulations to specify the application of their corporate governance code(s) or equivalent framework, which range from binding, mixed or non-binding (soft law) approaches. Soft law approaches are generally referred to as “comply or explain” but also include different formulations such as “Apply or explain”, “Apply or explain an alternative”, and “Apply and explain”.

2. In **Argentina**, a company may decide not to apply a recommendation and still be in compliance with good practices. This approach looks to recognise heterogeneity among industries and companies and to provide broader means to comply with best practices.

3. In **Chile**, although there is no Corporate Governance Code, there is a regulatory requirement for disclosure that the Chilean regulator considers to function similarly to a code, namely the CMF General Rule No. 385. This provision requires listed companies to perform an annual self-assessment with regard to the adoption of good practices of corporate governance proposed by the CMF, and report to the CMF on a “comply or explain” basis. Although it is not required to include this information in the annual report, it is made available to the public through the Regulator’s and listed companies’ websites. In addition, in November 2021 the CMF issued General Rule No. 461, which modifies General Rule No. 30 to include topics of Sustainability and Corporate Governance to the corporate annual report of securities issuers and other entities supervised by the CMF. This General Rule will be gradually phased in between 2022 and 2024, according to the type of entity and its size (measured by consolidated assets). In this regard, the disclosure requirements for the adoption of Corporate Governance Practices will be contained in the report of General Rule No. 385 and the annual report until 2024, and General Rule No. 385 will then be repealed when General Rule No. 461 enters fully in force.

4. In **Colombia**, the Código País recommendations are adopted on a voluntary basis by issuers; however, disclosure against the code is required by regulation, and once practices are reported as adopted, they become mandatory. Issuers have to include in their internal codes a clause under which the firm, its directors and employees are required to comply with the recommendations that were voluntarily adopted, as well as to submit the Código País Implementation Report to the SFC annually.

5. In **Costa Rica**, the CONASSIF Corporate Governance Regulation is mandatory to implement but based on a “comply and explain” rule. It is classified as “binding and comply or explain” due to some flexibility provided in implementing some measures according to proportionality considerations (See Box 2.1 on country examples for more details).

6. In **Israel**, the corporate governance code has both binding and voluntary recommendations embedded in its Companies Law, and which companies must report on based on the comply or explain approach.

7. In **Korea**, KOSPI listed companies with total assets of more than KRW 1 trillion are required to disclose a stand-alone corporate governance report annually no later than last day of May.

8. In **Mexico**, listed companies must disclose their degree of adherence to the Code to both the Stock Exchange and investors (See Box 2.1 on country examples for more details).

9. In **Switzerland**, the Code states that it uses the “comply or explain” principle, but it does not indicate where the company has to explain whether its corporate governance practices deviate from the recommendations.

Table 2.3. The custodians of national codes and principles

Jurisdiction	Custodians		First code	Updates	
	(Public/private/stock exchange/mixed initiative)			No.	Latest
Argentina	Comisión Nacional de Valores	Public	2007	1	2019
Australia	ASX Corporate Governance Council	Mixed	2003	4	2019
Austria	Austrian Working Group for Corporate Governance	Private	2002	10	2021
	Federal Ministry of Finance	Public			
Belgium	Corporate Governance Committee	Mixed	2004	3	2020
Brazil	Brazilian Institute of Corporate Governance (IBGC)	Private	2016	-	2016
Canada	Provincial stock exchanges, e.g. Toronto Stock Exchange (TMX)	Exchange			2014
Chile	Financial Market Commission (CMF)	Public	2012	2	2021
China	China Securities Regulatory Commission	Public	2002	-	2018
Colombia	Financial Superintendence of Colombia (SFC)	Public	2007	1	2014
Costa Rica	National Council of Supervision of the Financial System (CONASSIF)	Public	2017	-	2017
Czech Republic	Czech Institute of Directors	Private	2001	2	2018
Denmark	Danish Committee on Corporate Governance	Public	2001	10	2020
Estonia	Estonian Financial Supervision and Resolution Authority (EFSA)	Public	2005		2006
	NASDAQ Tallinn	Exchange			
Finland	Securities Market Association	Private	1997	5	2020
France	Association Française des Entreprises Privées (AFEP)	Private	2003		2020
	Mouvement des Entreprises de France (MEDEF)				
	Middlenext				
Germany	Commission of the German Corporate Governance Code	Mixed	2002		2022
Greece	Hellenic Corporate Governance Council	Private	2013		2021
Hong Kong (China)	The Stock Exchange of Hong Kong Limited (SEHK)	Exchange	2005	6	2022
Hungary	Corporate Governance Committee (Established by the Budapest Stock Exchange Company Limited)	Exchange	2004		2020
Iceland	Iceland Chamber of Commerce	Public	2004	6	2021
	SA Confederation of Icelandic Enterprises	Private			
India	Securities and Exchange Board of India (SEBI)	Public	2000	18	2020
	Recognised Stock Exchanges	Exchange			
Indonesia	Indonesia National Committee on Governance Policy Indonesia Financial Services Authority (OJK)	Mixed Public	2015	-	2015
Ireland	Irish Stock Exchange (following UK Financial Reporting Council recommendations)	Mixed	2003		2018
Israel	Ministry of Justice (MOJ)	Public	1999	34	2020
	Israel Securities Authority (ISA)				
Italy	Corporate Governance Committee	Mixed	1999	7	2020

Jurisdiction	Custodians		First code	Updates	
	(Public/private/stock exchange/mixed initiative)			No.	Latest
Japan	Tokyo Stock Exchange (TSE) and other local stock exchanges	Exchange	2015	2	2021
Korea	Korea Exchange (KRX) ; Korea Institute of Corporate Governance and Sustainability (KCGS)	Exchange	2019	2	2022
Latvia	Corporate Governance Advisory Board	Mixed	2005	-	2020
Lithuania	Nasdaq Vilnius	Exchange	2006	2	2019
Luxembourg	Luxembourg Stock Exchange	Exchange	2007	4	2017
Malaysia	Securities Commission Malaysia	Public	2000	4	2021
Mexico	Business Coordinating Council (Consejo Coordinador Empresarial)	Private	1999	3	2018
Netherlands	Monitoring Committee Corporate Governance Code	Mixed	2003	3	2022
New Zealand	New Zealand Exchange (NZX)	Exchange	2003	-	2020
	Financial Markets Authority	Public	2004	-	2018
Norway	Norwegian Corporate Governance Board	Private	2005	9	2021
Peru	Superintendence of Securities Market (SMV)	Mixed	2002	1	2013
Poland	Warsaw Stock Exchange (GPW)	Exchange	2002		2021
Portugal	Portuguese Institute of Corporate Governance (IPCG)	Private	2013	1	2020
Saudi Arabia	Capital Market Authority	Public	2006	4	2021
	Saudi Central Bank (SAMA)				
	Insurance Corporate Governance Regulation 2015	Public	2015	1	-
	Principles of Corporate Governance for Banks Operating in Saudi Arabia 2014	Public	2014	1	-
Singapore	Monetary Authority of Singapore (MAS)	Public	2001	3	2018
	Singapore Exchange (SGX)	Exchange			
Slovak Republic	Slovak Association of Corporate Governance	Mixed	2002	2	2016
Slovenia	Ljubljana Stock Exchange	Exchange	2004	8	2022
	Slovenian Directors' Association	Private	2016		2022
	Slovenian Chamber of Commerce	Private	2014	1	2021
	Slovenian Sovereign Holding	Public	2016		2022
	Ministry of the Economy, Tourism and Sport	Public			
	Managers' Association of Slovenia	Private			
South Africa	Institute of Directors	Private	1994	4	2016
Spain	National Securities Market Commission (CNMV)	Public	1998	5	2020
Sweden	Swedish Corporate Governance Board	Private	2005	6	2020
Switzerland ¹	economiesuisse	Private	2002	3	2023
	SIX Exchange Regulation (SER)	Private	2002	7	2023
Türkiye	Capital Markets Board of Türkiye (CMB)	Public	2003	5	2020
United Kingdom	Financial Reporting Council (FRC)	Public	2003		2018

Jurisdiction	Custodians (Public/private/stock exchange/mixed initiative)		First code	Updates	
	No.	Latest			
United States	Nasdaq	Exchange	2003		2022
	New York Stock Exchange (NYSE)	Exchange	2003		2022

1. In **Switzerland**, the updates to the Corporate Governance Code entered into force on 1 January 2023.

Table 2.4. National reports on corporate governance

Jurisdiction	Issuing body		Publication		Corporate governance landscape	Key contents	
	R: Securities/Corporate Governance Regulator S: Stock exchange P: Private institution M: Mixed		Frequency (years)	Latest		Evaluation of the “Comply or Explain” practices	Coverage of the listed companies
Argentina	-	-	-	-	-	-	-
Australia	-	-	-	-	-	-	-
Austria	P	Austrian Working Group for Corporate Governance	1	2021	Yes	Fully	Fully
Belgium	R	FSMA	1	2019	Yes	Fully	Partly
	P	GUBERNA and FEB	1	2017	Yes	BEL20, mid & small	Fully
Brazil	P	KPMG	1	2022	Yes	Mostly	Fully
Canada	R	National Policy Instrument 58-201	1	2005	National policy	N/A	N/A
	P	Institute of Corporate Directors 2022 Study “Chart the Future”	1	2022	Yes	Partially	N/A
Chile	-	-	-	-	-	-	-
China	M	CAPCO	-	2014	Yes	Partly	Mostly
Colombia	R	SFC	1	2021	Yes	Fully	Fully
Costa Rica	-	-	-	-	-	-	-
Czech Republic							
Denmark ¹	M	NASDAQ Copenhagen A/S and Committee on Corporate Governance	1	2022	Yes	Fully	Fully
	S	NASDAQ Copenhagen A/S	Occasional ²	2018	Yes	Fully	Fully
Estonia	R	EFSA	Occasional	2017	Yes	Fully	Mostly
Finland	M	Chamber of Commerce	1	2022	Yes	Fully	Fully
France	R	AMF	1	2022	Yes	Partly (50)	Fully
	P	AFEP and MEDEF (via a High Committee on Corporate Governance, HCGE)	1	2022	Yes	SBF 120	Fully
Germany	P	Berlin Center of CG	1	2021	Yes	Fully	Fully
Greece							
Hong Kong (China)	S	SEHK	2-3	2020	Yes	Partly (400 companies)	Fully
Hungary	S	Corporate Governance Committee	1	2021	Yes	Fully	Fully

Jurisdiction	Issuing body		Publication		Key contents		
	R: Securities/Corporate Governance Regulator S: Stock exchange P: Private institution M: Mixed		Frequency (years)	Latest	Corporate governance landscape	Evaluation of the “Comply or Explain” practices Coverage of the listed companies	Coverage of the provisions of codes
Iceland	-	-	-	-	-	-	-
India							
Indonesia	-	-	-	-	-	-	-
Ireland	-	-	-	-	-	-	-
Israel	-	-	-	-	-	-	-
Italy	R	Consob	1	2022	Yes	-	-
	M	Corporate Governance Committee	1	2021	Yes	Fully	Fully
	P	Assonime	1	2022	Yes	Fully	Fully
Japan	S	TSE	2	2021	Yes	Fully	Fully
Korea	S	KRX	1	2022	Yes	Fully; partly for KOSPI listed	Fully
Latvia	S	Nasdaq Riga	-	2015	Yes	Fully	Mostly
Lithuania	R	Bank of Lithuania (LB)	Occasional	2020	Yes	Fully	Mostly
	S	Nasdaq Vilnius	Occasional	2021	Yes	Fully	Fully
Luxembourg	S	Bourse de Luxembourg	1	2018	Yes	Fully	Fully
Malaysia	R	Securities Commission Malaysia	1	2022	Yes	Fully	Fully
Mexico	P	PwC México Deloitte	2-3	2018	Yes	Mostly	Mostly
	S	BMV BIVA	1	2022			
Netherlands	M	Monitoring Committee	1	2022	Yes	Fully	Fully
New Zealand							
Norway	-	-	-	-	-	-	-
Peru	R	SMV	1	2022 ³	Yes	Fully	Fully
Poland	S	Warsaw Stock Exchange (GPW)	1	2022	Yes	Fully	Fully
Portugal	R	CMVM	1	2022 ⁴	Yes	Fully	Fully
	P	IPCG/CAM	1	2022	Yes	Fully	Fully
Saudi Arabia	R	CMA	1	2022	-	Fully	Mostly
Singapore	S	SGX	-	2016	Yes	Fully	Fully
Slovak Republic	P	SACG			-	Partly	Partly
Slovenia	P	Slovenian Directors' Association (SDA)	-	2022	-	Fully	Fully
	S	Ljubljana Stock Exchange (LJSE)	-	2022	Yes	Fully	Fully
South Africa	P	Institute of Directors/King Committee	Ad hoc	2022	Yes	Fully	Fully
Spain	R	CNMV	1	2021	Yes	Fully	Fully
Sweden	P	Swedish Corporate Governance Board	1	2019	Yes	Fully	Fully
Switzerland	-	-	-	-	-	-	-
Türkiye	R	CMB	-	2020 ⁵	Yes	Partly ⁶	Mostly
United Kingdom	R	FRC	1	2022	Yes	FTSE 350 & small	Mostly
United States							

Key: **R** = Securities/Corporate Governance Regulator; **S** = Stock exchange; **P** = Private institution; **M** = Mixed.

1. In **Denmark**, the joint report prepared by Nasdaq and the Committee on Corporate Governance is more comprehensive than the Nasdaq report, as it collects additional data and includes some focus areas that differ from year to year.

2. In **Denmark**, the Nasdaq report is published every year, but has included information regarding corporate governance only three times in the last 12 years.

3. In **Peru**, in addition to publishing an annual report on the Corporate Governance Code results, since 2019, the SMV has published on its web portal a tool that systematises and allows reviewing the answers to the “YES-NO” questions of the “Report on Compliance with the Code of Good Corporate Governance for Peruvian Corporations” submitted by each issuer.

4. In **Portugal**, the Portuguese Institute of Corporate Governance (IPCG) publishes a monitoring report on how listed companies disclose matters relating to the adoption of the Code. Since 2022 the CMVM publishes an annual report with the main conclusions on the integration of sustainability factors in the activity of Portuguese listed companies, which includes a chapter dedicated to the information disclosed by companies regarding corporate governance.

5. In **Türkiye**, the Monitoring Report has analysed the compliance status and the quality of the explanations provided by the BIST 100 companies for non-mandatory Corporate Governance Principles annexed to the Communiqué on Corporate Governance (II-17.1), which were disclosed under CRF (Compliance Report Format).

6. In **Türkiye**, the companies whose shares are traded on the BIST Star Market and BIST Main Market are required to disclose their compliance status and explanations for non-mandatory principles in line with the comply or explain approach. However, for the Report, the companies traded on BIST 100 indices were designated as the sample group.

Table 2.5. The main public regulators of corporate governance

Jurisdiction	Main public regulators	
Argentina	CNV	Comisión Nacional de Valores
Australia	ASIC	Australian Securities and Investments Commission
Austria	FMA	Financial Market Authority
Belgium	FSMA	Financial Services and Markets Authority
Brazil	CVM	Brazilian Securities Commission
Canada	OSC	Provincial securities commissions (e.g. Ontario Securities Commission)
Chile	CMF	Financial Market Commission (CMF)
China	CSRC	China Securities Regulatory Commission
	SASAC	State-owned Assets Supervision and Administration Commission
	MOF	Ministry of Finance of the People's Republic of China
Colombia	SFC	Financial Superintendency
		Ministry of Finance and Public Credit
Costa Rica	SUGEVAL	Superintendencia General de Valores
Czech Republic	CNB ¹	Czech National Bank
Denmark	DFSA	Danish Financial Supervisory Authority
		Danish Business Authority
Estonia	EFSA	Estonian Financial Supervision and Resolution Authority
Finland	FIN-FSA	Finnish Financial Supervisory Authority
France	AMF	Autorité des Marchés Financiers
Germany	BaFin	Federal Financial Supervisory Authority
Greece	HCMC	Hellenic Capital Market Commission
Hong Kong (China)	SFC	Securities and Futures Commission
	SEHK	The Stock Exchange of Hong Kong Limited
Hungary	CBH	Central Bank of Hungary
Iceland	CBI	The Financial Supervisory Authority of the Central bank of Iceland
India	SEBI	Securities and Exchange Board of India
	MCA	Ministry of Corporate Affairs
Indonesia	IFSA (OJK)	Indonesia Financial Services Authority
Ireland	CBI	Central Bank of Ireland
Israel	ISA	Israel Securities Authority
Italy	CONSOB	Commissione Nazionale per le Società e la Borsa
Japan	FSA	Financial Services Agency
	SESC	Securities and Exchange Surveillance Commission
Korea	MOJ ²	Ministry of Justice
Latvia	LVB	Bank of Latvia (Latvijas Banka)
Lithuania	LB	Bank of Lithuania
Luxembourg	CSSF ¹	Financial Sector Supervisory Commission
Malaysia	SCM	Securities Commission Malaysia
Mexico	CNBV	National Banking and Securities Commission
Netherlands	AFM ¹	Netherlands Authority for the Financial Markets

Jurisdiction	Main public regulators	
New Zealand	FMA	Financial Market Authority
Norway	NFSA	Financial Supervisory Authority of Norway
Peru	SMV	Superintendence of Securities Market (SMV)
Poland	KNF	Polish Financial Supervision Authority
Portugal	CMVM	Securities Market Commission
Saudi Arabia	CMA	Capital Market Authority
	MCI	Ministry of Commerce and Investment
	SAMA	Central Bank
Singapore	MAS ¹	Monetary Authority of Singapore
	ACRA ¹	Accounting and Corporate Regulatory Authority
Slovak Republic	NBS	Bank of the Slovak Republic (Central Bank)
Slovenia	ATVP	Securities Market Agency
South Africa	CIPC	Companies and Intellectual Property Commission
	FSCA	Financial Sector Conduct Authority Exchanges
Spain	CNMV	National Securities Market Commission
Sweden	FI/SFSA ¹	Swedish Financial Supervisory Authority (Financial Reporting)
Switzerland	SER	SIX Exchange Regulation
Türkiye	CMB	Capital Markets Board of Türkiye
United Kingdom	FCA	Financial Conduct Authority
United States	SEC	Securities and Exchange Commission

1. In the **Czech Republic, Luxembourg, the Netherlands, Singapore and Sweden**, the public regulator is concerned with matters in relation to the securities law, while in principle civil rules on corporate governance are mainly supervised and enforced privately.
2. In **Korea**, the ministry in charge of company law is also substantially responsible for the enforcement of corporate governance issues.

Table 2.6. Budget and funding of the main public regulator of corporate governance

Jurisdiction	Key regulators	Form of funding	Main funding resource			Budget approval by:	
			National budget (NB)	Fines from wrongdoers	Fees from regulated entities	Government	Legislative body
Argentina	CNV	Public & Self	●	-	●	Required	Required
Australia	ASIC	Public & Self	●	-	●	Required	Required
Austria	FMA	Public	●	-	-		
Belgium	FSMA	Self	-	-	●		
Brazil	CVM	Public	●	-	-	Required	Required
Canada (Provinces e.g. Ontario)	OSC	Self			●		
Chile ¹	CMF	Public	●	-	●	Required	Required
China	CSRC	Public	●	-	-	Required	
Colombia	SFC	Self	-	●	●	Required	Required
Costa Rica	SUGEVAL	Public & Self ²	●	-	●	Not required	Not required
Czech Republic	CNB	Self	-	-	●	Not required	Not required
Denmark	DFSA	Public & Self	●	-	●		Required
	DBA	Public & Self	●	-	●		Required
Estonia	EFSA	Self	-	-	●	Not required	Not required
Finland	FIN-FSA	Self	-	-	●	Not required	Not required

Jurisdiction	Key regulators	Form of funding	Main funding resource			Budget approval by:	
			National budget (NB)	Fines from wrongdoers	Fees from regulated entities	Government	Legislative body
France	AMF	Self	-	-	●	Not required	Not required
Germany	BaFin	Self	-	-	●	Required	
Greece	HCMC	Self	-	-	●	Required	Not required
Hong Kong (China)	SFC	Self	-	-	●	Required	Required
	SEHK	Self	-	-	●	Not required	Not required
Hungary	CBH	Self ³	-	-	●	Not required	Not required
India	SEBI	Self	-	(to NB)	●	Not required	Not required
	MCA	Public	●	-	-		
Indonesia	IFSA (OJK)	Public & Self	●	●	●	Not required	Required
Iceland	CBI	Self	-	-	●	Not required	Required
Ireland	CBI	Self	-	●	●	Not required	Not required
Israel	ISA	Self	-	-	●	Required	Required
Italy	CONSOB	Self	-	-	●	Required	
Japan	FSA	Public	●	(to NB)	-	Required	Required
	SESC	Public	●	(to NB)	-	Required	Required
Korea	MOJ	Public	●	-	-	Required	Required
Latvia	LVB	Self	-	-	●	Not required	Not required
Lithuania	LB	Self	-	-	●	Not required	Not required
Luxembourg	CSSF	Self	-	●	●	Not required	Not required
Malaysia	SCM	Self	-	-	●	Not required	Not required
Mexico	CNBV	Public	●	-	-	Required	Required
Netherlands	AFM	Self	-	●	●	Required	
New Zealand	FMA	Public & Self	●	-	●	Required	Required
Norway	NFSA	Self	-	-	●	Required	Not required
Peru	SMV	Self ⁴	-	-	●	Required	Required
Poland	KNF	Self	-	-	●	Required	Required
Portugal	CMVM	Self	-	-	●	Required	Required
Saudi Arabia	CMA	Public & Self ⁵	-	●	●	Not required	N/A
	MCI	Public	●	-	-	Required	N/A
	SAMA	Public & Self	-	●	●	Not required	N/A
Singapore	MAS	Self	-	-	●		
	ACRA	Self	-	-	●		
Slovak Republic	NBS	Self ⁶	-	-	●	Not required	Not required
Slovenia	ATVP	Self	-	●	●	Required	Not required
South Africa	CIPC	Public & Self	●	●	●	Required	Required
	FSCA	Self	-	-	●	Required	Required
	Exchange	Self	-	-	●		
Spain	CNMV	Self	-	-	●	Required	Required

Jurisdiction	Key regulators	Form of funding	Main funding resource			Budget approval by:	
			National budget (NB)	Fines from wrongdoers	Fees from regulated entities	Government	Legislative body
Sweden	FI/SFSA	Public & Self	●	-	●	Required	Not required
Switzerland	SER	Self	-	-	●	Not required	Not required
Türkiye	CMB	Self	-.7	-.8	●	Required	Required
United Kingdom	FCA	Self	-	-	●	Not required	Not required
United States	SEC	Public ⁹	●	-	●	Required	Required

1. In **Chile**, per Art. 33 of CMF's Organic Law supervised entities should pay fees for inscriptions and modifications in registries, authorisations, and certificates, excluding entities that, according to Art. 8 of the General Banking Act, should pay supervisory fees.

2. In **Costa Rica**, a 2019 amendment to the Law Regulating the Securities Market and other related laws, achieved by Law 9746, changed SUGEVAL's funding from an 80%/20% split between the Central Bank and regulated entities to a 50% – 50% split. Starting in 2024, compulsory contributions of regulated entities will increase by 7.5% annually until 50% is achieved in 2027.

3. In **Hungary**, according to the Central Bank Act, in exceptional circumstances, where the amount of equity falls below the subscribed capital at the end of the year under review, the difference shall be directly reimbursed from the State's central budget to the retained earnings within five years, in equal instalments every year, within 30 days of the shareholders receipt of the notification of the report of the year under review.

4. In **Peru**, the SMV's Organic Law includes the possibility of obtaining funding resources from the Central Government and fines from wrongdoers; nevertheless, the main source of resources of the SMV is the income from the contributions of issuers and authorised entities.

5. In **Saudi Arabia**, the Capital Market Law (CML) states that government funds may be used as a source of financial resources for the CMA. However, this has not been the case in practice and the CMA remains fully self-funded from fees for services and commissions charged by the authority and fines and financial penalties imposed on violators.

6. In the **Slovak Republic**, the budget of the NBS is separate from the state budget, and the annual profit or loss of the NBS is not included in the general government budget.

7. In **Türkiye**, when CMB funds are insufficient to meet the expenditures, under the Capital Market Law the deficit can be financed by the Treasury budget, although no deficit has been reported since 1992.

8. In **Türkiye**, for fines imposed by CMB, 50% is registered as income in the national budget and the remaining 50% is transferred to the Investor Compensation Center (Fund).

9. In the **United States**, the SEC receives fees from regulated entities but Congress determines the SEC's funding. The amount of funding received is offset by fees collected.

Table 2.7. Size and composition of the governing body/head of the main public regulator of corporate governance

Jurisdiction	Key regulators	Governing body/head	Composition				
			Members incl. Chair (current)	Representatives from specific bodies			
				Government	Central Bank	Others public	Others private
Argentina	CNV	Board of Directors	5	●	-	-	-
Australia	ASIC	Commission	3-8 (4)	-	-	-	-
Austria	FMA	Executive Board	2				
Belgium	FSMA	Management Committee	4	-	-	-	-
Brazil	CVM	Board of Commissioners	5				
Canada (Provinces e.g. Ontario)	OSC ¹	Commission or Board of Directors	9-16 (9)				
Chile	CMF	The Board	5	●	-	-	-
China	CSRC	Commission	5	●	-	-	-
Colombia	SFC	Superintendent Minister of Finance and Public Credit	-	-	-	-	-

Jurisdiction	Key regulators	Governing body/head	Composition				
			Members incl. Chair (current)	Representatives from specific bodies			
				Government	Central Bank	Others public	Others private
Costa Rica	SUGEVAL	CONASSIF (Board of Directors)	7	●	●	-	●
Czech Republic	CNB	Bank Board	7	-	●	-	-
Denmark	DFSA	Board of directors	9	-	●	●	●
Estonia	EFSA	Management Board	3-5 (4)				
Finland	FIN-FSA	Board	6	-	●	●	●
France	AMF	Board	16	●	●	●	●
Germany	BaFin	Executive Board	7	●		●	
Greece	HCMC	Board of Directors	7		●	●	●
Hong Kong (China)	SFC	Board of Directors	15	-	-	-	-
	SEHK	Board of Directors	13	-	-	-	-
Hungary	CBH	Financial Stability Board ²	3-10	-	●	●	-
Iceland	CBI	Financial Supervision Committee	5-7	●	●	-	-
India	SEBI	The Board	9	●	●	●	-
	MCA	The Minister	-	-	-	-	-
Indonesia	IFSA (OJK)	Board of Commissioners	9	●	●	●	-
Ireland	CBI	Commission	10	●	●	-	-
Israel	ISA	Commissioners	5-13(10)		●	●	●
Italy	CONSOB	Commission	5	-	-	-	-
Japan	FSA	Commissioner	-	-	-	-	-
	SESC	Commission	3	-	-	-	-
Korea	MOJ	Minister	-	-	-	-	-
Latvia	LVB	Board	3	-	-	-	-
Lithuania	LB	Board	5	-	● ³	-	-
Luxembourg	CSSF	Board and Executive Board	12				
Malaysia	SCM	Board of Commission	6	●	-	-	●
Mexico	CNBV	Governing Board	13	●	●	●	-
Netherlands	AFM	Executive Board	3-5 (3)	-	-	-	-
New Zealand	FMA	Board	5-9				
Norway	NFSA	Board	5	-	-	●	-
Peru	SMV	Board of Directors ⁴	4	●	●	●	-
Poland	KNF	Commission	13	●	●	●	-
Portugal	CMVM	Management Board	5	-	-	-	-
Saudi Arabia	CMA	Board of Commissioners	5	-	-	-	-
	MCI	Minister	-	-	-	-	-
	SAMA	Board of Directors	5	-	●	-	●
Singapore	MAS	Board	12	●	●	●	●
	ACRA	Board	14	●	●	●	●
Slovak Republic	NBS	Bank Board	6 (5)	-	-	-	-
Slovenia	ATVP	Director ⁵	-	-	-	-	-
South Africa	CIPC	Commissioner	-	●	-	-	-
	FSCA	Executive Committee ⁶	-	-	-	-	-
Spain	CNMV	Board	8	●	●		
Sweden	FI/SFSA	Board	8	-	-	●	●
Switzerland	SER	Regulatory Board	17	-	-	-	●
Türkiye	CMB	Board	7	-	-	-	-
United Kingdom	FCA	Board	7	●	●	-	-
United States	SEC	Commission	5	-	-	-	-

1. In **Canada**, the governing body/head and its composition varies across the provinces. In Ontario, the OSC is governed by its Board of Directors. There may be a maximum of 12 board directors and a minimum of four (which includes the Chair and CEO).
2. In **Hungary**, the supreme decision-making body of CBH is the Monetary Council; the Monetary Council shall define the strategic framework within which the Financial Stability Council makes its decisions.
3. In **Lithuania**, the Law on Bank of Lithuania does not provide any specific requirements on composition (having representatives from specific bodies) of the regulators' board. The Chairperson of the Board of the Bank of Lithuania (LB) shall be appointed and dismissed by the Parliament on the recommendation of the President of the Republic. Deputy Chairpersons and Members of the Board of the Bank of Lithuania shall be appointed and dismissed by the President of the Republic on the recommendation of the Chairperson of the Board of the LB.
4. In **Peru**, the SMV's Board of Directors is made up of the Superintendent of Securities Market acting as the Chair, and four other directors appointed by the government by means of a Supreme Decree signed by the Minister of Economy and Finance. One candidate is proposed by the Ministry of Economy and Finance, one by the Central Bank of Peru and one by the Superintendence of Banks, Insurance and Private Pension Fund Management Companies (SBS). In addition, for the remaining seat to be filled by an independent director, the SMV submits a shortlist of candidates to the Ministry of Economy and Finance, which after assessment, sends a proposal to the President of the Republic for the appointment of the independent director.
5. In **Slovenia**, the Director of the ATVP represents and manages the operations and organises the work of the Agency. A Council composed of five members has oversight function and is competent for adopting the Rules of Procedure of the Agency and the implementing of regulations issued by the Agency, as well as deciding on licences, approvals and other individual matters, unless otherwise stipulated by law.
6. In **South Africa**, the FSCA's Executive Committee is comprised by the Commissioner and three Deputy Commissioners.

Table 2.8. Terms of office and appointment of the governing body/head of the main public regulator of corporate governance

Jurisdiction	Key regulators	Ruling body in charge of corporate governance	Term of members (in years)	Re-appointment	Nomination or Appointment by:	Approval by Legislative body
Argentina	CNV	Board of Directors	5	Allowed	National Executive Power	Required
Australia	ASIC	Commission	Up to 5	Allowed	Governor-General	Not required
Austria	FMA	Executive Board	Fixed		President	
Belgium	FSMA	Management Committee	6	Allowed	Royal Decree	
Brazil	CVM	Board of Commissioners	5	Not allowed	President	Required
Canada (Provinces e.g. Ontario)	Provincial securities regulators (OSC) ¹	Commission/ Board of Directors	Fixed	Allowed	Lieutenant Governor in Council	Not required
Chile	CMF	The Board	4 (Chair) 6 (Commissioners)	Allowed	President with Senate's ratification (except for Chair)	Required
China	CSRC	Commission	5	Allowed	The State Council	Not required
Colombia	SFC	Superintendent	4	Allowed	President	Not required
Costa Rica	SUGEVAL	CONASSIF (Board of Directors)	5	Only once	Board of the Central Bank nominates 5 members (Chair is appointed, among them) President nominates the other 2 members (Minister of Finance and President of the Central Bank)	Not required
Czech Republic	CNB	Bank Board	6	Only once	President	Not required
Denmark	DFSA	Board of Directors	2	Allowed	Minister of Industry, Business and Financial Affairs	
Estonia	EFSA	Management Board	3 4 (Chair)	Allowed	Supervisory Board of EFSA	Not required

Jurisdiction	Key regulators	Ruling body in charge of corporate governance	Term of members (in years)	Re-appointment	Nomination or Appointment by:	Approval by Legislative body
Finland	FIN-FSA	Board	3	Allowed	Parliamentary Supervisory Council	
France	AMF	Board	5	Not allowed for chair (only once for members)	Ministry of Finance, Parliament and other public bodies (each independently appoints one or more members, in some cases after consulting with private bodies)	Not required
Germany	BaFin	Executive Board	5	Allowed	Ministry of Finance	
Greece	HCMC	Board of Directors	5	Allowed	Minister of Economy and Finance	Required
Hong Kong (China)	SFC	Board of Directors	Fixed	Allowed	Chief Executive of the HKSAR or the Financial Secretary under delegated authority HKEX (as the SEHK's sole member)	Not required
	SEHK	Board	Not fixed	Allowed		Not required
Hungary	CBH	Financial Stability Board ²	6 (Governor and Vice Governors) Not fixed (managers)	Allowed once (Governor) Allowed (other members)	The president of the republic on the proposal of the prime minister (Governor, Vice Governors) Governor (managers)	Not required
Iceland	CBI	Financial Supervisory Committee	5	Allowed	Minister of Economic Affairs (3 members) Central Bank of Iceland (2 members)	Not required
India	SEBI	The Board	3-5	Allowed	Central Government	Not required
	MCA	The Minister				
Indonesia	IFSA (OJK)	Board of Commissioner	5	Allowed	President	Required
Ireland	CBI	Commission	3-5	Allowed once	Governor (chair) is nominated by Government and appointed by President. Other members (not incl. 3 CBI & Dpt. Finance members) appointed by Minister of Finance	
Israel	ISA	Commissioners	3	Allowed	Minister of Finance	-
Italy	CONSOB	Commission	7	Not allowed	President of the Republic after a proposal of the Prime Minister	Opinion
Japan	FSA	Commissioner	Not fixed	-	Prime Minister	
	SESC	Commission	3	Allowed	Prime Minister	Required
Korea	MOJ	The Minister	Not fixed	Allowed	President (upon recommendation of the Prime Minister)	Not required
Latvia	LVB	Board	5	Allowed	Chair is nominated by the government. Other members are appointed by the Chair in co-operation with the Minister of Finance and the Council of the Central Bank.	Required

Jurisdiction	Key regulators	Ruling body in charge of corporate governance	Term of members (in years)	Re-appointment	Nomination or Appointment by:	Approval by Legislative body
Lithuania	LB	Board	5 (Chair) 6 (Other board members)	Allowed	Chair is nominated by the President and appointed by the Parliament Other members are nominated by the Chair and appointed by the President	Required for the Chair
Luxembourg	CSSF	Executive Board	5	Allowed	Grand Duke on the basis of a proposal from the government in Council	
Malaysia	SCM	Board of Commission	3 (Chair) 2 (Other members)	Allowed	Minister of Finance	Not required
Mexico	CNBV	Governing Board	Not fixed	-	Ministry of Finance Central Bank, Commission for Pension Funds and Commission for Insurance and Sureties.	Not required
Netherlands	AFM	Executive Board	4	Only twice	Royal Decree	
New Zealand	FMA	Board	5	Allowed	Governor-General	
Norway	NFSA	Board	4-6 (Chair) 4 (Other members)		King in Council Minister of Finance	
Peru	SMV	Board of Directors	6	Not allowed	Government	Not required
Poland	KNF	Commission	5 (Chair only)	Allowed	Prime Minister (Chair and Vice-Chairs) and other respective institutions	
Portugal	CMVM	Board of Directors	6	Not allowed	Council of Ministers' Resolution	Required ³
Saudi Arabia	CMA	Board of Commissioners	5	Only once	Royal Order	
	MCI	Minister	4	Allowed	Royal Order	
	SAMA	Board of Directors	4 (Governor and Vice-Governor) 5 (other members)	Allowed	Royal Order	
Singapore	MAS	Board	Up to 3	Allowed	President	The directors are appointed by the President, as prescribed in the MAS Act
	ACRA	Board	2	Allowed	Minister	
Slovak Republic	NBS	Bank Board	6	Allowed	President Government	Required for the governor and deputy governors
Slovenia	ATVP	Director	6	Allowed	Government	Required
South Africa	CIPC	Commissioner	5	Allowed	Minister	Not required
	FSCA	Executive Committee	5	Allowed	Minister of Finance	Not required
Spain	CNMV	Board	4 ⁴	Only once	Government	Not required
					Ministry of Economic Affairs and Digital Transformation	

Jurisdiction	Key regulators	Ruling body in charge of corporate governance	Term of members (in years)	Re-appointment	Nomination or Appointment by:	Approval by Legislative body
Sweden	FI/SFSA	Board	3	Allowed	Government	Not required
Switzerland	SER	Regulatory Board	3	Allowed	SIX	Not required
Türkiye	CMB	Board	4	Allowed	President of the Republic	Not required
United Kingdom	FCA	Board	3	Allowed	Treasury	Not required
United States	SEC	Commission	5	Allowed	President	Required

1. In **Canada**, for Ontario specifically, the Board of Directors governs the affairs of the OSC and is the ruling body in charge of corporate governance.

2. In **Hungary**, other members of the Financial Stability Board may be appointed until revocation by the President of the Hungarian National Bank.

3. In **Portugal**, the members of the board of directors are appointed by resolution of the Council of Ministers, taking into account the reasoned opinion of the competent committee of the parliament.

4. In **Spain**, the Spanish Parliament approved a new term for mandates (six years of mandate, but without re-appointment) in 2023.

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