

Financial industry internal audit Regulatory policy and activities in Mainland China and Hong Kong - Q2 2025

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In Q2 2025, financial regulatory supervision continued to intensify, with a series of new rules being issued to strengthen oversight across multiple sectors including but not limited to corporate governance, data security, insurance sector, and fund and asset management industry. Faced with a complex environment and prominent risks such as violations of regulations in insurance industry and suitability management issues in fund management industry, internal audit within financial institutions, as a key line of defense, is playing an increasingly vital role in risk identification, compliant and stable operations, and implementation of new regulations.

This article aims to provide insights and highlights on regulatory requirements and focuses related to internal audits in the financial industry in the Mainland China and Hong Kong. It also covers the activities of international and Chinese internal audit associations in Q2 2025, providing a point of reference for chief audit executives and internal audit teams.

1 Mainland China financial industry regulations

Main topics of internal audit related regulations:

- Corporate governance
- Bank card clearing institutions management
- Consolidated Supervision of Insurance Groups
- Insurance funds management
- Universal life insurance
- Data security management
- Regulatory rules for raised funds of listed companies
- Cybersecurity incident management
- Market risks management
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- Anti-money laundering and counter-terrorist financing management for dealers in precious metals and stones

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1. Mainland China financial industry regulations

In Q2 2025, The National Financial Regulatory Administration (NFRA), People's Bank of China (PBOC), China Securities Regulatory Commission (CSRC), Asset Management Association of China (AMAC), National Association of Financial Market Institutional Investors (NAFMII) and other organizations have issued new regulations or self-regulatory rules for banking and insurance and other sectors, to continue improve the regulatory framework.

Key regulations related to internal audit as well as matters that internal audit need focus on in Mainland China are shown as below:



Corporate governance

- In April, the NFRA issued the *Administrative Measures for the Qualification of Directors (Council Members) and Senior Managers of Banking Financial Institutions* to further refine the qualification management framework for key personnels, and outline explicit requirements regarding eligibility criteria, approval and reporting procedures, the management responsibilities of financial institutions and the regulatory organization's ongoing oversight. Specifically, the Measures require that when the chairman (council chairman) and senior managers depart their positions, the financial institution shall submit a performance audit report to the regulatory authority within three months from the date of departure, and further specify the mandatory contents of the performance audit report.
- In April, the AMAC issued the *Announcement on Issuing the Revised Implementation Rules for Probity Practices of Fund Operators and Their Employees*, to promote the development of the fund industry, protect investors' legitimate rights, and strengthen self-regulatory oversight over integrity of fund institutions and personnel. These rules explicitly mandate that Boards of Supervisors, Supervisors, or Audit Committees shall monitor Directors and Senior Management's fulfillment of integrity obligations. Fund institutions shall implement measures to guarantee the right-to-know for Supervisory Bodies and provide necessary conditions for their oversight functions.
- In May, to further implement the newly revised *Company Law of the People's Republic of China*, the NFRA issued the *Decision of the National Financial Regulatory Administration on Amending Certain Regulations* to amend the *Administrative Measures for Trust Companies*, *Interim Measures for the Equity Management of Trust Companies*, and *Administrative Measures for Related-Party Transactions of Banking and Insurance Institutions*. Key amendments include:
 - *Administrative Measures for Trust Companies* added a new clause to Article 43: Trust companies may establish Audit Committees under the Board of Directors to exercise the functions of Board of Supervisors, and is no longer mandatorily required to set up a Board of Supervisors or supervisors.
 - *Interim Measures for the Equity Management of Trust Companies* added a new clause to Article 57: Trust companies may, in accordance with its Articles of Association, have the Audit Committee under its Board of Directors to replace the functions of the Board of Supervisors.
 - *Administrative Measures for Related-Party Transactions of Banking and Insurance Institutions* added a new clause to Article 45: It is specified that related party transactions between directors, supervisors, senior management personnel and their related parties with the institution they serve shall be reviewed by the Related Party Transaction Control Committee before being submitted to the Board of Directors or the General Meeting of Shareholders for approval. The partial exemption provisions no longer apply. If the transaction amount does not reach the threshold for a material transaction, the Board of Directors or the General Meeting of Shareholders may approve it through a collective resolution.Internal audit should pay attention to the oversight function performed by the Audit Committee in lieu of the Board of Supervisors, the compliance of related party transaction approvals, and the alignment of internal policies with the new regulatory requirements.
- In May, to implement the requirements of the *Company Law of the People's Republic of China*, the Shanghai Stock Exchange (SSE) issued the revised *SSE Self-Regulatory Guidance No. 1 for Listed Companies - Standard Operations (May 2025 Revision)* and the Shenzhen Stock Exchange (SZSE) issued the revised *SZSE Self-Regulatory Guidance No. 2 for ChiNext Listed Companies - Standard Operations (2025 Revision)*, aiming to optimize corporate governance mechanisms. Both directives mandate listed companies to amend their Articles of Association by 1 January 2026, establishing Board Audit Committees to replace the functions of Boards of Supervisors. During the transition period, existing supervisory board provisions remain applicable.



Bank card clearing institutions management

- In April, to foster the healthy development of the bank card clearing market and standardize institutional management, the NFRA issued the *Administrative Measures for Bank Card Clearing Institutions*. The Measures regulate application and licensing procedures, changes and termination, operational management, and supervision and administration for bank card clearing institutions, and specify corresponding legal liabilities. Specifically, it mandates that Bank card clearing institutions shall establish a governance structure with a sound organizational framework, clear division of responsibilities, and reasonable incentives and constraints, develop comprehensive mechanism of internal control, audit, and accountability, and ensure independent operation.



Consolidated supervision of insurance groups

- In April, to strengthen consolidated supervision and regulation of insurance groups and maintain stable operations, the NFRA issued the *Circular of the National Financial Regulatory Administration on Issuing the Measures for the Consolidated Supervision and Regulation of Insurance Groups*. The Measures specify the scope and components of consolidated management, including corporate governance, comprehensive enterprise risk management, concentration risk management, internal transactions management and risk isolation, along with corresponding supervisory requirements for consolidated oversight.

Specifically, it requires that insurance group companies shall conduct an internal audit of the compliance and effectiveness of consolidated management at least once every two years to evaluate matters such as the scope of consolidated management and the implementation of major policies and rules by member companies, and report the audit results to the Board of Directors.



Insurance funds management

- In April, the NFRA issued the *Circular on Matters Concerning Material Equity Investments in Unlisted Enterprises by Insurance Funds*. The notice defines the concept of material equity investments, adjusts eligible industry sectors, standardizes governance mandates and internal controls. It requires insurance institutions to establish robust equity investment decision-making processes with authorization mechanisms, enhance equity investment management systems, strengthen post-investment oversight and risk isolation measures, etc. These requirements should be deemed as key points of reference for the internal audit department when carrying out audit work.



Universal life insurance

- In April, the NFRA issued the *Circular on Strengthening the Regulation of Universal Life Insurance*, to enhance the regulation of universal life insurance products, stringently regulate their operations, and protect the legitimate rights and interests of insurance consumers. It standardizes the areas including but not limited to product management, account management, asset-liability management, and sales behavior management. Life insurance companies should refer to the requirements in the circular when conducting internal audits.



Data security management

- In May, the PBOC issued the *Measures for Security Management of Data within the Business Domain of the People's Bank of China* to safeguard financial data security and mitigate risks related to data leakage and misuse. The Measures require the standardization of classification and grades of business data, clarify data security management responsibilities, regulate the data security management for end-to-end business process, enhance the security technologies application such as data encryption, access control, and data desensitization, and improve the mechanisms for business data security risk and incident management.

It is specified that data processors shall conduct business data security compliance audit at least once every three years, and processors of important data* shall conduct such compliance audit at least once each year. A special audit shall be conducted when there is any material or extremely material incident. The Measures also outline audit focus such as timeliness of updates on business data resource catalog, the strictness of the account access management for relevant information systems, etc.

**Important data: The PBOC shall compile and finalize the detailed catalog of important data and, upon review and approval by the national data security coordination mechanism, identify the processors of important data and notify them of their corresponding important data entries.*



Regulatory rules for raised funds of listed companies

- In May, to implement the *Regulatory Rules for Raised Funds of Listed Companies* issued by the CSRC, the Beijing Stock Exchange (BSE) revised and released the *Guideline for Continuous Supervision of Listed Companies No. 9 – Management of Funds Raised*, with detailed provisions tailored to the characteristics of BSE-listed companies, which specifies management requirements for special account of raised funds, sets limits on the scope of fund usage, refines idle fund management mechanisms, and strengthens information disclosure obligations.

It explicitly requires that the internal audit functions of listed companies shall review the deposit and usage of raised funds at least semi-annually and promptly report review results to the Audit Committee. If the Audit Committee identifies violations, material risks, or failure submission of result reports by internal audit functions as required, it must immediately be escalated to the Board of Directors.



Cybersecurity incident management

- In May, the PBOC issued the *Administrative Measures for the Reporting of Cybersecurity Incidents in the Business Domain of the People's Bank of China*, establishing a tiered reporting framework for cybersecurity incidents in the financial industry, setting baseline criteria for each classification level, while standardizing the content, method, and accountability of incident reporting. It emphasizes the prompt handling of risks such as data breaches and system interruptions, and establishment of a coordination mechanism with departments such as the cybersecurity, public security authorities or other relevant authorities. Financial institutions should pay particular attention to these requirements when conducting internal audits of cybersecurity incident management within their business areas.



Market risks management

- In June, the NFRA issued the *Administrative Measures for the Market Risks of Commercial Banks*, which comprehensively regulates market risk management practices of commercial banks. The Measures require commercial banks to establish a whole-process management framework covering identification, measurement, monitoring, controls and reporting of corresponding risks.

It specifies that the internal audit department of a commercial bank shall conduct independent reviews and evaluations regarding the accuracy, reliability, adequacy and effectiveness of the key components of the market risk management framework at least once a year. The audit shall cover both the business departments and the departments responsible for market risk management, and shall at least include twelve elements such as market risk positions and risk levels, completeness of documentation related to the market risk management framework, etc.



Credit risk mitigation warrant business

- In June, the NAFMII revised and issued the *Guidelines for Credit Risk Mitigation Warrant Business* to regulate credit risk mitigation warrant business in the interbank market. The guidelines clarify the definition of credit risk mitigation warrants, eligibility requirements for issuing institutions, operational procedures, and information disclosure obligations. It requires that institutions issuing credit risk mitigation warrants must establish internal operating procedures and risk management systems, including internal audit mechanisms.



Anti-money laundering and counter-terrorist financing management for dealers in precious metals and stones

- In June, the PBOC issued the *Administrative Measures for Anti-Money Laundering and Counter-Terrorist Financing by Dealers in Precious Metals and Stones*, which aims to regulate the anti-money laundering and counter-terrorist financing management in the industry. The Measures require domestic precious metals and stones dealers to fulfill anti-money laundering obligations for any single cash transaction or daily cumulative cash transactions exceeding RMB100,000. Dealers must establish a comprehensive management framework covering risk identification, assessment, controls and reporting. The Measures also clearly stipulate that the institutions should conduct customer identification, verification of beneficial owners, and monitoring of large and suspicious transactions, etc.

The Measures require institutions to reasonably determine the scope of internal audits and inspections related to anti-money laundering based on their own money laundering risk profile, or to ensure that their internal audits and inspections include relevant contents that commensurate with their money laundering risk management needs, so as to continuously enhance the effectiveness of the anti-money laundering work.

2. Mainland China financial industry regulatory enforcements and internal audit focus

In Q2 2025, regulatory penalties continued to focus on key areas covering corporate governance and internal controls, anti-money laundering, loan and credit business and investment banking. In addition, there were increasing regulatory penalties in the following areas in Q2, which the internal audit departments of financial institutions should pay more attention to:



Misconduct in insurance business

Reason of penalty	Internal audit focus
<ul style="list-style-type: none">Misconduct in sales practice, e.g., employees deceived policyholders or provided policyholders/insured parties with benefits outside policy provisionsMisconduct in fee management, such as improperly obtaining commissions through insurance agentsMisconduct in channel management, e.g., permit non-bank personnel to engage in insurance sales activities on commercial banks' premises	<ul style="list-style-type: none">Compliance of sales behaviorAuthenticity of the feesEffectiveness of channel management



Misconduct in fund sales and asset management and deficiencies in investor suitability management

Reason of penalty	Internal audit focus
<ul style="list-style-type: none">Misconduct in operations, e.g., failed to fulfill the obligations of honesty, integrity, prudence, and diligence in the management and use of private fund assets; provided improper promises on returns to investors during the sale of public funds; provided individual quotations and/or forwarded pricing information to clients for over-the-counter stock options trading on external platforms; and failed to effectively perform active management in private fund business activitiesSuitability management deficiencies, such as failure to conduct due diligence on investors' financial position, inadequate vetting of investor qualifications, poor employee conduct management, and insufficient implementation of investor suitability managementMisconduct in information disclosure, such as failure to disclose information to investors as required or as stipulated in contracts, failure to fulfill obligations in due diligence and investment decision-making, etc.	<ul style="list-style-type: none">Compliance of sales and marketingPost-investment managementInvestor suitabilityCompliance of Information disclosure

3. Hong Kong financial industry regulatory updates

Virtual asset



Consultation on virtual asset OTC dealing and custodian services

- The Financial Services and the Treasury Bureau (FSTB) and the Securities and Futures Commission (SFC) launched a joint consultation to introduce regulatory regimes for virtual asset dealing and custodian service providers.
- The objective of the regimes are to regulate virtual asset OTC dealing activities to safeguard investors' interests and prevent fraud and manipulation, allowing Hong Kong to foster a secure and responsible environment for virtual asset transactions.
- The general requirements for both regimes includes the below:
 - Eligibility: Applicants must be a locally incorporated company or a company incorporated elsewhere but registered as an overseas company in Hong Kong under the Companies (Winding up and Miscellaneous Provisions) Ordinance.
 - Fit and proper requirements: The SFC will evaluate the integrity, experience, and qualifications of individuals applying for licenses. Factors include past convictions for money laundering, compliance failures, and overall financial integrity.
 - Financial resources: Minimum paid-up share capital of HK\$10 million. Liquid capital requirements, which may vary based on the business model.
 - Operational requirements: Appointment of at least two responsible officers approved by the SFC, accountable for compliance with regulatory requirements. Implementation of robust internal controls, especially for cybersecurity and risk management.



Guideline on supervision of licensed stablecoin issuers

- The Hong Kong Monetary Authority (HKMA) has launched a consultation on the Draft Guideline on Supervision of Licensed Stablecoin Issuers.
- The consultation paper covers: (i) reserve assets management, (ii) issuance, redemption and distribution of stablecoins, (iii) business activities, (iv) financial resources, (v) risk management, (vi) corporate governance, and (vii) business practices and conduct.
- A licensee should conduct regular audits to assess whether its operations comply with its issuance, redemption and distribution policies, as well as the applicable regulatory requirements and provide the audit report and relevant supporting documents to the HKMA upon request.



AML/CFT requirements for regulated stablecoin activities

- The HKMA has launched a consultation on the anti-money laundering and counter-financing of terrorism (AML/CFT) requirements for regulated stablecoin activities.
- The consultation proposed the following AML/CFT requirements:
 - general requirements
 - specific AML/CFT requirements in relation to the issuance and redemption of stablecoins
 - ongoing monitoring
 - stablecoin transfers
 - additional measures for ongoing monitoring of stablecoins circulated in secondary markets
- The HKMA is developing AML/CFT requirements for activities other than issuance and redemption, e.g. offering stablecoins, provision of custodial services for digital assets. The HKMA will consult relevant financial sectors later in 2025.



Staking services for virtual assets

- In its “Circular on staking services provided by virtual asset trading platforms”, the SFC provided guidance to licensed platforms when providing staking services. To manage risks to investors, they should maintain measures to effectively prevent errors associated with the services, safeguard staked client virtual assets, and ensure proper disclosure of risks to which such staked assets may be subject. In parallel, the SFC revised its “Circular on SFC-authorized funds with exposure to virtual assets” to facilitate their engagement in staking. These funds are required to stake virtual asset holdings only through licensed virtual asset trading platforms and authorized institutions, subject to a cap to manage liquidity risk.
- The HKMA issued a similar circular “Provision of Staking Services for Virtual Assets from Custodial Services” defining staking services as any arrangements that involve committing or locking client for a validator to participate in a blockchain protocol’s validation process based on a proof-of-stake consensus mechanism, with returns generated and distributed for that participation (i.e. time deposit with virtual assets). HKMA set out the standards expected of authorized institutions related to the provision of staking service of virtual assets on the following areas:
 - Internal controls: (i) operational rules on provision of staking services, (ii) handling procedure on client’s virtual assets when no longer “staked”, (iii) controls on prevention of conflict of interest, and (iv) custody of client’s virtual assets.
 - Disclosure of information: (i) general information of staking services provided, and (ii) risk disclosure.
 - Blockchain protocol selection and third-party service providers: (i) due diligence check, and (ii) ongoing monitoring.
- Licensed banks who wish to engage in staking services are required to comply with the requirements stipulated in this circular and notify HKMA in advance.

Securities market



Uncertificated securities market

- The SFC welcomed the enactment of all necessary legislation to pave the way for the implementation of the uncertificated securities market initiative (USM) in early 2026 subject to market readiness. The SFC also launched a dedicated USM webpage to provide one-stop access to all useful information. The USM will provide an efficient means for investors to hold and manage securities in their own names and electronically, using platforms that are operated by approved securities registrars and connected to systems of the Hong Kong Securities Clearing Company Limited (HKSCC).
- The initiative will be implemented in phases over a five-year period. Over 2,500 listed issuers will have to participate by taking all necessary steps to enable their securities to be held and managed electronically.
- Under the new USM regime:
 - Investors will hold legal title to securities but in uncertificated form, i.e., no paper certificate will be issued to them.
 - Investors will enjoy full shareholder rights directly and can transfer and manage their securities electronically online.
 - This option will be available to all investors, regardless of how they currently hold their securities.



Fast track collective investment scheme approval

- The SFC issued the “Circular to applicants seeking SFC authorization of unit trusts and mutual funds - Formal adoption of Fund Authorization Simple Track (FASTrack)” for the instituting of a fast-track collective investment scheme authorization process (FASTrack).
- It was formally adopted from 5 May 2025 onwards, after the end of a six-month pilot period. FASTrack is for simple funds domiciled and regulated in mutual recognition of funds (MRF) jurisdictions that apply for authorization for public offering in Hong Kong. It aims to grant fund authorization within 15 business days from the submission of the application.
- The SFC will continue to monitor and enhance the operation of FASTrack where appropriate.



Remote account opening

- The SFC issued the “Circular to intermediaries: updates to acceptable account opening approaches” updating acceptable means of remote account opening. Updates on existing acceptable approaches include:
 - Certification services: (i) may be employed for client identity verification in remote account opening, (ii) a list of recognized certificates available for subscriptions are published on the website of the Digital Policy Office, (iii) more than 100 overseas jurisdictions have issued ICAO-compliant ePassports and have put their public keys into the ICAO public key repository, and (iv) overseas investors holding ICAO-compliant ePassports may be eligible to subscribe to the abovementioned recognized certificate.
 - Eligible jurisdictions in the remote onboarding of overseas individual clients: (i) provides a list of eligible jurisdictions that clients may maintain bank accounts with for first payments and ongoing fund movements for the purpose of remote onboarding of overseas individual clients, and (ii) 15 additional eligible jurisdictions are added to the list with immediate effect, including Argentina, Brazil, France, Germany, Greece, India, Indonesia, Japan, Korea, Luxembourg, Netherlands, New Zealand, Saudi Arabia, South Africa and Turkey.
- A new acceptable approach (iAM Smart) is also introduced:
 - It is a one-stop personalized digital services platform which serves as part of the digital infrastructure for Hong Kong to promote digital transformation of the community.
 - It provides a reliable and independent source of Hong Kong residents’ identities, which can be used for client identity verification.
 - The SFC has accepted the adoption of iAM Smart for client identity verification in account opening since its launch. The SFC designated webpage now includes the use of iAM Smart as one of the acceptable remote account opening approaches for intermediaries.
- Furthermore, the SFC issued the “Circular to licensed corporations - prevention and handling of unauthorized trading incidents” on its regulatory expectations in relation to the prevention and handling of unauthorized trading incidents in licensed corporations’ (LCs) client accounts. In a recent spate of such incidents, the SFC suspected that the perpetrators executed “man-in-the-middle” attacks, i.e., a cyberattack where the attacker inserts themselves into the communication channel between two parties to eavesdrop on the conversation, potentially alter messages, or steal sensitive information.
- The SFC expects LCs to take these measures in the following areas to prevent and handle unauthorized trading incidents:
 - signing up for the SMS Sender Registration Scheme administered by the Office of the Communications Authority
 - raising client awareness
 - enhancing procedures and controls for identifying unauthorized access and transactions in client accounts by implementing an effective monitoring and surveillance mechanism to detect unauthorized access to its clients’ accounts, which should be commensurate with their business size and complexity

Client protection



Protecting customers from online fraud

- The SFC steered Asia-Pacific securities regulators to reach an agreement on closer collaboration to combat online investment scams at the 50th International Organization of Securities Commissions (IOSCO) Annual Meeting in Doha, Qatar. The SFC welcomed the IOSCO call upon online platform providers to collaborate with regulators to combat online scams, as a growing number of retail investors have become targets of highly sophisticated online scams.
- The SFC issued a “Circular to licensed corporations: phishing detection and prevention” reminding licensed corporations (LCs) of the expected standards relevant to phishing detection and prevention, as well as the requirement to notify the SFC under the Code of Conduct. The SFC reminded LCs: (i) not to send electronic messages such as emails or SMS messages with embedded hyperlinks that direct clients to their websites or mobile applications to undertake transactions, (ii) not to ask clients to provide via hyperlinks sensitive personal information, including login credentials and one-time password, (iii) to send clients regular cybersecurity alerts and reminders, including security reminders against phishing attacks, and (iv) to implement an effective monitoring and surveillance mechanism to detect unauthorized access to clients’ internet trading accounts.



Client asset protection

- The SFC issued the “Circular to licensed corporations: review of internal controls on client asset protection”, after receiving reports of cases involving fraudsters impersonating LCs’ clients to issue fraudulent instructions or LCs’ staff gaining control of the firms’ bank accounts to effect unauthorized payments.
- Instructions usually involved:
 - amending client particulars
 - requesting LCs to execute transactions involving significant amounts of client assets
 - transferring client securities to third-party securities accounts
 - transferring client money to non-designated bank accounts purportedly opened in the clients’ names but controlled by the fraudsters
- The SFC reminded LCs of their obligation to put in place internal control procedures to protect their operations and clients from financial loss arising from thefts, specifically the following areas:
 - amendments to client particulars
 - handling of email requests
 - third-party deposits and payments and collection of physical scrips by third parties
 - dormant accounts
- Senior management of LCs, including responsible officers and managers in charge bear primary responsibility for maintaining appropriate standards of conduct and implementing proper policies and procedures to adequately protect client assets and diligently supervise their staff.

4. Hong Kong financial industry enforcement

SFC

Internal control failures over securities lending and margin financing

The main causes for SFC enforcement actions against securities companies include inadequate internal controls, deficiencies in operation, and failure to discharge key responsibilities to stakeholders, for instance:

- Failed to renew clients’ standing authorities for client asset handling
- Relied on expired standing authorities to perform security borrowing and lending activities
- Failed to adequately document policies in relation to margin financing
- Failed to enforce requirements on customer credit limits determine by customer’s net income and worth
- Failed to justify deviations from policies
- Responsible officer and senior management failed to discharge responsibility

Misconduct of ultimate beneficial owner of listed company

The SFC had obtained a court decision for record compensation from two former senior executives and a shadow director of a former listed company due to their misconduct. The court decision underscores the SFC’s power to hold de facto controllers of listed companies accountable for their misconduct, to protect the investing public.

The misconduct of the relevant company personnel include:

- overvalued acquisition of subsidiary groups
- payments of fictitious loan interest and fees to entities related to the shadow director
- grossly inflated company’s revenue artificially generated by entities related to the shadow director

5. Mainland China internal audit activities updates



China Institute of Internal Audit (CIIA)

- In June 2025, the CIIA conducted a research visit to Shanghai under the theme of 'Conducting internal audits scientifically and standardized'. Through seminars and on-site visit, CIIA reviewed practical operations, discussed standardization measures, and collected requests of industry to association, to advance the 'Year of enhancing internal audit standardization'.



Local audit office activities

- In April 2025, the Guangdong Provincial Audit Office issued the *2025 Internal Audit Work Guidelines*, which clarify key tasks in four areas, including implementation of internal audit work, focusing on the main responsibilities of internal audit, conducting audit work in a scientific and standardized manner, and strengthening capabilities of the internal audit teams. These guidelines aim to provide clear and effective direction for internal audit practices.
- In May 2025, the Guangxi Zhuang Autonomous Region Audit Office and the Guangxi Institute of Internal Auditors jointly released the *2025 Regional Internal Audit Work Guidelines*, which outline the objectives and measures for internal audit work in Guangxi for 2025, in order to enhance effectiveness of oversight and facilitate regional development.

Services that EY can offer:



Internal audit framework enhancement

- According to needs for company transformation or enhancement, perform evaluation, transformation and improvement on the existing internal audit framework, covering aspects of internal audit functions, structure, positions, process, models and tools, etc.



Support for internal audit project implementation

- Provide outsourcing or co-sourcing services for various types of internal audit projects and achieve quality improvement and knowledge transfer for existing audit projects in addition to the completion of audit work.



External assessment for internal audit quality

- Conduct a comprehensive assessment of the quality of internal audit in accordance with relevant guidelines, identify gaps, provide remediation plans and issue assessment report.



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