

Communications and Education

To promote a wider understanding of our work and provide up-to-date regulatory information, we engage proactively with the industry and the public through a broad range of communication channels and education initiatives.

Engaging the industry

Events

We maintain an open and constructive dialogue with market participants. To keep the industry informed of regulatory developments, we organise regular meetings, briefing sessions and workshops and contribute articles to industry association newsletters.

In October 2022, we held the SFC Compliance Forum 2022 with the theme “International Financial Centre—A New Era”. Senior market participants discussed the development of Hong Kong as an international financial centre, opportunities and challenges for Hong Kong as an Asian equities hub, the role of Hong Kong as a sustainable finance centre, operational challenges and risk issues of online platforms, development and regulatory landscape of virtual assets and money laundering risks. The event was attended by more than 2,500 market participants.

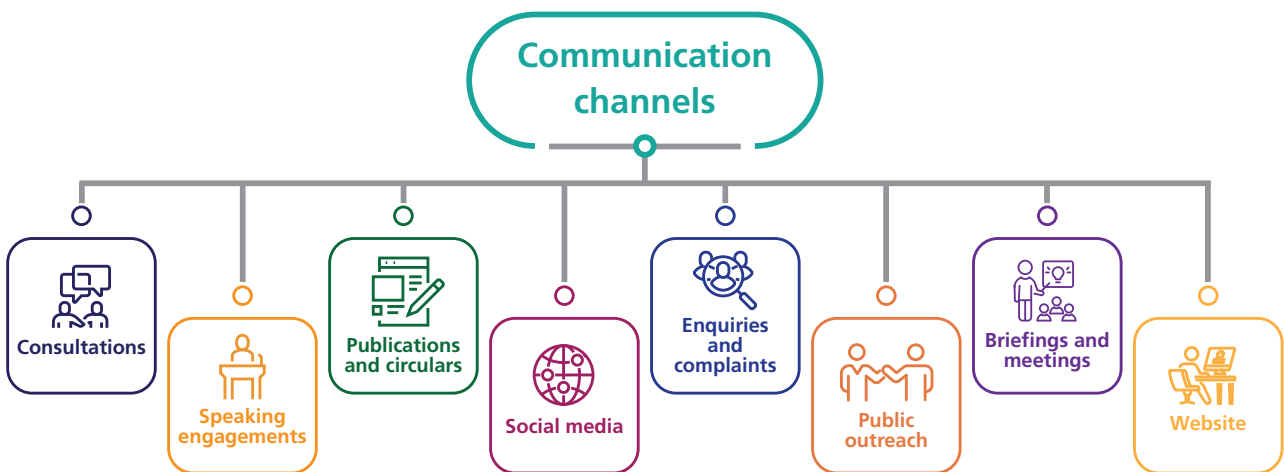
We co-organised Hong Kong FinTech Week 2022, which took place from 31 October to 4 November. Our Chief Executive Officer (CEO) Ms Julia Leung¹ gave a

keynote speech which provided an update on the SFC’s virtual asset-related policies, including security token offerings and the new regime for authorising exchange-traded funds with virtual asset futures as underlying assets.

During the year, we also organised seminars and briefing sessions for industry associations and other market participants on topical issues such as the new licensing regime for virtual asset service providers, anti-money laundering and our enhanced digitalised licensing and financial returns submission functions².



Chairman Mr Tim Lui at a Chinese General Chamber of Commerce event



¹ Ms Julia Leung was the SFC’s Deputy CEO from March 2018 to December 2022. She was appointed CEO with effect from 1 January 2023.

² See Intermediaries on pages 37-44.



CEO Ms Julia Leung at the Boao Forum for Asia Annual Conference

Speaking engagements

At over 100 local and international events during the year, our senior executives spoke on a wide range of topics within our regulatory remit, including asset management, financial technology and climate finance. We supported 15 seminars and events organised by industry bodies.

Our Chairman Mr Tim Lui discussed regulatory updates and market developments at major events and seminars. He also delivered keynote speeches on sustainable finance at industry conferences.

Our CEO Ms Julia Leung addressed regional and international audiences at major events. She also shared her views on virtual asset regulation and corporate sustainability reporting in industry newsletters.

Our senior executives attended the Global Financial Leaders' Investment Summit in November 2022. We also meet with industry associations regularly to exchange views on topical issues.

Consulting on rule changes

When proposing rules under the Securities and Futures Ordinance, we consistently exceed statutory requirements for public consultation. We also consult on proposed non-statutory codes and guidelines as well as amendments to them.

We detail our proposals in consultation papers and hold both formal and informal discussions to hear stakeholders' views as part of our consultation process. After completing our analysis, we publish a consultation conclusions paper summarising the main comments received and setting out our conclusions. During the year, we published eight consultation papers and four consultation conclusions.



Publications and enquiries

Our publications aim to update the industry on our regulatory work and other noteworthy developments. This year, we issued nine thematic publications, including newsletters, market reviews and surveys. We publish circulars and frequently asked questions (FAQs) on our website to help the industry better understand our regulatory requirements. During the year, 67 circulars provided guidance on a range of matters, including the preparations for implementing the investor identification regime, over-the-counter derivatives trade reporting and updates on anti-money laundering and counter-financing of terrorism.

We respond verbally or in writing to enquiries from the industry on topics related to our rules and regulations, including licensing, listings and takeovers, product authorisation and short position reporting. Designated email addresses are provided to help us handle enquiries on specific topics more efficiently, including mailboxes set up during the year specifically for enquiries related to family offices and private equity firms.

The SFC Fintech Contact Point promotes communication with businesses involved in the development and application of financial technology in the conduct of regulated activities in Hong Kong. We received 151 Fintech-related enquiries during the year.

Communications and Education

Government and LegCo

We attend Legislative Council (LegCo) meetings, including meetings of the Panel on Financial Affairs and relevant Bills Committees, to provide legislators with details of our policy initiatives, explain the rationale behind our work and answer questions. We also respond to enquiries and complaints referred to us or raised by LegCo members and other government agencies. Maintaining close liaison with the Financial Services and the Treasury Bureau, we provide updates on our regulatory initiatives through regular meetings and reports. In addition, we provide assistance and information to other government bureaux and departments on various issues.

Regulatory counterparts

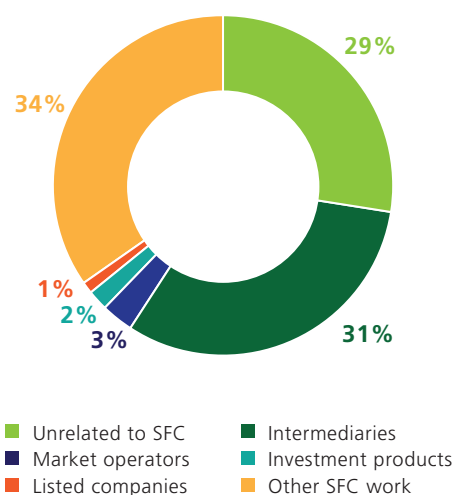
We collaborate closely with local, Mainland and overseas regulatory counterparts³, particularly with the China Securities Regulatory Commission. During the year, we held about 50 memoranda of understanding meetings with other authorities. To contribute to global policymaking which may have an impact on our markets, we take an active part in the global regulatory arena and participate in both the International Organization of Securities Commissions and the Financial Stability Board.

Education and outreach to keep the public informed

We carry out education and outreach initiatives to increase public awareness of policy initiatives that have a direct impact on them. Our targeted publicity campaigns help alert the investing public of scams and financial risks.

To warn the public about online ramp and dump scams, we organised a community outreach event with the Anti-Deception Coordination Centre (ADCC) of the Hong Kong Police Force in December 2022. Leaflets and souvenirs were distributed to the public to provide information about these scams. In addition, the SFC's wholly-owned subsidiary, the Investor and Financial Education Council (IFEC), launched an online anti-financial scam game for the public and a new round of education programmes for seniors to reinforce our efforts to combat financial scams.

General enquiries



We conducted an investor education campaign to raise public awareness of the investor identification regime through multiple channels. In addition, through circulars, FAQs and webinars, we provided guidance to intermediaries on the implementation of the new regime (see sidebar on page 74).

During the year, we worked closely with IFEC to keep the public abreast of the latest regulatory developments related to virtual assets, sustainable finance, ETF Connect and other topics of special relevance to investors such as key considerations when using online investment platforms. Our executives also contributed their expertise to investor education initiatives through online webinars, interviews and panel discussions targeting retail investors.

To commemorate its 10th anniversary, the IFEC launched a multi-media campaign in November 2022 to help the Hong Kong public cultivate good investment and financial management habits. Mr Tim Lui shared his personal investment and financial management experience at the IFEC 10th Anniversary Education Seminar cum Investor and Financial Education Award Presentation Ceremony attended by the awardees, stakeholder representatives and youngsters.

³ See Regulatory Engagement on pages 64-69.



Community outreach with ADCC

Social media is used as an additional platform for us to communicate with the public. In August 2022, we introduced our official WeChat account which features updates on topics of interest to Mainland-oriented investors and industry professionals, such as mutual market access and sustainable finance, as well as investor alerts and other regulatory news. We also maintain an official Facebook page as well as a LinkedIn page.

During the year, we published 177 social media posts to inform the public and the industry of various regulatory updates.

Our proactive approach to communications

We formulate and execute media strategies to enhance public understanding of our work by engaging the media and explaining our policies, initiatives and regulatory actions. We address public concerns and enquiries regarding the securities and futures markets.

This year, we received 2,947 general enquiries and 2,998 complaints. Our senior executives gave media interviews to foster public understanding of Hong Kong’s financial regulatory framework and the SFC’s role.

We issued 114 press releases to inform the public of the latest regulatory actions and other SFC news. We also published seven policy statements and announcements explaining our regulatory approach to specific issues.

We released our *Annual Report 2021-22* and quarterly reports to help our stakeholders and the public understand our key regulatory work and corporate developments. Our reporting efforts were recognised with Bronze Award and a Certificate of Excellence in Environmental, Social and Governance Reporting in the 2022 Hong Kong Management Association’s Best Annual Reports Awards. The report also won a Corporate Governance Award in the Hong Kong Institute of Certified Public Accountants’ Best Corporate Governance and ESG Awards 2022. On our corporate website, the public can easily obtain up-to-date information about our work and regulations.



Officiating guests at the IFEC 10th Anniversary Education Seminar cum Investor and Financial Education Award Presentation Ceremony



IFEC webinars featuring SFC executives

Publicising the investor identification regime

To prepare for the implementation of the investor identification regime, we launched a publicity campaign using a wide range of activities to raise the public's awareness, including through public service announcements on a local radio network. We produced short films dramatising real-life examples and highlighting key points for retail investors, and made the videos available on our website on a dedicated webpage which features all our communications related to the regime in one place.

At a public outreach event in December 2022, we distributed leaflets and souvenirs to retail investors to remind them about the implementation of the regime. Posters and leaflets were also distributed to banks and brokers for their use in informing their clients. We also published news releases to explain the regime and promoted them on our website and social media platforms.



Leaflets and souvenirs are distributed to the public



Publications and other communications

	2022/23	2021/22	2020/21
Press releases	114	111	132
Policy statements and announcements	7	3	8
Consultation papers	8	3	8
Consultation conclusions	4	8	6
Industry-related publications	9	13	12
Codes and guidelines ^a	4	5	6
Circulars to industry	67	85	65
Corporate website average daily page views ^b	62,191	35,415	33,834
General enquiries	2,947	4,207	6,969

a Includes updates to previous versions.

b The average number of webpages browsed per day during the reporting period.

Complaints against intermediaries and market activities

	2022/23	2021/22	2020/21
Conduct of licensees	712	725	802
Conduct of registered institutions	36	27	20
Listing-related matters and disclosure of interests	669	1,761	2,856
Market misconduct ^a	344	512	922
Product disclosure	12	17	85
Unlicensed activities	339	96	108
Breach of offers of investments	34	50	142
Boiler rooms and suspicious websites	258	374	600
Scams and frauds ^b	341	270	554
Other financial activities not regulated by SFC ^c	253	209	295
Total	2,998	4,041	6,384

a Primarily, alleged market manipulation and insider dealing.

b Such as identity fraud and impersonation.

c For example, bullion trading and banking services.