

Operational Data

Table 1 Takeovers activities

	2022/23	2021/22	2020/21
Codes on Takeovers and Mergers and Share Buy-backs			
General and partial offers under Code on Takeovers and Mergers	33	45	38
Privatisations	11	21	31
Whitewash waiver applications	22	22	33
Other applications under Code on Takeovers and Mergers ¹	231	291	361
Off-market and general offer share buy-backs	7	5	5
Other applications under Code on Share Buy-backs ¹	1	1	1
Total	305	385	469
Executive Statements			
Sanctions imposed with parties' agreement ²	3	3	4
Takeovers and Mergers Panel			
Meetings for review of Codes on Takeovers and Mergers and Share Buy-backs	1	1	0
Hearings before the Panel (disciplinary and non-disciplinary)	2	0	0
Statements issued by the Panel ³	2	0	0

1 Including stand-alone applications and those made during the course of a code-related transaction.

2 Pursuant to section 12.3 of the Introduction to the Codes on Takeovers and Mergers and Share Buy-backs.

3 Pursuant to section 16.1 of the Introduction to the Codes on Takeovers and Mergers and Share Buy-backs.

Table 2 Breaches noted during on-site inspections

	2022/23	2021/22	2020/21
Failure to comply with Securities and Futures (Financial Resources) Rules	8	10	4
Failure to safekeep client securities	27	23	28
Failure to maintain proper books and records	20	20	20
Failure to safekeep client money	26	35	35
Unlicensed dealing and other registration issues	10	12	9
Breach of licensing conditions	6	0	1
Breach of requirements of contract notes/statements of account/receipts	46	53	28
Failure to make filing/notification	3	1	3
Breach of margin requirements	3	6	3
Marketing malpractices	0	3	0
Dealing malpractices	0	3	4
Breach of Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission ¹	243	265	262
Breach of Corporate Finance Adviser Code of Conduct	16	11	6
Breach of Fund Manager Code of Conduct	88	135	142
Breach of regulation of online trading	7	12	3
Non-compliance with anti-money laundering guidelines	214	301	208
Breach of other rules and regulations of the Exchanges ²	2	9	3
Internal control weaknesses ³	430	427	515
Others	81	90	76
Total	1,230	1,416	1,350

1 Commonly related to risk management, client agreements, safeguarding of client assets and information for or about clients.

2 The Stock Exchange of Hong Kong Limited and Hong Kong Futures Exchange Limited.

3 Comprised deficiencies in management review and supervision, operational controls over the handling of client accounts, segregation of duties, information management, adequacy of audit trail for internal control purposes, among other weaknesses.

Table 3 Hong Kong domiciled authorised funds

By type	As at 31.3.2023		As at 31.3.2022	
	Number	Total NAV (US\$ million)	Number	Total NAV (US\$ million)
Bond	173 (22.7%)	26,396 (15.1%)	174 (24.1%)	30,925 (17.3%)
Equity	206 (27.1%)	50,530 (29%)	199 (27.5%)	55,601 (31.1%)
Mixed	112 (14.7%)	28,384 (16.3%)	110 (15.2%)	33,402 (18.7%)
Money market	49 (6.4%)	16,542 (9.5%)	37 (5.1%)	9,548 (5.3%)
Feeder funds ¹	48 (6.3%)	20 (0%)	41 (5.7%)	23 (0%)
Index ²	169 (22.2%)	52,578 (30.1%)	161 (22.3%)	49,102 (27.5%)
Guaranteed	1 (0.1%)	34 (0%)	1 (0.1%)	41 (0%)
Other specialised ³	3 (0.4%)	44 (0%)	0 (0%)	0 (0%)
Sub-total	761 (100%) ⁴	174,527 ⁴ (100%)	723 (100%)	178,642 (100%) ⁴
Umbrella structures	152		143	
Total	913		866	

Note: Unit trusts and mutual funds authorised under the Code on Unit Trusts and Mutual Funds.

- 1 The NAV of feeder funds whose master funds are authorised by the SFC has been excluded from the total NAV figures in the "Feeder funds" category to better reflect the total asset under management.
- 2 Including exchange-traded funds and leveraged and inverse products.
- 3 Including virtual asset futures exchange-traded funds.
- 4 Figures may not add up to total due to rounding.

Table 4 Non-Hong Kong domiciled authorised funds

a) By origin	As at 31.3.2023						As at 31.3.2022				
	Umbrella funds	Sub-funds	Single funds	Total		Total NAV (US\$ million)		Total		Total NAV (US\$ million)	
Luxembourg	55	1,007	1	1,063	(75%)	1,119,869	(74.9%)	1,033	(74.8%)	1,319,312	(75.5%)
Ireland	25	223	2	250	(17.6%)	222,462	(14.9%)	242	(17.5%)	249,259	(14.3%)
United Kingdom	3	8	18	29	(2%)	65,319	(4.4%)	29	(2.1%)	75,548	(4.3%)
Mainland China	2	2	45	49	(3.5%)	22,786	(1.5%)	49	(3.5%)	27,853	(1.6%)
Bermuda	0	0	1	1	(0.1%)	116	(0%)	1	(0.1%)	135	(0%)
Cayman Islands	3	13	4	20	(1.4%)	1,446	(0.1%)	22	(1.6%)	2,048	(0.1%)
Others	0	0	5	5	(0.4%)	63,634	(4.3%)	5	(0.4%)	73,155	(4.2%)
Total	88	1,253	76	1,417	(100%)	1,495,633¹	(100%)¹	1,381	(100%)	1,747,310	(100%)

1 Figures may not add up to total due to rounding.

b) By type	As at 31.3.2023				As at 31.3.2022			
	Number		Total NAV (US\$ million)		Number		Total NAV (US\$ million)	
Bond	358	(26.9%)	432,041	(28.9%)	358	(27.5%)	523,431	(30%)
Equity	774	(58.2%)	791,354	(52.9%)	757	(58.2%)	918,428	(52.6%)
Mixed	155	(11.7%)	156,729	(10.5%)	142	(10.9%)	182,033	(10.4%)
Money market	12	(0.9%)	9,724	(0.7%)	14	(1.1%)	9,039	(0.5%)
Feeder funds ¹	3	(0.2%)	0	(0%)	3	(0.2%)	0	(0%)
Index ²	26	(2%)	105,669	(7.1%)	25	(1.9%)	114,244	(6.5%)
Hedge	1	(0.1%)	116	(0%)	1	(0.1%)	135	(0%)
Sub-total	1,329	(100%)	1,495,633	(100%) ³	1,300	(100%) ³	1,747,310	(100%)
Umbrella structures	88				81			
Total	1,417				1,381			

Note: Unit trusts and mutual funds authorised under the Code on Unit Trusts and Mutual Funds.

1 The NAV of feeder funds whose master funds are authorised by the SFC has been excluded from the total NAV figures in the "Feeder funds" category to better reflect the total assets under management.

2 Including exchange-traded funds.

3 Figures may not add up to total due to rounding.

Table 5 Successful prosecutions

Defendant	Date of conviction	Fine/Penalty	Investigation costs awarded
Market manipulation			
FUNG Kwong Shing Danny	27.10.2022	Two-and-a-half-months' imprisonment	–
Short selling			
LAU Chi Ho	27.10.2022	\$20,000	\$36,056
CHAN Siu Tai	18.8.2022	\$48,000	\$36,056
CHAN Janice	18.8.2022	\$66,000	\$36,056
Obstruction			
WONG King Hoi	27.10.2022	Two weeks' imprisonment	\$38,809

Note: Cases with fines below \$10,000 are not shown in this table.

Table 6 Other public disciplinary actions

Name	Date	Breach	Action
SUN Yiding	19.12.2022	Breached her former employer's employee trading policy	Banned from re-entering the industry for eight months
CHUNG Tung Sau	15.12.2022	Failed to avoid his conflicts of interest with a client in trading shares	Suspended for seven months and fined \$60,000
WANG Pei Yi	5.12.2022	Made false declarations in the account opening forms of three corporate clients	Suspended for 10 months
TANG Shiyi	31.10.2022	Breached her former employer's staff dealing policy	Banned from re-entering the industry for 10 months
WONG Yim Chi Billy	12.10.2022	Failed to discharge his duties as a Manager-In-Charge (Compliance) and a member of senior management of Asia Research & Capital Management Limited	Banned from re-entering the industry for two months
CHAN Ka Hey	28.7.2022	Falsified a customer's signature in a bank document	Banned from re-entering the industry for six months

Table 7 Other enforcement activities

	2022/23	2021/22	2020/21
S179 ¹ inquiries commenced	31	57	42
S181 ² inquiries commenced (number of letters sent)	191 (5,851)	203 (7,308)	246 (8,748)
S182 ³ directions issued	130	214	189
Rule 8 directions ⁴ issued	0	0	0
Show cause letters ⁴ issued	0	0	0
Cases with search warrants executed	35	37	28
Compliance advice letters issued	113	162	231
Criminal, Civil and Market Misconduct Tribunal (MMT) proceedings			
(a) Insider dealing			
Individuals/corporations summonsed (summons laid)	0 (0)	0 (0)	1 (1)
Individuals/corporations involved in ongoing civil proceedings	8	8	11
Individuals/corporations involved in ongoing MMT proceedings	2	2	3
(b) Market manipulation			
Individuals/corporations summonsed (summons laid)	1 (25)	0 (0)	6 (6)
Individuals/corporations involved in ongoing civil proceedings	18	18	18
Individuals/corporations involved in ongoing MMT proceedings	1	0	0
(c) Others			
Individuals/corporations summonsed (summons laid)	10 (73)	4 (28)	3 (21)
Individuals/corporations involved in ongoing civil proceedings	154	142	150
Individuals/corporations involved in ongoing MMT proceedings	11	11	20
Individuals charged for suspected market misconduct and money laundering offences for indictment prosecution ⁵	14	0	0
Disciplinary enquiry			
Notices of Proposed Disciplinary Action ⁶ issued	26	37	27
Notices of Decision ⁷ issued (including S201 ⁸ agreement)	29	43	35
SFAT hearings			
Applications to SFAT	1	8	6
Applications/hearings completed/withdrawn/abandoned	9	2	4

1 Section 179 of the Securities and Futures Ordinance (SFO) gives the SFC the power to compel the production of records and documents from persons related to a listed company in relation to fraud or other misconduct.

2 Section 181 of the SFO gives the SFC the power to require information from intermediaries about trading transactions, including the identity information of the ultimate clients, the particulars and instructions relating to the transactions.

3 Section 182 of the SFO gives the SFC the power to investigate SFO offences, market misconduct, fraud, misfeasance and disciplinary misconduct.

4 A Rule 8 direction is issued by the SFC pursuant to Section 8 of the Securities and Futures (Stock Market Listing) Rules, directing The Stock Exchange of Hong Kong Limited (SEHK) to suspend trading in the shares of a listed company on grounds that the market is misinformed, disorderly or unfair. A show cause letter is sent by the SFC to inform a listed company that it is minded to exercise its power under the aforesaid Rules to direct SEHK to suspend trading in the shares of the company, in the absence of a satisfactory explanation.

5 Six individuals were charged with the offences of conspiracy to defraud and conspiracy to employ a scheme with intent to defraud or deceive in transactions involving securities under common law, section 300 of the SFO and section 159A and 159C of the Crimes Ordinance. Among them, three faced additional charges with eight other individuals with the offence of dealing with property known or believed to represent proceeds of indictable offence under section 25 of the Organized and Serious Crimes Ordinance.

6 A notice issued by the SFC to regulated persons that it proposes to exercise its disciplinary powers, on grounds that they appear to be guilty of misconduct or not fit and proper.

7 A notice that sets out the SFC's decision and its reasons to take disciplinary action against regulated persons.

8 Section 201 of the SFO gives the SFC the power to resolve disciplinary proceedings by agreement when the SFC considers it appropriate to do so in the interest of the investing public or in the public interest.

Table 8 Statistical information and financial position of the Hong Kong securities industry¹

	As at 31.12.2022	As at 31.12.2021	As at 31.12.2020
Securities dealers and securities margin financiers	1,439	1,433	1,391
Active cash clients ²	2,203,172	1,939,379	1,737,281
Active margin clients ²	2,446,852	2,219,721	1,470,396
Active clients	4,650,024	4,159,100	3,207,677
Balance sheet	(\$ million)	(\$ million)	(\$ million)
Cash in hand and at bank ³	678,480	694,492	640,379
Amounts receivable from margin clients ⁴	152,062	218,436	201,916
Amounts receivable from clients and other dealers arising from dealing in securities	179,132	211,398	333,878
Proprietary positions	70,834	148,661	212,763
Other assets	371,941	385,566	423,539
Total assets	1,452,449	1,658,553	1,812,475
Amounts payable to clients and other dealers arising from dealing in securities	697,055	770,952	877,314
Total borrowings from financial institutions	72,890	98,429	156,267
Short positions held for own account	7,183	16,718	78,572
Other liabilities	191,923	244,242	234,265
Total shareholders' funds	483,398	528,212	466,057
Total liabilities and shareholders' funds	1,452,449	1,658,553	1,812,475
	12 months to 31.12.2022 (\$ million)	12 months to 31.12.2021 (\$ million)	12 months to 31.12.2020 (\$ million)
Profit and loss			
Total value of transactions ⁵	126,014,719	160,931,088	129,651,195
Net securities commission income	20,210	31,329	28,374
Gross interest income	23,044	19,394	19,493
Other income ⁶	144,131	166,746	150,159
Total operating income	187,385	217,469	198,026
Total overheads and interest expense	170,730	173,978	167,122
Total operating profit	16,655	43,491	30,904
Net profit on proprietary trading	6,211	21,397	16,649
Net profit for the period	22,866	64,888	47,553

1 Data were extracted from the monthly financial returns submitted under the Securities and Futures (Financial Resources) Rules by corporations licensed for dealing in securities or securities margin financing.

2 Active clients are clients for whom the licensed corporation is required to prepare and deliver monthly statements of account in respect of the relevant reporting month under the Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules.

3 Cash in hand and at bank include trust monies held on behalf of clients which totalled \$399,988 million (31.12.2021: \$452,407 million).

4 As at 31.12.2022, the average collateral coverage was 4.2 times (as at 31.12.2021: 4.2 times). It represents the number of times the aggregate market value of securities collateral deposited by margin clients over the total amount of margin loan due from these clients on a given date on an industry-wide basis.

5 The total value of transactions includes trading in equities, bonds and other securities in Hong Kong and overseas.

6 Comprises asset management fee income, corporate finance income, inter-company management fee income and others.

Committees, Panels and Tribunal

A number of committees and panels have been set up to advise the SFC on various matters and perform other functions as set out in their terms of reference. Their responsibilities and members are listed in this section. For information on the board committees and Executive Committee, see Corporate Governance on pages 77-90.

SFC Committees

Advisory Committee

Advises the SFC on any matter of policy regarding the performance of its functions.

Chairman	
LUI Tim Leung Tim, SBS, JP	
Members	
ALDER Ashley Ian, SBS, JP (to 31.12.2022)	NG Siu Mui Fion
LEUNG Fung Yee Julia, SBS, JP (Ex-officio member) (from 1.1.2023)	PUN Wing Nin Winnie
Prof CHAN Ka Lok, MH	TAI Chi Kin Calvin (to 28.11.2022)
CHAN Yuk Sing Freeman	Dr TAN Yue Heng, JP
CHOI Fung Yee Christina	TSE Yung Hoi, BBS
KUNG Yeung Yun Chi Ann, BBS, JP	WONG Wai Man June
LEUNG Chung Yin (from 16.1.2023)	YIEN Yu Yu Catherine
LI Tong	YIM Lok Kui
Number of meetings: 2	Average attendance rate: 73%

Academic and Accreditation Advisory Committee

Approves industry-based courses and examinations for the purpose of meeting the licensing competence requirements, endorses applications from professional bodies and tertiary institutions as recognised institutions for providing continuous professional training (CPT), advises the SFC on areas to study in the context of enhancing Hong Kong's position as an international financial centre and provides input for the development of industry-related courses and training programmes.

During the year, the Committee met once to consider a number of matters including the proposed licensing regimes for depositaries of SFC-authorized collective investment schemes and virtual asset service providers as well as enhancements to online examination arrangements proposed by the Hong Kong Securities and Investment Institute.

Chairperson	
CHOY Chung Fai Keith (from 1.1.2023)	LEUNG Fung Yee Julia, SBS, JP (to 31.12.2022)
Members	
Prof CAO Jie Jay (from 1.4.2022)	LO Wai Shun Wilson
Dr CHAN Fung Cheung Wilson	PONG Po Lam Paul
Dr CHAN Wing Ho Alex	WONG Pui Ling Pauline (from 1.4.2022)
CHEUNG Wai Kwok Gary	WONG Wing Fai Joseph
Prof LEUNG Siu Fai (to 31.3.2023)	
Secretary	
MAN Hoi Yee Holly	
Number of meetings: 1	Average attendance rate: 91%

Committees, Panels and Tribunal

Committee on Real Estate Investment Trusts

Advises the SFC on general policy matters or regulatory issues that are related to the Code on Real Estate Investment Trusts (REITs), the overall market development of REITs, the property or securities market or investment management in Hong Kong or elsewhere, professional practices or guidelines that are involved in the operation of REITs, and fund investment or management in general.

There was no meeting during the year.

Chairperson	
CHOI Fung Yee Christina	
Members	
CHAN Duen Grace	NG Yiu Fai (Curtis NG)
Dr CHAN Ho Wah Terence	TANG Siau Feng Megan (to 31.10.2022)
CHAN Wing Hing Barry	WONG Chi Ming Sally
CHIANG Sui Fook Lilian	WONG Sing Ming (Rita WONG)
DUIGNAN Michael (from 1.11.2022)	WU Thomas Jefferson, JP
HO Edmund	YEONG Wei Ming Alexandra
Prof HUI Chi Man, MH, JP	YUEN Ka Fai (Frank YUEN)
LAU Ka Shi Betsy, BBS	
Secretary	
LAU Tin Mei	
Number of meetings: 0	Average attendance rate: N/A

Disciplinary Chair Committee

Members are nominated by the Nominations Committee on the basis that they are duly experienced and legally qualified persons. Their role is to act as Chairman of the Takeovers and Mergers Panel in disciplinary proceedings under the Codes on Takeovers and Mergers and Share Buy-backs or of the Takeovers Appeal Committee on a case-by-case basis.

Members	
JAT Sew Tong, SC, JP	MAURELLET José-Antonio, SC (from 21.7.2022)
LAM Douglas Tak Yip, SC (to 11.7.2022)	SHIEH Wing Tai Paul, SC
MAN Bernard, SC (from 21.7.2022)	WONG Man Kit Anson, SC

Fintech Advisory Group

The Group aims to broaden the SFC's understanding of the opportunities, risks and regulatory implications of the latest Fintech trends and developments.

During the year, the Group met twice to discuss a range of topics such as the international regulatory landscape for virtual assets, decentralised finance and blockchain applications.

Chairperson	
LEUNG Fung Yee Julia, SBS, JP (to 31.12.2022)	CHOY Chung Fai Keith (from 1.1.2023)
Ex-officio member	
WONG Lok Yan Elizabeth	
Members	
ARSLANIAN Henri (to 28.2.2023) AU Alex (from 1.3.2023) AUYANG Evan (from 1.3.2023) CHIU Clara (from 1.3.2023) FOK James (from 1.3.2023) GAZMARARIAN Lucy (from 1.3.2023) KIEW-SMITH Christopher (to 28.2.2023) LEI Kelvin (to 28.2.2023)	LEWIS Antony (to 28.2.2023) LI Shu Pui Prof LIN Chen MA Henry Prof POON Jack (to 28.2.2023) Dr SPIEGL Florian (to 28.2.2023) TAN Jessica
Number of meetings: 2	Average attendance rate: 75%

Investor Compensation Fund Committee

Administers the Investor Compensation Fund and regulates its procedures in accordance with Part XII of the Securities and Futures Ordinance (SFO).

During the year, the Committee met once to consider the financial statements of the Fund and deal with other administrative matters.

Chairman	
LEUNG Chung Yin Rico	
Members	
Dr LIN James C. KWOK Hom Siu (Sally KWOK)	WAN Chi Yiu Andrew
Number of meetings: 1	Average attendance rate: 100%

Committees, Panels and Tribunal

Investor Compensation Company Limited Claims Committee

Reviews and determines investors' claims for compensation from the Investor Compensation Fund.

Chairman	
Dr LIN James C.	
Members	
CHAN Lui (Clara CHAN) CHUI Ming Wai (Vivian CHUI) KWOK Hom Siu (Sally KWOK) LEE Jor Hung (Dannis LEE) LEUNG Chung Yin Rico	MONG Yee Wai (Lavina MONG) (to 23.2.2023) MUKADAM Thrity Homi SO Kang Wong (Pierre SO) (from 24.2.2023) TSUI Kam Yip (Alison TSUI) WAN Chi Yiu Andrew
Number of meetings: 0	Average attendance rate: N/A

Nominations Committee

Nominates members of the Takeovers and Mergers Panel, the Takeovers Appeal Committee and the Disciplinary Chair Committee.

During the year, the Committee met once to consider the appointment and reappointment of members to the above-mentioned panel and committees.

Chairman (ex-officio member)	
LEUNG Fung Yee Julia, SBS, JP (from 1.1.2023)	ALDER Ashley Ian, SBS, JP (to 31.12.2022)
Members	
LUI Tim Leung Tim, SBS, JP DAWES Victor, SC Ex-officio members CHAN Yuk Sing Freeman Alternate members to CHAN Yuk Sing Freeman CLARK Stephen Edward KO Teresa Yuk Yin, JP LAM Chor Lai Celia MAGUIRE John Martin	DUIGNAN Michael (from 1.11.2022) TANG Siau Feng Megan (to 31.10.2022) SCHWILLE Mark Andrew WEBB David Michael YU Ka Po Benita
Number of meetings: 1	Average attendance rate: 80%

Products Advisory Committee

The SFC may consult the Committee on a wide range of matters relating to the SFC Handbook for Unit Trusts and Mutual Funds, Investment-Linked Assurance Schemes and Unlisted Structured Investment Products, the SFC Code on MPF Products and the Code on Pooled Retirement Funds as well as the overall market environment, industry practices and novel product features.

During the year, the Committee held a meeting to discuss a proposal to introduce exchange-traded funds providing exposure to virtual assets in Hong Kong.

Chairman	
CHOI Fung Yee Christina	
Members	
ABRAT Katherine Anna CHAN Duen Grace CHO Yee Kee Amy (from 7.10.2022) CHOW Kin Hung (Nelson CHOW) (to 7.10.2022) FUNG Ka Shing Bernard GREEN Damien Allen (from 30.5.2022 to 7.10.2022) HUI Mei Ying (Carol HUI) KENNEDY Glenn Ronald LAW Lai Wah Andrew LEE Chi Kee Trevor LEE Pui Shan (Rosita LEE) LI Tzy Lan Orchis (to 30.5.2022) LIAN Shaodong (Doris LIAN)	LIN Christine Dr MAK Sui Choi Billy NOYES Keith Samuel PAN San Kong Terry PANG Wai Sau Queenie SHEN Hua SMITH Paul Henry TAM Sau Ngor Vera TSUI Chi Kin Ellick (from 7.10.2022) TSUI Wai Yu (Fion TSUI) YEE Gar Bo Gabriella YEONG Wei Ming Alexandra
Secretary POON Wing Yee Loreen	
Number of meetings: 1	Average attendance rate: 87%

Public Shareholders Group

Advises on issues relating to shareholders' rights and interests.

During the year, the Group met twice and discussed listing policies including climate-related initiatives and the proposed listing regime for specialist technology companies.

Chairman	
TANG Siau Feng Megan (to 31.10.2022)	DUIGNAN Michael (from 1.11.2022)
Members	
CHAN Kwok King Kingsley CHAN Wai Yan Ronald (from 14.2.2023) FOONG Leonie (from 21.7.2022) GILL Amar Singh LI Lin Lincoln MA Sean (to 4.7.2022) MEYER Phillip Michael (from 14.2.2023) MO Yuen Man Anita	SCHLABBERS Manuel TYE Philip Andrew WANG Fang WEI Zhen WONG Chi Ming Sally WONG David Nicholas WONG Yu Tsang Alex
Number of meetings: 2	Average attendance rate: 73%

Committees, Panels and Tribunal

Securities Compensation Fund Committee

Administers the Unified Exchange Compensation Fund and regulates its procedures in accordance with Part X of the repealed Securities Ordinance which, under section 74 of Schedule 10 to the SFO, continues to apply to and in relation to any claim for compensation from the Fund made before 1 April 2003.

During the year, the Committee met once to consider the Fund's financial statements and deal with other administrative matters.

Chairman	
LEUNG Chung Yin Rico	
Members	
KWOK Hom Siu (Sally Kwok) Dr LIN James C.	WAN Chi Yiu Andrew YIU Ka Yan Wilfred
Number of meetings: 1	Average attendance rate: 100%

SFC (HKEC Listing) Committee

Exercises powers and functions equivalent to those of the Main Board and GEM Listing Committees of the Stock Exchange of Hong Kong Limited (SEHK) when actual or potential conflicts of interest arise between Hong Kong Exchanges and Clearing Limited (HKEX) and the proper performance of SEHK's listing functions. In such cases, the relevant SEHK functions may be undertaken by the SFC.

There were no circumstances which called for a meeting of the Committee during the year.

Chairman	
Members present in each Committee meeting will elect a Chairman among themselves at the beginning of that meeting.	
Members	
ALDER Ashley Ian, SBS, JP (to 31.12.2022) ATKINSON Thomas Allan (to 2.5.2022) CHAN Yuk Sing Freeman CHOI Fung Yee Christina CHOY Chung Fai Keith (from 1.1.2023) EMSLEY Matthew Calvert LEE Yuen Man Virginia	LEUNG Chung Yin Rico LEUNG Fung Yee Julia, SBS, JP LEUNG Po Wah Pauline PHADNIS Dhananjay Shrikrishna WILSON Christopher (from 1.11.2022) YOUNG Andrew John (to 30.9.2022)
Number of meetings: 0	Average attendance rate: N/A

SFC (HKEC Listing) Appeals Committee

Exercises powers and functions equivalent to those of SEHK's Listing Appeals Committee when actual or potential conflicts of interest arise between HKEX and the proper performance of listing functions by SEHK. In such cases, the relevant powers and functions may be exercised by the SFC.

There were no circumstances which called for a meeting of the Committee during the year.

Chairman	
Members present in each Committee meeting will elect a Chairman among themselves at the beginning of that meeting.	
Members	
CHAN Sui Kuen Agnes CHENG Wai Sun Edward, GBS, JP (to 31.12.2022) CHEW Fook Aun (from 1.1.2023) DAWES Victor, SC KONG Johnson	Dr LIN James C. LO Kar Chun Nicky, SBS, JP LUI Tim Leung Tim, SBS, JP WONG Yick Kam Michael, SBS, MH, JP YIH Dieter, JP
Number of meetings: 0	Average attendance rate: N/A

Share Registrars' Disciplinary Committee

Hears and determines disciplinary matters relating to share registrars in the first instance.

There were no circumstances which called for a meeting of the Committee during the year.

Chairman	
CHIU Jeckle	
Deputy Chairman	
CHAN Henry	
Members	
CHUI Ming Wai (Vivian CHUI) FOOTMAN Michael Henry Charles LAM Hui Yip (Clement LAM)	LEE Virginia Yuen Man TSUI Kam Yip Alison WONG Man Yee (Fanny WONG)
Number of meetings: 0	Average attendance rate: N/A

Share Registrars' Disciplinary Appeals Committee

Hears and determines appeals from the Share Registrars' Disciplinary Committee. Members of the Share Registrars' Disciplinary Appeals Committee for the hearing of each appeal case brought before it consist of members of the Share Registrars' Disciplinary Committee who did not preside or participate in the disciplinary hearing of that case.

There were no circumstances which called for a meeting of the Committee during the year.

Committees, Panels and Tribunal

Takeovers and Mergers Panel

Hears disciplinary matters in the first instance and reviews rulings by the Takeovers Executive¹ at the request of any party dissatisfied with such a ruling. Considers novel, important or difficult cases referred to it by the Executive. Reviews, upon request by the SFC, the provisions of the Codes on Takeovers and Mergers and Share Buy-backs and the Rules of Procedure for hearings under the Codes and recommends appropriate amendments to the Codes and Rules of Procedure to the SFC.

During the year, the Panel met once to discuss takeovers-related policy matters and twice on non-disciplinary matters.

Chairman	
CHAN Yuk Sing Freeman	
Deputy Chairpersons	
CLARK Stephen Edward KO Teresa Yuk Yin, JP LAM Chor Lai Celia MAGUIRE John Martin	SCHWILLE Mark Andrew WEBB David Michael YU Ka Po Benita
Members	
BIDLAKE Alexandra BROWN Melissa (to 7.7.2022) CHAN Che Chung (Conrad CHAN) CHARLTON Julia Frances CHENG Wai Sun Edward, GBS, JP (to 31.12.2022) CLARK Stephen John IP Koon Wing Ernest LEE Kam Hung Lawrence, BBS, JP LEUNG Po Wah Pauline LIU Yun Bonn (Bonn LIU) NORMAN David Michael NORRIS Nicholas Andrew PARK Yoo Kyung	SABINE Martin Nevil SHAH Asit Sudhir TYE Philip Andrew VAS CHAU Lai Kun Judy WINTER Richard David WOLHARDT Julian Juul WONG Richard WONG Wai Ming WONG Yu Tsang Alex WOO Ka Biu Jackson YIH Dieter, JP (from 1.1.2023) YUEN Ka Fai (Frank YUEN)
Number of policy meetings: 1 Number of non-disciplinary hearings: 2 Number of disciplinary hearings: 0	Average attendance rate: 68% Average attendance rate: N/A² Average attendance rate: N/A

¹ The Takeovers Executive refers to the Executive Director of the Corporate Finance Division of the SFC or his delegate.

² The Chairman will appoint not less than four panel members to participate in hearings, and the attendance of the other members is not required.

Takeovers Appeal Committee

Reviews disciplinary rulings of the Takeovers and Mergers Panel at the request of an aggrieved party for the sole purpose of determining whether any sanction imposed by the Panel is unfair or excessive.

There were no circumstances which called for a meeting of the Committee during the year.

Members	
BIDLAKE Alexandra	PARK Yoo Kyung
BROWN Melissa (to 7.7.2022)	SABINE Martin Nevil
CHAN Che Chung (Conrad CHAN)	SCHWILLE Mark Andrew
CHAN Yuk Sing Freeman	SHAH Asit Sudhir
CHARLTON Julia Frances	TYE Philip Andrew
CHENG Wai Sun Edward, GBS, JP (to 31.12.2022)	VAS CHAU Lai Kun Judy
CLARK Stephen Edward	WEBB David Michael
CLARK Stephen John	WINTER Richard David
IP Koon Wing Ernest	WOLHARDT Julian Juul
KO Teresa Yuk Yin, JP	WONG Richard
LAM Chor Lai Celia	WONG Wai Ming
LEE Kam Hung Lawrence, BBS, JP	WONG Yu Tsang Alex
LEUNG Po Wah Pauline	WOO Ka Biu Jackson
LIU Yun Bonn (Bonn LIU)	YIH Dieter, JP (from 1.1.2023)
MAGUIRE John Martin	YU Ka Po Benita
NORMAN David Michael	YUEN Ka Fai (Frank YUEN)
NORRIS Nicholas Andrew	
Number of meetings: 0	Average attendance rate: N/A

Independent Panels and Tribunal

Leveraged Foreign Exchange Trading Arbitration Panel

Resolves disputes in accordance with the Securities and Futures (Leveraged Foreign Exchange Trading) (Arbitration) Rules.

The panel received no new cases during the year and none were carried over from the previous year.

Chairman	
LEE Pui Shan Rosita	
Deputy Chairman	
CHAN Siu Ping Chordio	
Members	
FUNG Kit Ming Veronica	LEUNG Tak Lap
LEUNG Bon Yuen Eviana	

Committees, Panels and Tribunal

Process Review Panel for the Securities and Futures Commission

Reviews and advises the SFC upon the adequacy of the SFC's internal procedures and operational guidelines governing the action taken and decisions made by the SFC and its staff in the performance of its regulatory functions, including those related to the handling of complaints, licensing applications, inspection of intermediaries, investment products authorisation, exercise of investigation and disciplinary action, and corporate finance transactions (including the administration of listing rules).

Chairman	
LEE Kam Hung Lawrence, BBS, JP	
Members	
Prof CHAN Ka Lok, MH (from 1.11.2022)	KWOK Tun Ho Chester (to 31.10.2022)
CHAN Lap Tak Jeffrey	LAI Hin Wing Henry
CHAN Lena (to 31.10.2022)	LI Man Bun, Brian David, JP (from 1.11.2022)
CHAU Suet Fung Dilys	LIN Xiaodong Charles (from 1.11.2022)
CHING Kim Wai Kerry	Dr MAK Sui Choi Billy (to 31.10.2022)
CHUA Suk Lin Ivy	TSANG Sui Cheong Frederick (to 31.10.2022)
CHUI Yik Chiu Vincent	Dr WANG Lei Levin (from 1.11.2022)
KWAN Wing Han Margaret	ZEE Helen (to 31.10.2022)
KWOK Pui Fong Miranda, JP (from 1.11.2022)	
Ex-officio members	
LUI Tim Leung Tim, SBS, JP	YUNG Lap Yan

Securities and Futures Appeals Tribunal

Reviews a range of specified decisions made under the SFO by the SFC, the Monetary Authority or a recognised investor compensation company, and hears and determines any question or issue arising out of or in connection with any review.

Chairmen	
HARTMANN Michael John, GBS	MCWALTERS Ian Charles, GBS, JP
LUNN Michael Victor, GBS	
Members	
CHAN Chun Hung Vincent	Prof LEUNG Siu Fai
Prof CHAN Ka Lok	MAK Kwong Fai
Prof CHAN Koon Hung	SHIH Edith
CHAN Mei Bo Mabel	TANG Hamilton Ty
CHAN Siu Ping Chordio	Dr TO Wing Christopher
CHAN Yuen Shan Florence	WONG Hin Wing Simon
CHEN Xin Lorna	WONG Kwok Ching Jamee
CHEUNG Wai Kwok Gary	YAU Yu Xin Amelia
CHING Kim Wai Kerry	YIP Chai Tuck
HUI Ming Ming Cindi	YUEN Miu Ling Wendy
LAM Chi Yuen Nelson (to 30.6.2022)	YUEN Siu Bun Edward
LEUNG Ming Hym Peter	

Glossary and Abbreviations

Automated trading services (ATS)

Electronic facilities, outside of those provided by a recognised exchange company or clearing house, through which participants may trade, clear and settle securities, futures contracts and over-the-counter derivatives.

Depositaries

Top-level trustees and custodians of SFC-authorised collective investment schemes.

Exchange participant

A company with rights to trade on or through the Stock Exchange of Hong Kong Limited or Hong Kong Futures Exchange Limited.

Financial Stability Board (FSB)

An international body which promotes global financial stability through recommendations for, and the implementation and monitoring of, policy initiatives and international standards.

GEM

A stock market operated by Hong Kong Exchanges and Clearing Limited to provide fund-raising opportunities for small to mid-sized companies which may not meet the Main Board listing requirements. Formerly known as the Growth Enterprise Market.

Green and Sustainable Finance Cross-Agency Steering Group

A group co-chaired by the SFC and the Hong Kong Monetary Authority with participation from the Environment and Ecology Bureau, Financial Services and the Treasury Bureau, Hong Kong Exchanges and Clearing Limited, Insurance Authority and Mandatory Provident Fund Schemes Authority to coordinate the management of climate and environmental risks in the financial sector, accelerate the growth of green and sustainable finance and support Hong Kong's climate strategies.

Greenwashing

A false or unsubstantiated claim that certain activities or practices are sustainable or environmentally-friendly, such as when asset managers market themselves as "green" or "sustainable" but do not fully integrate these factors into their investment processes.

International Organization of Securities Commissions (IOSCO)

A body of securities regulators worldwide which develops, implements and promotes adherence to internationally recognised standards for securities regulation. Its membership regulates more than 95% of the world's securities markets in 130 jurisdictions.

International Sustainability Standards Board (ISSB)

An independent standard-setting body set up by the IFRS¹ Foundation to develop a high-quality, comprehensive global baseline for corporate sustainability disclosures focused on the needs of investors and the financial markets.

Investment-linked assurance scheme (ILAS)

A life insurance policy with investment elements which provides both insurance protection and investment options, usually through funds.

Investor and Financial Education Council (IFEC)

An SFC subsidiary dedicated to improving financial literacy in Hong Kong by providing consumer education through mass communication and stakeholder engagement initiatives.

Leveraged and inverse products

Products structured as exchange-traded funds for public offering in Hong Kong. Leveraged products aim to deliver a daily return equivalent to a multiple of the underlying index return while inverse products aim to deliver the opposite of the daily return of the underlying index.

¹ International Financial Reporting Standards.

Glossary and Abbreviations

Mandatory general offer

A general offer to buy the remaining shares in a company when a person or a group of persons acting together acquires 30% or more of the company's voting rights, or if the person or group already holds between 30% and 50% of the voting rights, when that holding increases by more than 2% in any 12-month period.

Market Misconduct Tribunal (MMT)

An independent full-time body established under the Securities and Futures Ordinance which imposes civil sanctions against those it determines to be guilty of market misconduct.

Open-ended fund companies (OFC)

Collective investment schemes structured in corporate form with limited liability and variable share capital.

Over-the-counter (OTC) derivatives

Financial instruments which are usually traded directly between dealers and principals rather than via an exchange and whose values are derived from those of underlying assets.

Pooled retirement fund

A collective investment scheme which enables multiple occupational retirement schemes to gain exposure to underlying investment portfolios.

Ramp and dump scheme

A form of stock market manipulation. Fraudsters "ramp" up the price of a stock and use social media to lure unwary investors to buy at an artificially high price. The fraudsters then sell or "dump" the stock to take profits causing the price to collapse.

Real estate investment trust (REIT)

A collective investment scheme constituted as a trust which invests primarily in real estate with the aim to provide returns derived from rental income.

Securities and Futures Appeals Tribunal (SFAT)

A body established under the Securities and Futures Ordinance to review specified decisions made by the SFC, the Hong Kong Monetary Authority or a recognised investor compensation company.

Securities and Futures Ordinance (SFO)

Together with subsidiary legislation, the law in Hong Kong relating to financial products, the securities and futures market and industry, as well as to their regulation and other matters including investor protection.

Task Force on Climate-related Financial Disclosures (TCFD)

A task force set up by the Financial Stability Board to improve and increase reporting of climate-related financial information.

Unit trust

A collective investment scheme constituted in trust form.

Virtual assets

Digital representations of value, also known as cryptocurrencies, crypto-assets or digital tokens.

Whitewash waiver

A waiver of a party's obligation to make a mandatory offer to other shareholders under the Takeovers Code.