



SECURITIES AND FUTURES COMMISSION
證券及期貨事務監察委員會

**Report on the Securities and Futures Commission's
2014 annual review of the Exchange's performance
in its regulation of listing matters**

September 2014

Table of Contents

Executive Summary	1
Section 1	2
Purpose and focus of our review	2
Our approach and scope	3
How we conducted the assessment	4
Gauging market perception of the Exchange's performance	4
The assessment process	5
Section 2	6
Overall assessment	6
Market perception of the Exchange's performance	6
Observations on the Listing Department's performance	7
Level of activities	7
IPO listing applications	9
Waiver applications	11
Listing applications of debt offered to professional investors only	12
Recommendations	14
Appendix A	15



Executive Summary

1. This report summarises the key findings and recommendations of the Securities and Futures Commission's (SFC) 2014 annual review regarding the performance of The Stock Exchange of Hong Kong Limited (the Exchange) in its regulation of listing matters during 2013.
2. We reviewed the Exchange's operational procedures and decision-making processes in each of the Listing Department's operational departments to assess whether they are adequate to enable the Exchange to meet its statutory obligation under section 21 of the Securities and Futures Ordinance (the SFO). The Exchange has a statutory obligation under section 21 to ensure, as far as reasonably practicable, an orderly, informed and fair market.
3. We are of the view that the operational procedures and decision-making processes reviewed were appropriate to enable the Exchange to discharge its statutory obligation under section 21 of the SFO during the period reviewed.
4. We are satisfied that the Exchange has taken steps to address the recommendations in our 2013 report.
5. This report is divided as follows:
 - (a) Section 1 explains the purpose and focus of our review, its scope and the review process;
 - (b) Section 2 sets out our assessment and recommendations in respect of our review of the Exchange's operational procedures and decision-making processes in each of the Listing Department's operational departments to assess whether they are adequate to enable the Exchange to meet its statutory obligation under section 21 of the SFO; and
 - (c) Appendix A is a table summarising the results of a survey of the Listing Committee members' and market participants' views on the Exchange's performance.



Section 1

Purpose and focus of our review

6. We have a statutory duty under section 5(1)(b) of the SFO to supervise, monitor and regulate the activities carried on by the Exchange. As set out in the Memorandum of Understanding between the Exchange and the SFC dated 28 January 2003 (Listing Matters MOU), we have agreed with the Exchange that we should periodically review the Exchange's performance in its regulation of listing-related matters.
7. In March 2004, the Government published its Consultation Conclusions on Proposals to Enhance the Regulation of Listing. Amongst other matters, the Government recommended that we prepare annual reports on our review of the Exchange's performance of its listing functions and submit these reports to the Financial Secretary before publication. This is our tenth report following the Government's recommendation.
8. As a recognised exchange under the SFO, the Exchange has a statutory obligation to:
 - (a) ensure an orderly, informed and fair market, so far as reasonably practicable, and
 - (b) act in the interest of the public, having particular regard to the interest of the investing public¹.

The Exchange is also required under section 21(6)(b) of the SFO to provide and maintain competent personnel for the conduct of its business. It has also agreed in the Listing Matters MOU to maintain an adequate strength of staff in the Listing Department with an adequate level of professionalism and experience to discharge the responsibilities of the Listing Department.

9. Except for matters specifically reserved by the Listing Committee under the Listing Rules, most matters concerning the Listing Rules are dealt with by the Listing Department in the first instance. Matters dealt with by the Listing Department include processing listing applications, monitoring and enforcing listed companies' compliance with the Listing Rules.
10. As with our previous review, we reviewed the Exchange's operational procedures and decision-making processes to assess whether they are adequate to enable the Exchange to meet its statutory obligations under section 21 of the SFO.
11. The Exchange's statutory obligation under the SFO is ongoing, and whether it has made necessary arrangements to comply with its obligation in the future cannot be judged merely by reference to its past compliance. Therefore we use the review process to assess whether the Exchange has taken adequate steps to meet its statutory obligation and identify issues that, in our view, should be addressed to ensure ongoing compliance.
12. During the course of our review of the Exchange's performance, we may also make observations on current issues and changes in the Exchange's operational procedures and decision-making processes.

¹ Section 21 of the SFO



Our approach and scope

13. Our review focussed on the decision-making process and operational procedures in each of the operational departments in the Listing Department. We reviewed the operations of the following departments and teams under the Listing Department in the course of 2013:
 - (a) the IPO Transactions Department (the IPO Department) whose primary responsibility is to process new listing applications in respect of equity securities;
 - (b) the Compliance and Monitoring Department (the C&M Department) which is responsible for monitoring listed companies' compliance with the Listing Rules;
 - (c) the Listing Enforcement Department (the Enforcement Department) which investigates suspected breaches of the Listing Rules and institutes disciplinary action before the Listing Committee for such breaches by companies and their directors; and
 - (d) the Listing Operations Department which is responsible for processing listing applications for debt and structured products, such as derivative warrants and callable bull/bear contracts (CBBCs) and the dissemination of information concerning listing applicants/listed issuers and providing support for their regulatory filings.
14. Our review process focussed on the Listing Department's laid down procedures and processes as a whole, supplemented by reviews of sample cases in order to understand how the Department's policies work in practice and to verify whether the Department's practices adhered to its policies.
15. Whilst we review the policies and approaches adopted generally, we did not review the quality of the Listing Department's decisions in individual cases during the annual review process as this forms part of our regular oversight function of the Exchange under section 5(1)(b) of the SFO. We raise and discuss with the Exchange any particular matter which comes to our attention during the course of the year as and when such matter arises.
16. As part of the review process, we interviewed each of the Heads of Departments, including the Head of Listing, to obtain an understanding of their assessment of the effectiveness and efficiency of their respective department's decision-making processes and operational procedures.
17. We also interviewed the Chairman and Deputy Chairmen of the Listing Committee to obtain an understanding of their assessment of the effectiveness of the Listing Committee's processes and procedures and the performance of the Listing Department.
18. This year, we performed thematic reviews on the Listing Department's processes and procedures in respect of:
 - (a) processing listing applications of Initial Public Offering (IPO) of equity securities (including applications for transfer of listing from The Growth Enterprise Market (GEM) to Main Board);
 - (b) processing waiver applications; and
 - (c) processing listing applications of debt offered to professional investors only.



How we conducted the assessment

19. In conducting our assessment, we considered:
- (a) relevant internal Exchange materials, written policies, procedures and processes documented by the relevant operational departments in the Listing Department and any general practices that have not been documented;
 - (b) sample cases, including the relevant operational departments' internal reports and case files;
 - (c) information we receive from the Listing Department in the ordinary course of our dealings with the Department, including its monthly report to us, internal reports and case data;
 - (d) the Hong Kong Exchanges and Clearing Limited (HKEx) 2013 annual report and the 2013 Listing Committee Report;
 - (e) the Exchange's published disciplinary procedures, listing decisions, rejection letters, guidance letters, and other related documents on the HKEx website;
 - (f) discussions with senior management of the relevant operational departments in the Listing Department;
 - (g) discussions with Chairman and Deputy Chairmen of the Listing Committee;
 - (h) comments made in interviews or discussions with the relevant case officers;
 - (i) our continuing interaction with the Exchange under the Listing Matters MOU; and
 - (j) a survey of market participants' views to gauge the market's perception of the Exchange's performance in its listing-related functions.

Gauging market perception of the Exchange's performance

20. As part of the review process, we conducted a survey of a number of market participants, including sponsors, legal advisers, accountants, investors, listed companies and Listing Committee members, on a private and confidential basis. The purpose of the survey is to establish how they view the Exchange's performance in its regulation of listing matters and to gauge changes in the market's perception of the Exchange's performance over a period of time.



The assessment process

21. Our assessment of the Exchange's performance and our views expressed in this report are a combination of our on-site work, our consultation with market participants and Listing Committee members and our continuing interaction with the Exchange under the Listing Matters MOU.
22. We discussed our findings with the Head of the Listing Department.
23. We sought the Exchange's comments on both the factual matters set out in this report and our conclusions.
24. The field work and review process were completed in April 2014. Where relevant, we have also made observations on current issues and changes in the Exchange's operational procedures and decision-making processes in 2014.



Section 2

Overall assessment

25. We are of the view that during 2013 the Exchange's operational procedures and decision-making processes in each of the Listing Department's operational departments as described in the "Our approach and scope" section above, were appropriate during the review period to enable the Exchange to discharge its statutory obligation to ensure, so far as reasonably practicable, an orderly, informed and fair market.

Market perception of the Exchange's performance

26. We sent a questionnaire on the Exchange's performance to 179 (2013: 188) Listing Committee members and market practitioners and received 72 (2013: 57) responses. The response rate is 40.2% (2013: 30.3%).
27. Respondents were asked to rate the performance of the Exchange and each of the operational departments in the Listing Department in various key areas on a scale of 1 to 5 with "5" being wholly satisfied. Please refer to Appendix A for detailed summary of the result of the survey.
28. Overall, there is no significant change in the respondents' view of the Exchange's performance. The average overall score for the 2014 survey is 4.0 compared with 3.8 in 2013. Respondents are generally satisfied with the efficiency and fairness of the Exchange in its vetting process.
29. In general, Listing Committee members who responded to the survey are satisfied with the performance of the Listing Department.



Observations on the Listing Department's performance

Level of activities

30. The following table indicates the level of activity in the four operational departments of the Listing Department in 2009, 2010, 2011, 2012 and 2013².

	2009	2010	2011	2012	2013
Number of listing applications accepted by the IPO Department	150	204	247	141	177
Number of listing applications vetted by the IPO Department	179	235	286	205	227
Number of compliance and monitoring actions handled by the C&M Department ³	38,341	39,823	39,393	48,395	49,103
Number of investigations handled by the Enforcement Department	147	133	142	91	69
Number of listing applications processed by the Listing Operations Department	12,555	14,870	12,483	12,072	16,362
- Derivative warrants	4,434	8,236	7,089	5,982	7,372
- Callable bull/bear Contracts (more commonly known as CBBCs)	8,121	6,634	5,394	6,090	8,990

31. The Listing Department assesses its efficiency or timeliness of its actions primarily by measuring its turnaround time. Each department has instituted performance pledges as to when they will complete a particular task to improve and ensure efficiency.

IPO Department

32. IPO Department vetted 227 listing applications in 2013, an increase of 22 listing applications or 10.7% from 2012. The average time between receipt of application and issue of first comment letter in 2013 was 20 days (2012: 21 days). The percentage of applicants reviewed by the Listing Committee within 120 days was 54% in 2013 compared to 33% in 2012.
33. In July 2013, the Exchange published Listing Rules changes to complement the SFC's new sponsor regime which took effect from 1 October 2013. IPO department also published a number of guidance materials (e.g. guidance letters, frequently asked questions and checklists) to assist market participants in understanding and complying with the new Listing Rules requirements.

² Source: HKEx 2013 Annual Report, pages 38 - 44

³ Compliance and monitoring actions include announcements and circulars vetted, share price and trading volume monitoring actions undertaken, press enquiries raised and complaints handled.



C&M Department

34. C&M Department continued with its initiative to promote listed companies' self-compliance with the Listing Rules. In March 2014, the department amended the Listing Rules relating to connected transactions. The department also published guidance letters, listing decisions and / or frequently asked questions providing guidance on:
- (a) rule amendments consequential to the statutory backing of the inside information provisions;
 - (b) rule amendments on connected transactions;
 - (c) the continuing obligations for mineral companies;
 - (d) the criteria for resumption for long suspended companies; and
 - (e) rule amendments consequential to the implementation of the new Companies Ordinance Chapter 622 of the Laws of Hong Kong - the guidance also explains how the operation of the rules may be affected by the new Companies Ordinance.
35. Post-vetting of announcements continued to form a significant part of C&M Department's work. In 2013, 3% (2012: 3%) of the post-vetted announcements resulted in follow-up actions being taken by listed companies, mainly by publishing clarification announcements.
36. In terms of timeliness, the department:
- (a) post-vetted results announcements within five business day in 98% of the cases (2012: 98%);
 - (b) post-vetted other announcements within one business day in 99% of the cases (2012: 100%); and
 - (c) pre-vetted announcements within the same day in 98% of the cases (2012: 90%).

Enforcement Department

37. In September 2013, Enforcement Department (i) published a new statement outlining its approach towards enforcement of the Listing Rules and the criteria for assessing the appropriate level of enforcement action; and (ii) implemented new procedures for disciplinary matters involving breaches of the Listing Rules. It is expected that the transparency of the decision-making process involved in its enforcement actions will be enhanced and the resolution of enforcement matters will be expedited.
38. Enforcement Department handled 69 investigations in 2013 (2012: 91). The department completed 8 (2012: 12) disciplinary cases, issued 16 (2012: 20) warning or caution letters and closed a further 8 (2012: 13) cases by way of "no further action". The department considers that the decrease in the number of investigations in 2013 is attributable to the implementation of the inside information regime and the responsibility for its enforcement moving to the SFC.



	Investigations	Warning/Caution letters issued	Cases closed by way of “no further action”	Disciplinary cases
2009	147	28	41	9
2010	133	27	20	9
2011	142	42	26	9
2012	91	20	13	12
2013	69	16	8	8

Debts and Derivatives Team

39. Debts and Derivatives Team saw an increase of 35.5% from 12,072 in 2012 to 16,362 in 2013 in the total number of derivative warrants and CBBCs listing applications processed.

IPO listing applications

Main Board and GEM IPO listing applications

40. In preparation for the SFC’s new sponsor regime which took effect on 1 October 2013 the Exchange published a number of guidance materials to assist market participants in understanding and complying with the new Listing Rules requirements. The Exchange also streamlined its IPO listing application processes and procedures which involved, among other matters, commenting on major issues in the vetting process with the aim of shortening the time to issue first comment letters from within 21 days to within 14 days after receipt of a listing application.
41. We reviewed the Exchange’s operational processes and procedures in respect of vetting IPO listing applications for Main Board and GEM. We also reviewed the Exchange’s case files of Main Board and GEM listing applications processed in 2013.
42. The vetting time taken by the Exchange in reviewing listing applications is set out below.

	1 October 2013 to 30 April 2014		1 October 2012 to 30 April 2013	
	Main Board	GEM	Main Board	GEM
Number of listing applications accepted	57	15	47	16
Median time between receipt of application and issue of first comment letter	14 days	14 days	21 days	21 days
Median vetting time between receipt of application and Listing Committee hearing	59 days	53 days	117 days	170 days

43. In general the Exchange has followed its laid down processes and procedures in vetting IPO listing applications.



44. We note that in reviewing a listing application, the relevant vetting team would discuss issues in relation to an application with the senior management of the Listing Department at an internal meeting before the first comment letter is issued. In addition, before a listing application is presented to the Listing Committee, an internal pre-clearance meeting is held in which the relevant team would report to the Listing Department's senior management on how all the material issues have been resolved.

Transfer of listings of equity securities from GEM to the Main Board

45. Chapter 9A of the Main Board Listing Rules sets out the requirements in respect of transfer of listings of equity securities from GEM to the Main Board which include qualifications for transfer, application procedures and content requirements for announcement of transfer.
46. As explained in the Exchange's July 2007 consultation paper on GEM, in light of the repositioning of GEM as a second board and a stepping stone to the Main Board, the Exchange streamlined the process of transfer of GEM companies to Main Board to reflect the fact that GEM issuers are known to the Exchange and have been in compliance with a regime which is very similar to that of the Main Board.
47. Listing Rule 9A.05 sets out the Exchange's approach towards transfer of listings from GEM to the Main Board. This rule states that it is the intention of the Exchange, as far as possible, to base any decision to approve or reject a transfer application on the issuer's existing recent public disclosures. Where relevant information is not available or where circumstances otherwise demand, the Exchange may in addition request further information to be supplied by the issuer and / or its management, where appropriate in the form of written confirmation. The Exchange may require such additional information to be disclosed.
48. We reviewed the Exchange's operational processes and procedures in respect of its vetting of GEM transfers. We also reviewed the Exchange's case files of all 15 GEM transfers in 2013.
49. We note that in general the Listing Department's vetting approach is consistent with Rule 9A.05 - it ensures that:
- (a) there are no major non-compliance with the GEM Listing Rules during the track record period; and
 - (b) there are no major issues with the disclosure set out in the applicant's annual reports in the years comprising the track record period.
50. We note that, in 2013, 6 unsuccessful applications (40%) lapsed or were withdrawn after the regulators raised questions about the applicant's trading record. We are unable to assess whether these applications were withdrawn as a result of the regulators seeking more information.
- (a) In one case the applicant experienced significant annual growth in its revenue and profit during the track record period. The company's annual reports provided only very limited and generic explanation in respect of the significant growth.
- As the significant growth in revenue and profit appeared to be inconsistent with the industry's benchmark during that period and the changes in the local government's policies in respect of the applicant's business, the SFC made further enquiries in



respect of the applicant's financial performance. It transpired that, among other things, a large proportion of the applicant's sales was made to a connected person at prices which were much higher than the prices charged to independent third parties. The applicant did not fully address the regulators' comments before allowing the application to lapse.

- (b) In another case the applicant expanded its business operations into a new business segment shortly before its application for a transfer to the Main Board. The new business segment contributed a significant portion of the applicant's revenue and profit in the last year of the track record period. The applicant's annual report only contained very brief information about the new business segment.

As a result of the SFC's enquiries, the regulators learnt that the applicant had entered into unusual co-operation arrangements with a third party and the question arose as to whether there might have been possible non-disclosure of material information in respect of the new business segment. The applicant did not fully address the regulators' comments before allowing the application to lapse.

- 51. The policy intention of having a reduced level of scrutiny for GEM transfer applicants is predicated on the fact that the applicants are known to the Exchange and have been in compliance with a regime that is very similar to that of the Main Board. However, in certain circumstances (for example, as in the cases discussed above) it would be appropriate for the department to adopt a higher level of scrutiny and a more probing approach in its vetting process.

Waiver applications

- 52. Listing Rule 2.04 is the general provision for granting waivers or modifications in respect of the Listing Rules. This rule provides that the Exchange may waive, modify or not require compliance with the Listing Rules in individual cases as a variety of circumstances may exist which require the Exchange to make ad hoc decisions. However any waiver or modification of, or decision not to require compliance with, a rule, which is intended to have general effect (i.e. to affect more than one listed company at the same time), may only be granted with the prior consent of the SFC.
- 53. The Listing Rules also provide specific guidance for granting waivers, for example, certain waivers may be granted if the conditions set out in the respective rules are met. For transparency and efficiency purposes, the Exchange published the "Guide on applications for waivers and modifications of the Listing Rules" on the HKEx website to assist companies in making waiver applications.
- 54. We reviewed the Exchange's operational processes and procedures in processing waiver applications. We also reviewed the Exchange's records of waiver applications processed in 2013.
- 55. In terms of timeliness, in 2013, the Exchange gave initial responses to waiver applications (excluding application for delay in despatch of circulars) within 5 business days in respect of 98% of the applications. We commend the department's efforts in processing waiver applications in a timely manner.



56. We noted that in reviewing a waiver application, the Exchange would consider, among other matters, whether:
- (a) the conditions specified in the relevant Listing Rules are met (if applicable);
 - (b) compliance with the relevant Listing Rules would be unduly burdensome or impractical;
 - (c) shareholders and investors would be open to undue risks if the waiver is granted; and
 - (d) the subject waiver would have general effect.
57. Except for very routine waiver applications, the relevant team would discuss with the Listing Department's senior management the merits of the waiver application before a decision is made. In the cases we reviewed, these discussions would be recorded in a note and be kept in the Exchange's electronic database. However there was no documentation on file about the Exchange's consideration as to whether the waiver would have general effect.
58. We recommend that the Exchange's internal documentation setting out the reasons for granting a waiver should address whether the waiver has general effect that would require the SFC's prior approval.

Listing applications of debt offered to professional investors only

59. Chapter 37 of the Main Board Rules sets out requirements for listed debt offered to professional investors only. Chapter 37 was amended in November 2011, the key changes made were:
- (a) the revised rules replaced the previously prescribed disclosures in listing documents with a general obligation that a listing document "includes information that an investor would customarily expect it to contain";
 - (b) the Exchange would no longer vet the substance of the listing documents; and
 - (c) the approval authority for the listing of professional debt securities was also delegated to the Exchange's Head of Listing.
60. We reviewed the Exchange's processes and procedures in respect of approving listing applications under the Listing Rules, including the review of the Exchange's operating manual for processing issues of debt securities under Chapter 37.
61. We reviewed a sample of debt securities listed in 2013. We also interviewed two of the Exchange's structured products team who were directly responsible for vetting Chapter 37 listing applications to understand their approach to handling listing applications.



Processing of listing applications

62. It usually takes one business day for the Exchange to process a listing application. The staff of the Exchange confirmed that their responsibility was to vet the listing applications to ensure compliance with the Listing Rules. In line with the policy adopted after market consultation in 2011, the Exchange does not vet the content of the listing documents. Their work focuses on ensuring:
- (a) the listing applicant meets the eligibility criteria;
 - (b) the listing documents contain the disclaimer and issuer's responsibility statement as prescribed by the Listing Rules, together with a general statement limiting distribution of the listing document to professional investors; and
 - (c) whether the relevant forms, checklists and supporting documents are filed.
63. From our review of the files there is little indication that the checklists and submitted documents are checked for completeness. We noted that supporting documents described in the checklist were missing from two of the 14 cases we reviewed.

Continuing obligations

64. Issuers of debt securities under Chapter 37 have continuing disclosure obligations. Most of these are ad hoc and triggered by events but each issuer is obliged when they are issued to provide the Exchange with its annual and, if applicable, interim reports. Where the securities are guaranteed by a company the Exchange must be provided with the guarantor's annual accounts and interim reports. If these documents are published on a website it is sufficient for the company to advise the Exchange that they are published on that website.
65. The Exchange's processes and procedures do not specify how the Exchange's staff should monitor compliance with the continuing disclosure obligations. We found no record in the files we reviewed of annual accounts or interim reports being received, or of the issuer advising the Exchange of their publication on a website.
66. In light of the above, we recommend that:
- (a) the Exchange should improve the verification process of the checklist to ensure that the documents recorded in the checklist as being submitted with an application are included and that they are the documents required by the Listing Rules; and
 - (b) the Exchange should establish procedures to monitor compliance with the continuing disclosure obligations in relation to filing of annual and interim reports.



Recommendations

67. We recommend the following:

- (a) As regards transfer of listings from GEM to Main Board, the Exchange should adopt a higher level of scrutiny and a more probing approach in its vetting process;
- (b) As regards waiver applications, the Exchange's internal documentation setting out the reasons for granting a waiver should address whether the waiver has general effect that would require the SFC's prior approval; and
- (c) As regards listing application of debts offered to professional investors only:
 - (i) the Exchange should improve the verification process of the checklist to ensure that the documents recorded in the checklist as being submitted with an application are included and that they are the documents required by the Listing Rules; and
 - (ii) the Exchange should establish procedures to monitor compliance with the continuing disclosure obligations in relation to filing of annual and interim reports.



Appendix A

The table below sets out the weighted average scores given by the survey respondents. Respondents were asked to rate the Exchange's performance in various key areas on a scale of 1 to 5 with "5" being wholly satisfied and "1" being wholly dissatisfied. Some questions were asked starting from the 2011 survey and hence the scores for previous years are stated "N/A".

		2010	2011	2012	2013	2014
Views on the Exchange's performance in its regulation of listing related matters						
1.	Communications to the market of the Exchange's policies and practices under the Listing Rules as regards their clarity, adequacy and timeliness	4.0	3.8	3.9	4.0	4.1
2.	Timely response to the market developments	3.7	3.5	3.6	3.7	3.7
3.	Acting in the interests of the investing public	3.9	3.9	3.8	3.9	4.1
4.	Provision of a fair, orderly and efficient market for the trading of the securities	3.9	4.0	4.0	4.0	4.0
5.	Success in ensuring that the disclosure of price sensitive information made by listed companies is on a timely basis	3.8	3.7	3.7	3.8	3.9
6.	Equal and fair treatment of all holders of listed companies	3.8	3.8	3.7	3.7	3.8
7.	Quality of companies listed	3.7	3.3	3.4	3.3	3.5
Views on the Listing Department's performance						
8.	Consistency in interpretation and application of the Listing Rules	3.7	3.8	4.1	3.9	4.1
9.	Impartiality	3.9	4.0	4.2	4.1	4.3
10.	Timeliness of responses	3.8	4.1	4.1	4.0	4.3
11.	Pertinence of enquiries and comments raised during the vetting process or investigation process	3.6	3.9	4.0	3.9	4.0
12.	Experience and knowledge of the Listing Rules as regards its understanding of the policy issues behind the Listing Rules	4.0	4.0	3.9	4.1	4.2
13.	Experience and knowledge of the Listing Rules as regards its understanding of the requirements of the relevant provisions in the Listing Rules	4.1	4.2	4.3	4.2	4.3



		2010	2011	2012	2013	2014
Views on the various aspects of the IPO and C&M Departments' work						
14.	Handling general enquiries	3.9	4.1	4.1	4.0	4.2
15.	Handling requests for guidance on the application of a particular Listing Rule	3.8	4.0	4.0	3.9	4.1
16.	Processing applications for waivers	3.7	3.8	4.0	4.0	4.1
17.	Processing listing applications	3.9	4.0	4.1	3.9	4.3
18.	Clearing draft announcements, circulars and other corporate information	3.9	4.1	4.1	4.1	4.3
19.	Handling complaints	3.6	3.5	3.7	3.9	4.0
20.	Handling short term suspension	3.8	3.9	3.9	3.6	4.3
21.	Handling long term suspension	3.4	3.5	3.7	3.5	4.0
22.	Handling of pre-IPO enquiries	N/A	4.0	3.9	3.7	4.1
Views on the quality of disclosure documents vetted by the Exchange						
23.	Clarity of prospectuses, announcements, circulars and other corporate information	3.6	3.6	3.7	3.7	3.9
24.	Adequacy of information in these documents to enable investors and shareholders (where relevant) to make properly informed assessment of the relevant issuer	3.7	3.8	3.8	3.8	4.0
25.	Ease of understanding of these documents	3.4	3.5	3.4	3.5	3.7
26.	Timeliness of issue of announcements and circulars	3.9	3.9	3.8	3.8	4.0
Views on the Exchange's performance in monitoring compliance with and enforcement of the Listing Rules						
27.	Success in monitoring compliance with the Listing Rules by listed companies and directors	3.7	3.7	3.8	3.9	4.1
28.	Timeliness of disciplinary action taken against listed companies and directors	3.2	3.3	3.3	3.3	3.6
29.	Transparency of policy on disciplinary actions	3.4	3.4	3.7	3.4	4.0
30.	Consistency in approach taken in disciplinary cases	N/A	3.8	3.6	3.3	3.9



		2010	2011	2012	2013	2014
Views on the Exchange's performance in conducting consultations						
31.	Comprehensibility of the issues and proposals in the consultation papers	N/A	3.9	3.9	4.0	4.1
32.	Adequacy of the consultation period to consider and respond to the consultation papers	N/A	3.9	3.8	3.8	4.0
33.	Adequacy of guidance and measures to facilitate transition to amended rules	N/A	3.7	3.7	3.8	3.9
34.	Adequacy of publicity to raise awareness of new or amended rules	N/A	3.7	3.6	3.7	3.7
35.	Adequacy of explanation and discussion of the issues raised, the arguments and the proposals in the consultation papers	N/A	3.6	3.6	3.7	3.8
Overall average scores		3.7	3.8	3.8	3.8	4.0