



The Securities and Futures Commission
54/F, One Island East 18 Westlands Road
Quarry Bay, Hong Kong

Re: Consultation Paper on (i) the Proposed Code of Conduct on Bookbuilding and Placing Activities in Equity Capital Market and Debt Capital Market Transactions and (ii) the "Sponsor Coupling" Proposal

As previously stated by this Chamber in response to consultations, as a business chamber in Hong Kong we are supportive of measures that enhance the position of Hong Kong as a leading global financial centre. This is good for Hong Kong and good for our members as a part of the business community there.

We note that the overall purpose of the proposed reforms is to enhance the consistency with global standards of the regulatory requirements in Hong Kong in relation to issues relating to intermediaries' conduct, competitive pressure and the alignment of incentives with the responsibilities of intermediaries. We further note in this regard that IOSCO has recently issued reports to address conflicts of interest and associated conduct risks in equity and debt capital raising.

Against this background, we wish to express our view that we are fully supportive of the overall direction of the proposals and believe they will help address poor conduct and sub-optimal practices in Hong Kong where these are occurring. This is good for Hong Kong and the continued promotion of the integrity and strength of Hong Kong as a global hub for capital markets. However, we are also aware through our members' involvements with various industry responses that there are many nuances to the detailed proposals and in some cases diverse and divergent views on what is best for the market. As a Chamber we do not consider it necessary or appropriate to comment on any of these specific issues for any particular group of stakeholders, but would urge that the SFC give, as we are sure it will, careful consideration to all of the feedback that is being provided in order to ensure that final measures adopted are optimal for the market as a whole and provide clear and unambiguous rules so that market participants can have certainty as to their obligations.

Your Sincerely,

British Chamber of Commerce in Hong Kong

☎ +852 2824 2211
📍 1201, Emperor Group Centre,
288 Hennessey Road
Hong Kong
🌐 www.britcham.com