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From: [Redacted]
Sent: 28 February 2023 14:36
To: consultationsupport
Cc: [Redacted]
Subject: Qualtrics Technical Support (CP on Proposals to Expand the Paperless Listing Regime and Other Rule Amendments)
Attachments: HKEx_Consultation on Paperless Regime IE Submission FV.pdf

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Warning: This is an external email. Please be cautious of attachments, links and requests to input information.

Dear Sir/Madem,

Attached please find the submission on our views supporting the proposal to amend the Listing Rules to mandate that listed issuers must disseminate corporate communications to their securities holders electronically if this is permitted by their applicable laws and regulations and their constitutional documents. (Question 11 of the Consultation Paper, p.24)

I apologise for any inconvenience caused as I could not manage to paste the text into your designated link with the questionnaire.

Please do not hesitate to contact myself or [Redacted] if you have question or further information is required.

Best regards,

[Redacted]

[Redacted]

[Redacted]

Website : ienterprise.com.hk

To Unleash Neglected Productivity



iEnterprise
大同企業

Submitted via Qualtrics

**I Enterprise Development Ltd./I Enterprise Foundation
Company / Organisation
Other**

Question 1

Do you agree with our proposal to remove the documents identified in Table 1 in Schedule II of the Consultation Paper and that doing so will not jeopardise market quality?

Please give reasons for your views.

Question 2

Do you agree with our proposal to codify the relevant obligations into the Listing Rules or Guidance Materials and repeal the undertakings, confirmations and declarations as set out in Table 2 in Schedule II of the Consultation Paper?

Please give reasons for your views.

Question 3

Do you agree with our proposal to repeal the requirement for listing agreements for listing of debt securities (except for debt issues to professional investors), structured products and interests in CIS and investment companies by codifying the relevant obligations as set out in Table 3 in Schedule II of the Consultation Paper?

Please give reasons for your views.

Question 4

Do you agree with our proposal to incorporate in the Listing Rules an issuer's obligation to obtain necessary authorisations and consents for its actions set out in Part (e) of Table 1 in Schedule II of the Consultation Paper?

Please give reasons for your views.

Question 5

Do you agree with our proposal to require the submission of the overarching undertakings from new applicants and sponsors in the Form A1 referred to in paragraph 38 of the Consultation Paper?

Please give reasons for your views.

Question 6

Do you agree with our proposal to consolidate the requirement for personal particulars of directors/ supervisors in Form FF004?

Please give reasons for your views.

Question 7

Do you agree with our proposal to remove signature and/or certification requirements for documents set out in Table 5 in Schedule II of the Consultation Paper?

Please give reasons for your views.

Question 8

Do you agree with our proposal to remove from the Listing Rules any requirement for submission of multiple copies of the same document and to require submission of one electronic copy only in respect of the documents set out in Table 6 in Schedule II of the Consultation Paper?

Please give reasons for your views.

Question 9

Do you agree with our proposal to mandate electronic means as the only mode of submission to the Exchange unless otherwise specified in the Listing Rules or required by the Exchange?

Please give reasons for your views.

Question 10

Do you agree with our proposal to mandate the digitalisation of the prospectus authorisation and registration processes?

Please give reasons for your views.

Question 11

Do you agree with our proposal to amend the Listing Rules to mandate that listed issuers must disseminate corporate communications to their securities holders electronically if this is permitted by their applicable laws and regulations and their constitutional documents?

Yes

Please give reasons for your views.

Send PDF by email

Question 12

Do you agree with our proposal to allow the consent of holders of a listed issuer's securities to be implied for the electronic dissemination of its corporate communications, to the extent permitted under applicable laws and regulations and its constitutional documents?

Please give reasons for your views.

Question 13

Do you agree with our proposal to state in the Rules that Actionable Corporate Communications must be sent to the securities holders individually and in electronic form if the holders provide functional electronic contact details?

Please give reasons for your views.

Question 14

Do you agree that where a listed issuer does not have functional electronic contact details of a securities holder, an Actionable Corporate Communication must be sent to the holder in hard copy form including a request for the security holder's electronic contact details to facilitate electronic dissemination of Actionable Corporate Communications in future?

Please give reasons for your views.

Question 15

As your answer to Question 13 above is yes, do you agree that we should define Actionable Corporate Communications as "any corporate communication that seeks instructions from an issuer's securities holders on how they wish to exercise their rights as the issuer's securities holders"?

Please give reasons for your views.

Question 16

We invite comments on the manner in which the Appendices to the Listing Rules are proposed to be categorised/amended and whether they will give rise to any ambiguities or unintended consequences.

Question 17

Do you agree with our proposal to remove the requirement for physical attendance by members to meet the quorum needed for meetings of the Listing Committee and Listing Review Committee?

Since your answer is “no”, please give reasons for your views.

Question 18

Do you agree with our proposal to make minor changes to the Listing Rules described in paragraph 122 to reflect current practices and requirements?

Since your answer is “no”, please give reasons for your views.

Hong Kong Exchanges and Clearing Limited (HKEx)'s Consultation Paper on Proposals to Expand the Paperless Listing Regime and Other Rule Amendments (December 2022)

Do you agree with our proposal to amend the Listing Rules to mandate that listed issuers must disseminate corporate communications to their securities holders electronically if this is permitted by their applicable laws and regulations and their constitutional documents? Please give reasons for your views. (Question 11 of the Consultation Paper, p.24)

Submission from I Enterprise Accessibility Center/I Enterprise Foundation (iEnterprise) by

1. iEnterprise concurs to the views of the Proposal to amend the Listing Rules to mandate that listed issuers must disseminate corporate communications to their securities holders electronically if this is permitted by their applicable laws and regulations and their constitutional documents (Question 11 of the Consultation Paper, p.24) according to the underlying rationale of para 62 to 85 with the merits of following principles:
- Importance of clarity and simple communication process
 - Paperless as environment friendly and cost-effective operation reference with over HK\$1.6 billion from the cost incurred by printing of financial publications such as IPO prospectus, annual financial reports and compliance documents in HK estimated by iEnterprise
 - Timeliness and effectiveness of information of dissemination
 - In line with the common practice in other jurisdictions and listing venues by means of website or an express consent for communication in electronic forms

Additional Views:

2. Digital Accessibility - the Proposal will shed the light on the importance of digital accessibility and be instrumental to the implementation of environmental policy for low carbon economy, social inclusion for an equitable society and economic benefit for corporate sector from ESG (Environmental, Social and Governance) perspectives.
3. Low Carbon Economy – Public Policy Alignment
- 3.1 The HKSAR Government has announced Hong Kong's Climate Action Plan 2050, setting out the vision of "Zero-carbon Emissions–Livable City–Sustainable Development", and outlining the strategies and targets for combating climate change and achieving carbon neutrality.
<https://www.info.gov.hk/gia/general/202110/08/P2021100800588.htm>
- 3.2 The HKMA has worked to raise banks' awareness of climate-related financial risks and accelerate their efforts in supporting the transition to a low-carbon economy, In December 2021, the HKMA issued supervisory requirements on climate risk management. Specific requirements and a clear timeline were set out in mandating climate-related disclosures before 2025.
- 3.3 Hong Kong Exchanges and Clearing Limited (HKEX) has been working to increase access to sustainable financial products by showcasing the ESG metrics of listed companies, bonds and ETFs on its Sustainable & Green Exchange (Stage) information portal.
<https://www.ft.com/partnercontent/brandhongkong/green-lights-growth-of-sustainable->

[investing-in-hong-kong.html](#)

4. Social Inclusion and for an equitable society

4.1 Message from HKEX

4.1.1 “As the global sustainability agenda continues to gain momentum, the role that capital markets play in building a more EQUITABLE and sustainable economic system, taking the lead in fueling the low-carbon transition, and driving sustainability, has never been more critical”. HKEX CSR Report 2021 – Supporting the Prosperity for ALL

<https://www.hkexgroup.com/-/media/HKEX-Group-Site/ssd/Investor-Relations/Regulatory-Reports/documents/2022/e220314csr.pdf>

4.1.2 “HKEX’s role and responsibilities transcend our duties as a market operator, a regulator and a corporate. Our role in the community and our commitment to being a responsible leader are critical to our future and the future of our community. Building on our strength as a super connector, a unique forum to foster collaboration, share insight and expertise and to promote good business practices within Hong Kong and beyond.” HKEX hosts inaugural Impact Summit 2022, championing purpose driven responsible business

https://www.hkex.com.hk/News/News-Release/2022/221202news?sc_lang=en

4.2 Message from Hong Kong Financial Services Development Council (FSDC), “Hong Kong’s commitment to E, S and G: the three letters that spell out a more equitable tomorrow. While the term ESG dates back to the early 2000s, the Financial Services Development Council (FSDC) first used them in a local context in a 2020 paper, entitled *Hong Kong: Developing into the Global ESG Investment Hub of Asia*. The FSDC published its first paper on green finance as early as 2016, however, laying out recommendations for fostering an ESG ecosystem in Hong Kong by 2018.”

<https://www.ft.com/partnercontent/hkfsdc/hong-kongs-commitment-to-e-s-and-g-the-three-letters-that-spell-out-a-more-equitable-tomorrow.html>

5 Digital Accessibility and Societal Betterment

5.1 Since the outbreak of the epidemic, many people have to work from home (WFH), students’ study at home through the use of Internet and WiFi, and the service hours of banks, restaurants and shopping malls have also been shortened or suspended due to the concerted efforts to fight the epidemic. Fortunately, the Internet has long been an integral part of our lives. We can easily access the latest information, conferences, seminars, entertainment, shopping or food ordering services, and social contacts online through computers or mobile devices.

5.2 Digital accessibility is design of technology products and environments to help people with various disabilities not be impeded or otherwise unable to partake in use of the service, product or function. The Web is fundamentally designed to work for all people, whatever their hardware, software, language, location, or ability. International web standards define what is needed for accessibility. When the Web meets this goal, it is accessible to people with a diverse range of hearing, movement, sight, and cognitive ability. Thus, the impact of disability is radically changed on the Web because the Web removes barriers whereas badly designed websites, applications, technologies, or tools can create barriers that exclude people from using the Web. The Web is an increasingly important resource in many aspects of life: education, employment, government, commerce, health care, recreation, and more. *Therefore, making the web accessible benefits individuals, businesses, and society.*

5.3 Due to the influence of the World Wide Web, a separate initiative called the Web Content Accessibility Guidelines (WCAG) was launched in 1999. WCAG is a set of recommendations for making web content more accessible to people with disabilities and includes a guide for organizations on how to be compliant with WCAG standards. . In fact, with the widespread use of the "WCAG" in advanced countries, it has effectively removed the mountain of online browsing barriers, making it easy for users regardless of background to use online services. This not only strengthens the DNA of smart cities, but also a favorable business environment will help build an inclusive society.

5.4 Hong Kong is one of the places with the longest life expectancy in the world. Aging Trend continued in HK according to the results of the 2021 Population Census, “the proportion of elderly persons aged 65 and over in the total population rose from 13% in 2011 to 20% in 2021. It is estimated that the number of elderly people aged 65 and above will double from the current 1.2 million to 2.7 million in 2050. Therefore, information accessibility not only provides a more convenient digital environment for people with disabilities, but also prepares for the future aging population in Hong Kong. <https://www.info.gov.hk/gia/general/202202/28/P2022022800462.htm>

5.5 In 2020, there were about 534,200 persons with one or more disabilities in Hong Kong (about 7.1% of total population) in which over 270,000 persons aged over 65. In addition, the total number of persons with intellectual disability in Hong Kong was likely in the region of 77 000 - 90 000 and 1 799 100 persons required long-term (i.e. lasting at least 6 months) medical treatment, consultation or medication for certain type(s) of diseases. <https://www.info.gov.hk/gia/general/202112/17/P2021121700355.htm>

5.6 Most people think about visually impaired persons when it comes to accessibility, however there are many different types of disabilities and hence many different techniques that persons with disabilities can use to access websites. In addition, there are many others who have temporary disabilities, for example, a wounded arm. Such injuries can make accessing websites just as difficult as it is for persons with permanent disabilities. Examples of disabilities and the ways to overcome the constraints are outlined in Appendix A.

6. Governance for Diversity, Equity and Inclusion

6.1 Access to information and communications technologies, including the Web, is defined as a basic human right in the United Nations Convention on the Rights of Persons with Disabilities UNCRP. It is essential that the Web be accessible to provide equal access and opportunity of people with diverse abilities. Access to information and communications technologies, including the Web, is defined as a basic human right in the United Nations Convention on the Rights of Persons with Disabilities UNCRPD

6.2 Since 2013, the Office of the Chief Information Officer of the Hong Kong Government, the Equal Opportunities Commission and the Hong Kong Internet Registration Corporation Limited (HKIRC) have respectively organized the "Web Accessibility Recognition Scheme" to encourage enterprise and organization websites and apps to adopt the guidance and conformance to WGAC. By incorporating web accessibility design, the enterprises and organizations would be benefited in various areas (as shown in Appendix B) especially compliance with the legal requirement on protection against disability discrimination, such as Disability Discrimination Ordinance (Cap 487).

6.3 Legal Responsibility for a Financial Institution – The Disability Discrimination Ordinance (Cap 487) created a legal duty for organisations to ensure their services are available to everyone regardless of disability. This principle is applicable to information and services provided through websites and mobile applications.

6.4 Example of HK Banking Sector - The Code of Banking Practice

6.4.1 Under Section 10 of the Code, members banks are encouraged to provide assistance for customers with disabilities and make available to them appropriate means to access banking services.

6.4.2 To respect the inherit dignity, individual autonomy and independence of persons with disabilities, the Practical Guideline on Barrier-free Banking Services ("Guideline") is developed for the industry and sets out good banking practices recommended by HKAB, with the aim of providing barrier-free banking services to customers with physical disabilities, visual impairment and hearing impairment.

6.4.3 In order to enhance the accessibility to financial services by persons with intellectual disabilities ("PWIDs"), to work together to build better future, the Association has formulated this Guideline on Financial Services for Persons with Intellectual Disabilities (this "Guideline") setting forth the principles and good practices recommended by the Association for reference by its member banks.

6.5 Example of Stock Exchange in terms of Web Accessibility Statement

6.5.1 The Accessibility Statement in London Stock Exchange website "The London Stock Exchange plc website has been built with the intention of making the content accessible to the widest range of visitors, regardless of disability or impairment. This has been achieved by adhering to best practices, such as compliance with W3C's WAI AA accessibility standards." <https://www.londonstockexchange.com/accessibility>

6.5.2 The Accessibility Statement in London Stock Exchange Group website , "At London Stock Exchange Group (LSEG), we are committed to supporting and embracing a culture of diversity and inclusion, where all colleagues and customers, including those with disabilities, can fulfil their potential. We are committed to ensuring that this website is accessible to the widest range of visitors, regardless of ability, disability or impairment. Our ongoing site design, development and content creation is guided by best-practice accessibility guidelines such as WCAG and ISO 30071-1."

<https://www.lseg.com/en/policies/accessibility-statement>

6.5.3 The Accessibility Statement in Hong Kong Stock Exchange website , “If you have any questions or comments on web accessibility, please contact us by email: ccmed@hkex.com.hk”
https://www.hkexgroup.com/Global/HKEX-Group/Contact?sc_lang=en

7. Why is the Proposal with respect to digital accessibility important for HKEX and Listed Issuers?

- 7.1 Environmental, social and governance regulations turn risk into opportunity for Hong Kong businesses. Companies discover that being green can help the environment, boost their public image, and save money
<https://www.scmp.com/special-reports/business/topics/environment/article/2112322/environmental-social-and-governance>
- 7.2 The execution of the Proposal with digital accessibility feature will generate ESG impact to 2,600 listed companies and their potential stakeholders including 7,000 large enterprises or 340,000 small and medium-sized enterprises in HK. The United Nations estimated that there are more than 1 billion people around the world living with some form of disability, which equates to 15% of the world population. If technology or websites are not accessible, repercussions can range from loss of potential customers or investors to denial of vital access to services and investment in HKEX.
- 7.3 The purpose of the United Nations Convention on the Rights of Persons with Disabilities, which came into force on 31 August 2008, is to promote, protect and ensure the full and equal enjoyment by all persons with disabilities of all human rights and fundamental freedoms, and to promote respect for the inherent dignity of persons with disabilities.
- 7.4 Access to a Hidden Market People with Disability (PWD) and their Friends & Family (PWDF) represents 73% of consumers market and controls over US\$13 trillion disposable income worldwide (Global Economic of Disability 2020)
- 7.5 Digital accessibility for a Issuer’s website also benefits non-disabled visitors. Accessibility features help most people navigate a website more effectively. Reduce the risk of non-compliance Enterprises can also use barrier-free websites to avoid violating the legal requirements for the prevention of disability discrimination and avoid unnecessary litigation risks.
- 7.6 Creating an inclusive culture can not only benefit a company's relations with customers, but with employees as well. A 2018 study by Deloitte found that companies with an inclusive culture are more likely to meet or exceed financial targets, be high performing and innovative and agile. They are also more likely to report favorable business outcomes than those that do not promote inclusivity. The implementation of the Proposal with the concerns on digital accessibility will be instrumental to Listed Issuers for the development of diversity, equity and inclusion (DEI) programs and policies.
- 7.7 Rank More Prominently in Search Result enhancing brand value of Listed Issuers – Many features making a website accessible, such as enforcing proper coding of the webpages and

presenting the contents in a clear and structured manner, which help search engine to search website contents and compile index.

7.8 Reduce Costs – Building accessible websites and mobile applications requires good coding techniques, which in turn lead to websites and mobile applications that are easier to maintain and compatible with various operating systems, browsers and devices. Attention to web/mobile app accessibility guidelines therefore saves time and money of development teams in the long term, especially when new releases of systems are rolled out.

7.9 The use of barrier-free web design for CSR/ESG reports is a manifestation of corporate social responsibility (CSR). Conscientious companies are often more likely to gain customer trust and support. Thoughtful operation and design can also help establish a positive image; companies can remove barriers to adoption The web design helps multiple talents share policies, praise the ESG report in the annual report of listed companies, and enhance the confidence of international institutional investors in the company's evaluation and long-term value.

7.10 Case Study of Accessibility Benefits: Legal & General Group (L&G)

<https://www.w3.org/WAI/business-case/archive/legal-and-general-case-study>

“The new site has almost doubled the number of visitors seeking quotes and buying Legal & General financial products online. It has cut maintenance costs by two thirds and increased the amount of natural search traffic we get by half as much again.” (Caroline Fawcett, L&G Customer Experience Director)

7.10.1 Financial and Non-Financial Impact:

- Within 24 hours natural search engine traffic saw a 25% increase, eventually growing to 50%.
- Significant improvement in Google rankings for all target keywords
- Reduction in maintenance costs by 66%
- Site visitors receiving quotations doubled within 3 months
- 100% return on investment (ROI) in 12 months
- Average times for content maintenance jobs reducing from 5 days to 0.5 days, saving £200,000 GBP per year
- Page loading times reduced by 75%
- Positive customer feedback on noticeably improved performance of site
- Inaccessibility complaints reduced to zero
- New site is accessible to mobile devices

Appendix A. Examples of Characteristics of Disabilities and Accessibility Adjustment

Characteristic of Disability	Accessibility Adjustment
<p>Visual Impairment</p> <ul style="list-style-type: none"> • people either cannot see at all or have difficulty in seeing a computer screen. 	<ul style="list-style-type: none"> • websites are designed to work with screen readers and screen magnifiers • colours are visible to persons with colour blindness.
<p>Physical Impairment</p> <ul style="list-style-type: none"> • people does not have the ability to access a website with a keyboard or a mouse in a normal way. • varies from someone who has dexterity problems and finds a mouse difficult to use, to someone who is not able to use a mouse or keyboard at all because of missing limbs. • People with epilepsy may react to flashing images. 	<ul style="list-style-type: none"> • make buttons large enough for easy clicking, and not to place important items too close together, otherwise wrong item might be clicked by mistake. • ensure the website works with assistive technologies such as voice control software, which allow a person to access a website using voice commands.
<p>Hearing Impairment</p> <ul style="list-style-type: none"> • consider how this impacts people who cannot hear given the increase in the usage of videos and audios on the web 	<ul style="list-style-type: none"> • ensure there is an alternative way to access this information being conveyed in audio format • as simple as providing a text transcript of the audio content or subtitles on the video. • text transcript also beneficial to persons with visual impairment
<p>Cognitive and Learning Impairment</p> <ul style="list-style-type: none"> • persons with specific learning difficulties or mental illness • these people have greater difficulty in performing mental tasks than average persons. 	<ul style="list-style-type: none"> • more difficult than average persons to interpret the content although they do not require any special tools when browsing websites • keep in mind when developing contents for websites.

Appendix B – The Benefits of Accessible Web Design

Since 2013, the Office of the Government Chief Information Officer (OGCIO) and the Equal Opportunities Commission (EOC) have joined hands to organize Web Accessibility Recognition Scheme (WARS) to encourage local enterprises and organizations to adopt accessibility design in their websites and mobile applications. By incorporating with WCAG web accessibility design, the enterprises and organizations would be benefited from the followings*:

- Comply with the legal requirement on protection against disability discrimination, such as Disability Discrimination Ordinance (Cap 487);
- Fulfil social responsibility and project positive corporate image.
- Reach more customers by making online services easy-to-use and easy-to-search by everyone.
- Make online services easier-to-maintain by adopting the good precoding practice of web accessibility design; and
- Contribute to building a caring and inclusive society.

* Extracted from Web Accessibility Recognized Scheme organized by HKIRC and co-organized by Office of the Government Chief Information Officer, HKSAR.

End