

## ICE Complexity Indicator: Hong Kong

The Hong Kong Securities and Futures Commission (SFC) issued the Guidelines on Online Distribution and Advisory Platforms, which set out principles and requirements applicable to online distribution and advisory platforms. One of the requirements requires platform operators to determine whether a product is non-complex or complex. Certain measures are extended to offline sale of complex products. ICE has developed a complexity indicator tailored to these SFC guidelines.

### ICE solutions

The ICE Complexity Indicator: Hong Kong equips online distribution and advisory platforms with essential information to assess whether a security aligns with the SFC's definition of a complex product. It also offers the underlying data needed to understand the indicator. The indicator is built using our high-quality reference data, encompassing approximately 79 million financial instruments (both active and inactive i.e. historical) across more than 210 markets<sup>1</sup>.



#### Cross-asset coverage

ICE complex indicators cover multiple asset classes, including: equities, fixed income, exchange-traded derivatives and certain virtual asset funds.



#### Transparency and reason codes

We provide reason codes to explain why an instrument is considered complex under SFC guidelines. This transparency can help our clients explain their determinations to customers and regulators.



#### Specific features of complex bonds

We provide separate indicators for each special feature of complex bonds, such as variable interest payments and multiple credit support structures.



## Data outputs and delivery

### All asset classes:

- Complexity Indicator: complex, likely non-complex, non-complex, or inconclusive
- Complexity reason

### Equity, derivatives, fund:

- Listed Indicator
- Primary Traded on Hong Kong Exchange Indicator
- SFC Jurisdiction Indicator

### Fixed income:

- Contingent Convertible Indicator
- Convertible Indicator
- Deferrable Interest Indicator
- Exchangeable Bond Indicator
- Extendible Maturity Indicator
- Loss Absorption Feature Indicator
- Perpetual Indicator
- Multiple Credit Support Providers Indicator
- Subordinated Debt Indicator
- Variable Coupon Indicator

### Delivery:

- Data is available via XML or SRV flat files deliver

Figures as of April 2024

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