Key enforcement milestones

SGX meted out enforcement actions
Before October 2015

- SGX's enforcement actions are confined to:
  - Private warnings
  - Public reprimands

Establishment of Listings Disciplinary Committee ("LDC")
October 2015

- Address conflicts arising from SGX being a SRO with dual roles
- Wider disciplinary powers e.g. fines up to S$1 million

Establishment of independent SGX RegCo
September 2017

- Performs its duties independently from the business functions of SGX
- Governed by a separate Board comprising a majority of directors independent from SGX

As an independent subsidiary of SGX, SGX RegCo is well placed to assume a greater role in enforcement of the Listing Rules.

Challenges faced

- SGX RegCo's powers are largely confined to private actions; Public actions are taken by LDC
- Lack of visible enforcement actions → lack of certainty and clarity to the market
- Protracted enforcement process
  - Conflicts of interest amongst LDC members present difficulties in forming a quorum for hearing
  - Disproportionate delay when weighed against the less severe sanctions that can be imposed

Widened powers for SGX RegCo

- Public reprimand
- Require resignation of the director or executive officer from an existing position with any issuer listed on the Exchange
- Prohibit any issuer for a period not exceeding 3 years from appointing or reappointing the director or executive officer
- Require an issuer to suspend the director or executive officer for a period not exceeding 3 years

Source: SGX