

Module Outline

ECF on Green and Sustainable Finance (GSF)

Module 10 “Sustainability Strategy, Compliance and Control”

Benchmarked HKQF Level:	5
No. of Credits:	10
Total Notional Learning Hours:	100
a) Class contact hours:	9 hours (3-hour per session x 3)
b) Self-study hours:	89 hours
c) Assessment hours:	2 hours
Pre-requisite:	NA

Module Objective

The module aims to provide participants with a comprehensive understanding of net-zero transition strategies and target-setting processes within the banking sector. Participants will learn to define net-zero, develop effective transition plans, and set ambitious goals while considering stakeholder expectations. The module will cover monitoring and reporting progress on targets using metrics and feedback mechanisms. Additionally, participants will explore ESG communication and stakeholder engagement strategies, including raising awareness through various channels and promoting sustainable finance through policy advocacy. Finally, the module will address climate governance and policy, focusing on the importance of regulations, integration challenges, recent developments, and key components of an effective governance framework.

Module Intended Outcomes (MIOs) and Units of Competencies (UoCs)

Upon completion of the Module 10, candidates should be able to:

MIOs	Intended Outcomes / Competence	*Unit of Competencies (UoCs)
MIO-1	Collaborate with stakeholders across sectors to drive systemic change, fostering partnerships and exploring new business opportunities in the transition to a net-zero economy.	109199L5 109319L5 109571L6
MIO-2	Develop corporate strategy, governance and performance management systems that integrate ESG considerations.	

**Note: For the details of the UoCs, please refer to the Specification of Competency Standards (SCS) of [Retail Banking](#) and [Corporate & Commercial Banking](#) which were developed by HKCAAVQ.*

Assessment

Examination duration:	2 hours
Examination format:	Multiple Choice Questions (MCQ) with 60 questions
Pass mark:	60%

Syllabus

Chapter 1: Net-Zero Transition and Target Setting	
1.1	Developing tailored net-zero strategies for organisations
1.1.1	- Definition of net-zero and countries taking actions
1.1.2	- Common transition plan framework and elements
1.2	Setting net-zero transition goals and targets
1.2.1	- Net-zero transition goals and targets
1.2.2	- Implementation and engagement strategies to support net-zero transition
1.2.3	- Considerations when setting targets including dealing with “hard-to-abate” sectors
1.3	Monitoring and reporting on net-zero targets
1.3.1	- Use of metrics to measure progress and identify areas for improvement
1.3.2	- Development of feedback mechanisms for continuous improvement
Chapter 2: ESG Communication and Stakeholder Engagement	
2.1	Effective ESG communication and stakeholders engagement
2.1.1	- Stakeholder engagement and materiality assessment
2.1.2	- Common communication strategies to engage stakeholders
2.2	Stakeholder awareness raising in ESG
2.2.1	- Tools to raise stakeholder awareness
2.3	Promoting sustainable finance practices with the use of policy advocacy
2.3.1	- Policy advocacy and the impacts in promoting sustainable finance
Chapter 3: Climate Governance and Policy	
3.1	Overview on the importance of climate regulations and policies
3.1.1	- Overview of global and local climate regulations and policies
3.1.2	- Impact of climate regulations on banking sector
3.2	Challenges in integrating sustainable practices into banking activities
3.2.1	- Common challenges in integrating sustainable practices into banking activities
3.3	Latest development in climate policies, regulations, and climate governance initiative guidelines

3.3.1	- Recap of the latest global and local climate policy developments
3.4	Climate governance framework and policies for banks
3.4.1	- World Economic Forum – Climate Governance Principles
3.4.2	- Climate Governance Initiative – Hong Kong Chapter

Recommended Readings

Essential Readings:

1. HKIB Study Guide of ECF-GSF: Module 10 Sustainability Strategy, Compliance and Control. (2025).

Supplementary Readings:

1. Glasgow Financial Alliance for Net Zero (GFANZ). (2022). Financial Institution Net-zero Transition Plans. (<https://assets.bbhub.io/company/sites/63/2022/09/Recommendations-and-Guidance-on-Financial-Institution-Net-zero-Transition-Plans-November-2022.pdf>)
2. HKEX. (2024). Implementation Guidance for Climate Disclosures under HKEX ESG reporting framework. ([https://www.hkex.com.hk/-/media/HKEX-Market/Listing/Rules-and-Guidance/Environmental-Social-and-Governance/Exchanges-guidance-materials-on-ESG/guidance enhanced climate dis.pdf](https://www.hkex.com.hk/-/media/HKEX-Market/Listing/Rules-and-Guidance/Environmental-Social-and-Governance/Exchanges-guidance-materials-on-ESG/guidance%20enhanced%20climate%20dis.pdf))
3. IFRS Foundation. (2023). IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information. (<https://www.ifrs.org/issued-standards/ifrs-sustainability-standards-navigator/ifrs-s1-general-requirements/#standard>)
4. IFRS Foundation. (2023). IFRS S2 Climate-related Disclosures. (<https://www.ifrs.org/issued-standards/ifrs-sustainability-standards-navigator/ifrs-s2-climate-related-disclosures.html/content/dam/ifrs/publications/html-standards-issb/english/2023/issued/issbs2/>)
5. Transition Plan Taskforce. (2023). TPT Disclosure Framework. (<https://www.ifrs.org/content/dam/ifrs/knowledge-hub/resources/tpt/disclosure-framework-oct-2023.pdf>)
6. Transition Plan Taskforce (2024). Banks Sector Guidance. (<https://www.ifrs.org/content/dam/ifrs/knowledge-hub/resources/tpt/banks-sector-guidance-apr-2024.pdf>)
7. World Economic Forum (WEF). (2019). How to Set Up Effective Climate Governance on Corporate Boards. ([https://www3.weforum.org/docs/WEF Creating effective climate governance on corporate boards.pdf](https://www3.weforum.org/docs/WEF_Creating_effective_climate_governance_on_corporate_boards.pdf))

Further Readings:

1. Net-Zero Banking Alliance (NZBA). (2024). Guidelines for Climate Target Setting for Banks. (<https://www.unepfi.org/wordpress/wp-content/uploads/2024/03/Guidelines-for-Climate-Target-Setting-for-Banks-Version-2.pdf>)
2. Science Based Targets Initiative (SBTi). (2024). SBTi Financial Institutions' Near-Term Criteria. (<https://sciencebasedtargets.org/resources/files/Financial-Institutions-Near-Term-Criteria.pdf>)