Module Outline
Certified Banker (Stage I)
<u>Future Banking and ESG</u>

Benchmarked HKQF Level:	4
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:	*89.5 hours*
c) Assessment hours:	*1.5 hours*
Pre-requisite:	NA

Module Objective

This module aims to provide candidates with a solid background and overview of the various facets of the banking service sectors and how they are generally operated under the financial markets and systems. It will also equip the candidates with essential knowledge about the development of the banking business, operations and products which including the highlights of financial technology and ESG areas.

Module Intended Outcome (MILO) and Unit of Competency (UoC)

Upon completion of the module, learners should be able to:

MIOs	Intended Outcomes / Competence	*Unit of Competencies (UoCs)
MIO-1	Distinguish the functions of the financial markets and systems and analyse their implications to the development of the banking business and operations.	107516L4 107520L4 109609L4 109610L4
MIO-2	Describe the regulatory framework and requirements to banking services and operations.	
MIO-3	Identify relevant banking services and products to satisfy customers' needs.	
MIO-4	Recognise the latest developments and emerging trend of financial technology in banking industry.	
MIO-5	Comprehend the framework and future development of ESG and sustainable finance in banking industry.	

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:	1.5 hours
Examination format:	Multiple Choice Questions (MCQ) with 50 questions
Pass mark:	70%

Syllabus

	Chapter 1: Financial Systems and Markets	
1.1	**Introduction to financial institutions**	
1.1.1	-	Nature
1.1.2	-	Roles
1.1.3	-	Classification of financial institutions
1.2	**The global financial system**	
1.2.1	-	US financial system
1.2.2	-	UK and European financial systems
1.2.3	-	China's financial system
1.2.4	-	Role and function of a central bank
1.3	**The Hong Kong financial system and markets**	
1.3.1	-	Governing structure
1.3.2	-	Money supply in Hong Kong
1.3.3	-	Linked Exchange Rate System
1.3.4	-	Financial markets
	Chapter 2: Banking Systems and Regulations	
2.1	**Banking systems**	
2.1.1	-	Functions of banking systems
2.1.2	-	Banking systems in Hong Kong
2.1.3	-	Banking systems in Mainland China
2.1.4	-	Banking systems in the US
2.2	**Banking regulations**	
2.2.1	-	Banking regulations
2.2.2	-	Risk Management
2.2.3	-	Corporate governance
	Chapter 3: Banking products, services, and operations	
3.1	**Retail banking products, services and operations**	
3.1.1	-	Retail banking customers
3.1.2	-	Retail banking products
3.1.3	-	Retail banking operations

3.2	**Institutional banking products, services and operations**
3.2.1	- Institutional banking customers
3.2.2	- Institutional banking products
3.2.3	- Institutional banking operations
3.3	**Private banking / Private wealth management (PWM)**
3.3.1	- Private banking customers
3.3.2	- Private banking products
3.3.3	- Private banking operations
3.4	**Investment banking**
3.4.1	- Investment banking customers
3.4.2	- Investment banking products
3.4.3	- Investment banking operations
3.5	**Digital banking**
Chapter 4: Financial technology (Fintech)	
4.1	**Emergence of Fintech**
4.2	**Value propositions of Fintech**
4.3	**Contemporary Fintech applications in banking**
4.3.1	- Backend processes of mobile payments
4.3.2	- Digital ID and KYC Utility
4.3.3	- Robo-advisory
4.4	**Emerging technologies for Fintech**
4.4.1	- 5G
4.4.2	- Digital technology
4.4.3	- Artificial intelligence
4.4.4	- Blockchain
4.4.5	- Cloud computing
4.4.6	- Data
4.4.7	- Case studies and pilot programmes (New)
4.5	**Emerging risks of Fintech**
4.5.1	- Moral Risk
4.5.2	- Data Privacy
4.5.3	- Cybersecurity
4.5.4	- Financial Stability Risk
4.6	**Future development and challenges of Fintech in banking industry**
Chapter 5: Environmental, Social, and Governance (ESG) and Sustainable Finance	
5.1	**Introduction to ESG**

5.1.1	- Overview of ESG
5.1.2	- Environmental factors
5.1.3	- Social factors
5.1.4	- Governance factors
5.1.5	- Internationally recognised ESG rating system
5.2	**Emerging ESG risks and its mitigation and control**
5.2.1	- Environmental risks
5.2.2	- Social risks
5.2.3	- Governance risks
5.3	**ESG engagement, application and stewardship**
5.3.1	- Benefits, opportunities and challenges for financial institutions
5.3.2	- ESG stewardship
5.3.3	- ESG and organisational strategy
5.3.4	- Case demonstration
5.4	**ESG reporting**
5.4.1	- Task Force on Climate-related Financial Disclosures (TCFD) / International Sustainability Standards Board (ISSB)
5.4.2	- Hong Kong Stock Exchange (HKEX) ESG Reporting Guide
5.5	**ESG regulations**
5.5.1	- The Network of Central Banks and Supervisors for Greening the Financial System (NGFS)
5.5.2	- Common Assessment Framework on Green and Sustainable Banking (HKMA)
5.5.3	- Strategic Framework for Green Finance (SFC)
5.6	**Overview of the framework of sustainable finance**
5.6.1	- Sustainable finance: An overview
5.6.2	- Sustainable finance framework and opportunities
5.6.3	- Latest development of sustainable finance in Hong Kong with positioning as regional hub
5.7	**Future development of ESG and sustainable finance in banking industry**

Recommended Readings

Essential Reading:

1.   HKIB Study Guide of CB (Stage I) – FBESG: Future Banking and ESG. (2025).

Supplementary Readings:

1. HKIB E-learning Course No. 53 – Financial Privacy

2. HKIB E-learning Course No. 63 – International Trade Services

3. HKIB E-learning Course No. 64 – Introduction to Bank Lending Environment

Further Readings:

1. HKIB E-learning Course No. 58 – Global Banking Supervision

2. HKIB E-learning Course No. 83 – UCP600

3. Boatright, J.R. (2014). Ethics in Finance. Wiley-Blackwell.