



HONG KONG MONETARY AUTHORITY
香港金融管理局

Banking Policy Department

Our Ref: B1/15C
B1/21C

9 December 2022

The Chief Executive
All Authorized Institutions

Dear Sir/Madam,

Revised SPM CG-3 “Code of Conduct”

I am writing to inform you that, following consultation with the two industry Associations, the Monetary Authority is today issuing a revised version of its Supervisory Policy Manual (“SPM”) module CG-3 “Code of Conduct” as statutory guidance, by notice in the Gazette, under section 7(3) of the Banking Ordinance.

The changes incorporated in the revised SPM module are mainly to:

- strengthen the conflicts of interest policy requirements;
- incorporate the relevant provisions of the Prevention of Bribery Ordinance and provide guidance to raise staff awareness on corruption prevention;
- update the existing guidelines to enhance the internal control systems for enforcing the Code of Conduct; and
- enhance the clarity of guidance in relation to the adoption of group policies for foreign bank branches.

Online access to the revised SPM module is available on the HKMA’s public website (<https://www.hkma.gov.hk/eng/regulatory-resources/regulatory-guides/supervisory-policy-manual/>) and the Supervisory Communication Website (<https://www.stet.iclnet.hk>).

AIs are expected to review whether their Code of Conduct and internal control systems are consistent with the principles set out in the revised module and, if needed, to adopt all necessary changes by no later than 1 July 2023.

Should you have any questions regarding this revised module, please feel free to contact Ms Carita Wan at carita_pm_wan@hkma.gov.hk.

Yours faithfully,

Daryl Ho
Executive Director (Banking Policy)

Encl

cc: The Chairperson, The Hong Kong Association of Banks
The Chairperson, The DTC Association
FSTB (Attn: Mr Justin To)