

Welcome to the latest issue of PWMA Digest, where we share recent news and developments from the regulatory landscape, along with highlights of PWMA training sessions and events.

The private wealth management industry is evolving rapidly, making it essential to stay ahead of the curve. Don't miss our flagship event, the PWMA Annual Summit, scheduled for Friday, November 22, 2024, at the brand-new five-star Hopewell Hotel. For those unable to attend in person, we offer a virtual live-streaming option. Attendees can earn 6 OPT hours by participating in the full-day session and successfully passing the post-event quiz.

More details and registration: <https://plus-concepts.com/pwma2024/>

Essential reads:

1. *The Hong Kong Monetary Authority (HKMA) and the Hong Kong Association of Banks (HKAB) co-hosted a launching ceremony for the Integrity Charter together with the Independent Commission Against Corruption (ICAC). Management from around 30 banks attended the event, along with PWMA CEO Vivien Khoo who notes the industry fully supports this important initiative given "Integrity" is the core of our business.*

9 OCT 2024 [銀行反貪 | 廉署推銀行業誠信約章 余偉文：助銀行拓東南亞市場 業界：出差被當地要求付「小費」入境\(HKET\)](#)

9 OCT 2024 [金管局夥銀公支持《銀行業誠信約章》 承諾加強內部反貪防貪 30 銀行出席表態\(Sing Tao\)](#)

2. *The latest issue of the private wealth management industry annual almanac, "Hong Kong Private Banking 2024," compiled by the Hong Kong Economic Times (#HKET), has been released. It covers the latest trends and investment perspectives of major private banks and private wealth management industry organizations and explores the vision and insights into Hong Kong's role as a global wealth management hub.*

https://www.linkedin.com/posts/private-wealth-management-association-pwma-private-banking-2024%E6%8F%9B%E9%A0%98%E8%A1%A8%E6%A0%BC-activity-7247187553634713600-5f5Z?utm_source=share&utm_medium=member_desktop

3. *HKMA recently released a paper on 'Generative AI in the Financial Services Space'. The paper presents findings from an industry wide survey conducted by the HKMA to gauge the current adoption efforts of GenAI. Around 137 industry practitioners participated in the survey including in-depth interviews with 16 organisations across the technology, banking, securities, and insurance sectors.*



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https://www.hkma.gov.hk/media/eng/doc/key-information/guidelines-and-circular/2024/GenAI_research_paper.pdf

- 4. The Securities and Futures Commission (SFC) welcomes the publication of a voluntary code of conduct (VCoC) by an industry-led working group for environmental, social and governance (ESG) ratings and data products providers providing products and services in Hong Kong. The principle-based approached Voluntary Code is modelled upon the international best practices recommended by the International Organization of Securities Commission and includes a self-attestation document for ESG ratings and data products providers to explain their approach and actions taken to adhere to the principles of the VCoC. This in turn should assist end users (e.g. registered institutions) to compare the conduct of ESG ratings and data product providers in the course of their due diligence and ongoing assessment processes.*

<https://www.icmagroup.org/assets/documents/Sustainable-finance/Codes-of-conduct/ICMA-Hong-Kong-Code-of-Conduct-for-ESG-Ratings-and-Data-Products-Providers-ENGLISH-version-October-2024-031024.pdf>

- 5. In addition to the VCoC, the HKMA also released a circular on 'Good Practices on Climate Related Risk Governance' based upon its review of the progress of selected Authorised Institutions' implementation of the supervisory expectations set out in SPM module GS-1.*

[Annex \(hkma.gov.hk\)](https://www.hkma.gov.hk)

PWMA Events Q3 Highlights

1. Attracting the Next Wave of Investors: Introduction of the New CIES



Caption: We had a full house at the New Capital Investment Entrant Scheme (CIES) briefing where the InvestHK team provided a comprehensive overview of the scheme including investment and portfolio maintenance requirements, and answered questions from our members. Jason Fong, Global Head of FamilyOfficeHK, kicked off the session with a welcome speech highlighting recent trends in family offices as well as the government's initiatives and commitment to maintaining Hong Kong as a leading family office hub.

2. PWMA x STEP: The Benefits of Trusts and Relevance to Asian Clients



Caption: Over 120 attendees eager to learn more about the benefits of trusts, why they have been increasing in popularity with Hong Kong clients and how they can best be moulded to best fit client needs, attended "The Benefits of Trusts and Relevance to Asian Clients" session

that we co-hosted with the Society of Trust and Estate Practitioners (STEP). Christiaan De Bruyn and Brent York kindly shared valuable insights and expertise on the fundamentals of trusts, why clients need trusts and real-world case studies.

3. ESG in Private Wealth Management: Investment Trends, Opportunities and Next Steps



Caption: Considering the fast-evolving nature of ESG and related investment opportunities in Hong Kong and globally, the PWMA ESG Committee helped to identify meaningful actions to foster the growth and development of this important sector. PWMA ESG Committee representatives Lessa Youl, Miriam Ashroff (LGT Bank), Angus Choi (KPMG), along with Reg Tech Entrepreneur Andre Leung (FTAHK) provided helpful detail and knowledge in our training session, covering key areas including: Hong Kong’s sustainable investing landscape, changing demographics and client preferences, and key challenges faced by private banks. The team also talked about the role of FinTechs in providing solutions to help private banks enhance their ESG offerings, as well as government initiatives to promote Hong Kong as a green finance hub.

4. KYC Fundamentals and Emerging Trends



Caption: We had the pleasure of hosting an online session on “KYC Fundamentals and Emerging Trends”, where our panellists Henry Yu and Esther Tsang delved into the landscape of KYC and the emerging trends shaping the industry with help from our moderator Luke Tarrant. Key takeaways included adopting a risk-based approach, the MAS Circular, technology vs client relations, complexities in identifying capital sources and client privacy rights.

5. PWMA Apprentices Community Service Appreciation Lunch





Caption: In the spirit of community engagement, we empowered the PWMA 2024 Apprentice cohort to devise community service projects to be implemented over the summer. Apprentices shared their experiences from the 'Arts with the Disabled Association Hong Kong Community Arts Partnership' and 'Ronald McDonald House Charities Hong Kong' over a luncheon with members of PWMA's Executive Committee (Alex Ng, Ernest Ho, Gabriel Tam, Lemuel Lee, Nick Yim, Peter Tung, Rickie Chan) and other industry leaders and mentors including Selina Chan, Judy Chan, and Anna Wang, where their efforts in planning and implementing these Community Service Projects were recognized.

6. PWMA Apprenticeship Programme Graduation Celebration



Caption: PWMA congratulate the class of 2024 Apprentices following their second summer of successful on-the-job training. Jointly organized by the PWMA and the Hong Kong Monetary



Authority (HKMA), the Apprenticeship Programme offers undergraduate students in Hong Kong the opportunity to gain training and practical experience at PWMA member firms, preparing them for potential careers in private wealth management.