

# Corporate Functions



Corporate functions support the operations of the HKMA with a high level of transparency, accountability, efficiency and professionalism. To promote public understanding of its policies and operations, the HKMA communicates actively with the community and market participants through traditional and social media, the HKMA website, the Information Centre and other channels.

Internally, the HKMA is striving to build an agile and professional workforce, maintain rigorous financial discipline, and upgrade its digital capabilities in order to adapt to changes and ensure its policies and initiatives are effectively implemented.

## Corporate Functions

### Transparency

#### Media relations and use of social media

The HKMA works closely with the media to enhance transparency and promote public understanding of its policies and operations. In 2023, the HKMA held or participated in 188 open press events, comprising 11 press conferences, six media briefings, 15 stand-up interviews and 156 other public functions. Over the course of the year, it also arranged a further 25 media interviews, issued 583 bilingual press releases and handled a large number of media enquiries on a daily basis.

Press conferences and media briefings to raise awareness of the HKMA's key functions were organised for local, Mainland and foreign media. Topics included anti-scam initiatives, Central Bank Digital Currency (CBDC), and stablecoins.

Media representatives were active participants in events organised by the HKMA in 2023, in particular the second Global Financial Leaders' Investment Summit. The three-day event generated over 2,000 pieces of positive, factual news coverage in local, Mainland and international media.



*Mr Eddie Yue, Chief Executive, speaks at a media stand-up at the Hong Kong FinTech Week 2023*



*Mr Eddie Yue, Chief Executive, conducts a media stand-up at the Global Financial Leaders' Investment Summit*

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Mr Arthur Yuen (first from right), Deputy Chief Executive, hosts a sharing session at the Anti-Scam Consumer Protection Charter event



Mr Howard Lee (centre), Deputy Chief Executive, hosts a media briefing on the e-HKD Pilot Programme Phase 1 Report



Mr Darryl Chan (first from left), Deputy Chief Executive, moderates a panel discussion at the Treasury Markets Summit 2023

To engage with the public more effectively, the HKMA operates six social media channels (Facebook, Instagram, LinkedIn, WeChat, X (formerly Twitter), and YouTube), which collectively have over 150,000 followers. The HKMA's major summit and conferences, including the Global Financial Leaders' Investment Summit, are livestreamed on its social media channels to enhance participation by the public and the industry. The HKMA also develops creative social media content to raise public awareness on a range of topics and initiatives. Recent content covered topics such as consumer protection and scam prevention, the Faster Payment System, fintech, green and sustainable finance, and major events of the HKMA.



Creative social media content helps to raise public awareness on the HKMA initiatives and a range of other topics

## Corporate Functions

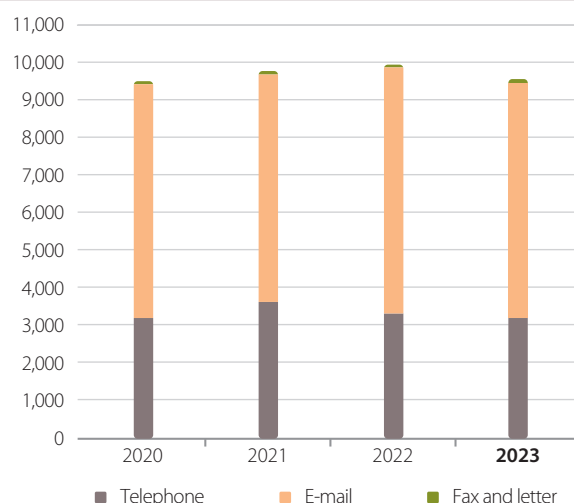
### Public enquiries

The HKMA's Public Enquiry Service provides an effective channel for the public looking to better understand key HKMA functions and operations.

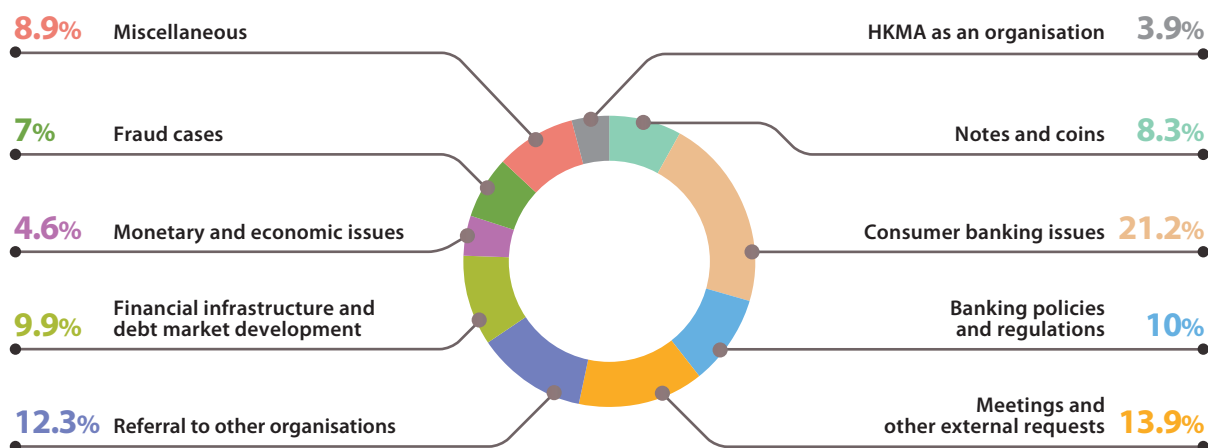
In 2023, the Public Enquiry Service handled 9,565 enquiries. About half of these were related to consumer banking issues, banking policies and regulations, financial infrastructure and debt market development, and notes and coins. Some of the common subjects of enquiries concerned banking products and services, the Coin Collection Programme, the Retail Bond Issuance Programme, banking-related guidelines and circulars, and the Faster Payment System.

Chart 1 shows the number of public enquiries received by the Public Enquiry Service since 2020, and Chart 2 provides a breakdown of the nature of enquiries received in 2023.

**Chart 1** Total number of public enquiries



**Chart 2** Nature of enquiries received in 2023



### Public Enquiry Service Performance Pledge and Achievement Rate



#### Service

Reply to enquiries



#### Performance Pledge

Answer or issue an interim reply within seven working days after the day an enquiry is received



#### Achievement Rate (2023)

100%



## Corporate Functions

### Publications

During the year, the HKMA published its *Annual Report 2022* along with its first standalone *Sustainability Report 2022*.

The *Annual Report 2022* received a Gold Award in the “Non-profit Making and Charitable Organizations” category, the highest ranking within the category, at the Hong Kong Management Association’s 2023 Best Annual Reports Awards. Meanwhile, the *Sustainability Report 2022* won the ESG Award in the Public Sector/Not-for-profit (Large) Category of the Hong Kong Institute of Certified Public Accountants’ Best Corporate Governance and ESG Awards 2023.

In 2023, the HKMA published two issues of its *Half-Yearly Monetary and Financial Stability Report* and four issues of its *Quarterly Bulletin*, and regularly updated its *Monthly Statistical Bulletin* to provide up-to-date and thematic information on and analyses of monetary, banking and economic issues in Hong Kong. The HKMA also published 14 *inSight*<sup>1</sup> articles in which it introduced major new policies and initiatives and discussed topical issues.

### Corporate website

The corporate website ([www.hkma.gov.hk](http://www.hkma.gov.hk)), with nearly 60,000 pages of content in English and traditional and simplified Chinese, is the public gateway to up-to-date information about the HKMA. It contains the register of authorized institutions (AIs) and local representative offices and the register of securities staff of AIs, both maintained under section 20 of the Banking Ordinance (BO), as well as the register of stored value facility licensees under the Payment Systems and Stored Value Facilities Ordinance.

The HKMA has been releasing financial data and important information on its website via an Open Application Programming Interface (Open API) in phases since 2018. By the end of 2023, the HKMA had opened up 175 sets of Open APIs on its website, in line with its target schedule.

The HKMA’s Open API portal:



### Information Centre

Located on the 55th floor of Two International Finance Centre, the HKMA Information Centre consists of an exhibition area and a library designed to introduce the work of the HKMA to the community and enhance public awareness of monetary and banking matters. The interactive exhibition area presents an overview of the HKMA’s work, and of the development of money and banking in Hong Kong, along with information and exhibits useful for the study of Hong Kong’s monetary, banking and financial affairs.

During the year, the Information Centre welcomed more than 31,000 visitors and hosted over 480 guided tours for schools and other groups.

The library, next to the exhibition area, houses over 26,000 books, journals and other publications on Hong Kong’s monetary, banking and financial affairs as well as central banking topics. It also maintains the register of AIs and local representative offices, as well as the register of securities staff of AIs, for public access as required by section 20 of the BO.



Young visitors learn about the design of banknotes in Hong Kong during a guided tour of the Information Centre

<sup>1</sup> *inSight* is the HKMA’s official column, featuring articles written by senior executives.

## Corporate Functions



*Guided tour of the Information Centre for kindergarten students*

### Community engagement and public education

Since 1998, the HKMA has been running a public education programme that reaches out to the community to raise public awareness of its work. To date, more than 66,000 people have participated in the public education programme. In 2023, a webinar was organised for over 1,200 students and teachers from 58 secondary schools. The webinar topics included an overview of the HKMA's work, the Linked Exchange Rate System, Hong Kong banknotes, protection of personal digital keys, the Deposit Protection Scheme, green finance, and career opportunities in the banking industry.

The HKMA educates and engages the public on how to be smart and responsible financial consumers. In light of the rise in phishing scams and credit card fraud, the HKMA continued its efforts across different media to remind the public to stay vigilant. A brand new awareness campaign was rolled out following the launch of the Anti-Scam Consumer Protection Charter, emphasising that banks and major merchants have committed not to send hyperlinks via instant electronic messages soliciting personal and credit card information. The HKMA also passed on smart tips on credit cards, personal loans, online shopping, banking services and different payment options (including "Buy Now, Pay Later" products) via radio and social media channels.



*A new video and animations with cannibal plant and animal trap are produced with the theme "Protect your Personal Digital Keys; Beware of Fraudulent Links!"*

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*Cross-media publicity is produced reminding members of the public not to click on suspicious links*

In support of the environment, and drawing on technological advances in financial services, the HKMA encouraged members of the public to give out electronic lai sees (e-lai sees) and to consider using good-as-new banknotes for physical lai sees over the Chinese New Year through social media and radio promotions.

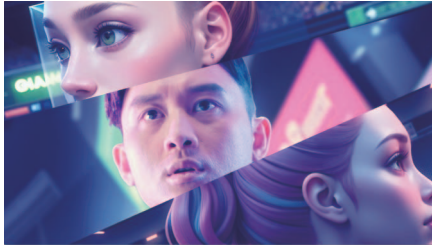


*Animated video to promote e-lai sees*

The HKMA also seeks to enhance public understanding of the financial industry and raise young people's interest in pursuing a career in the industry, thus enlarging Hong Kong's talent pool for the financial industry. Following positive feedback for its earlier video series "Four Faces of Talents in Central", the HKMA launched a new video series titled "Financial Special Forces: Unleashing New Horizons" that featured four growth areas in the financial industry: data science, fintech, green and sustainable finance, and wealth management. The video series utilised computer graphics and animation to show seasoned market practitioners supervising young talents as they managed daily work challenges, providing a light-touch introduction to career opportunities and prospects within the industry.



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A video series "Financial Special Forces: Unleashing New Horizons" is produced to keep the younger generation abreast of career opportunities in finance

To enhance financial literacy among secondary school students, the HKMA worked with other stakeholders to co-organise the "Hong Kong Financial Literacy Championship" for the ninth consecutive year. Under the theme of digital and sustainable economy, the event helped students learn more about money management, green and sustainability, the current state of the financial market and career opportunities. It also included an online quiz that received around 20,000 submissions, mentoring by experienced practitioners from diverse areas, and design thinking challenge.



Mentors from different areas sharing their expertise and experience with students

## Corporate Functions

### \$mart Money Management 321



The HKMA launched its first financial education board game called “\$mart Money Management 321”, which is jointly designed and developed with a social enterprise specialising in board game production. The board game was designed to help primary school students learn about different payment methods, money management concepts, fintech and cybersecurity in a simulated setting.

The HKMA took a booth at the Hong Kong Book Fair 2023 to promote the board game, which was one of the best-selling items at the Fair. In addition, the HKMA organised a series of free promotional activities, which included workshops in community centres, trials for students in primary schools, and train-the-trainer workshops for primary school teachers and social workers at non-governmental organisations, as well as running a “\$mart Money Management Experiential Centre” at PMQ during the festive season.



*The HKMA's first financial education board game, “\$mart Money Management 321”, and the “\$mart Money Management Experiential Centre” receive several international design awards*



*Following its launch at the Hong Kong Book Fair, the board game is promoted through train-the-trainer workshops, student trial sessions and an experiential centre at PMQ*



## Corporate Functions

The HKMA also collaborated with different stakeholders in a number of community engagement programmes. One of these was the second phase of a cross-generation outreach educational programme, organised jointly with an educational institution. It included a bank simulation game along with talks targeting kindergarten students, their parents and teachers, and young adults.

The HKMA continued to support the work of the Investor and Financial Education Council in promoting financial literacy and financial capacity in Hong Kong. It will explore further collaboration with different stakeholders to maximise the impact of its community engagement work.

### Financial disclosure

To maintain a high level of transparency, the HKMA adopts international standards in financial disclosure insofar as they are applicable to central banking operations. These include the Hong Kong Financial Reporting Standards and other applicable reporting requirements, such as the International Monetary Fund's Special Data Dissemination Standard. The Finance Division works with external auditors and other accounting professionals to prepare and present the Exchange Fund's financial statements in accordance with the Hong Kong Financial Reporting Standards. The HKMA also provides detailed disclosures and thorough analyses of a wide range of expense items and budgetary information in its *Annual Report*.

## Accountability and controls

### Risk management

One of the HKMA's most important tasks is to manage risks to the monetary and banking systems. Risk management is undertaken both at a working level in its day-to-day operations, and at a higher level through strategic planning. Two high-level committees, the Macro Surveillance Committee and the Risk Committee, operate under the HKMA's risk management framework. Both are chaired by the Chief Executive of the HKMA.

The terms of reference of the Macro Surveillance Committee are to:

- identify potential risks and threats to the monetary and financial system in Hong Kong and discuss possible measures to address such risks;
- review existing measures for managing risks in the monetary and financial system to identify possible gaps and ensure the adequacy of these measures; and
- encourage cross-departmental sharing of relevant information on macro surveillance with a view to enhancing the macro surveillance capability of the HKMA.

The terms of reference of the Risk Committee are to:

- identify potential risks and threats to the organisation and devise strategies to reduce the impact of such events;
- review the existing system for managing risks across different departments to identify possible gaps and significant risks and ensure the adequacy of measures to address them;
- harmonise the criteria and methods of risk measurement and prioritise the resources management of risks identified; and
- encourage a stronger risk management culture institutionally which promotes the proper levels of authorisation and controls.

The HKMA has a robust operational risk management framework in place that covers its organisational risks at two levels: the entity level and the department level. Entity-level risks refer mainly to those which concern the entire organisation in the medium term, or which might require a cross-departmental response. Any potential or emerging risks identified by business units, and the adequacy of the control measures and mitigating strategies they devise, are reviewed and reported every quarter. This is supplemented by a top-down approach to manage entity-level risks, in which senior colleagues heading different business units actively identify risks of wider impact and propose mitigating measures. The Risk Committee discusses these assessments and decides on appropriate follow-up actions.

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### Internal audit

The Internal Audit Division (IAD) provides independent and objective assessment of the adequacy and effectiveness of the HKMA's governance, risk management and control processes. The IAD reports functionally to the Audit Sub-Committee of the Exchange Fund Advisory Committee (EFAC), and administratively to the Chief Executive of the HKMA. Adopting a risk-based approach, the IAD conducts operational and information system audits to review areas of significant risk. In 2023, the IAD conducted 30 audits on reserves management, banking supervisory activities, monetary and financial development, information technology and other corporate functions of the HKMA. These audits confirmed that adequate and effective control systems were in place to manage potential risks arising from the HKMA's business operations. The IAD also advises on internal controls for major digitalisation projects and new business initiatives. It provides regular risk updates to the Risk Committee, and reports the progress of audits and key internal control matters to the Audit Sub-Committee and senior executives every quarter.

### Budgeting and financial controls

In drawing up the annual budget, the HKMA follows a disciplined approach that takes into account its ongoing operations and its strategic development, as set out in its Three-Year Plan approved by the Financial Secretary on the advice of EFAC. The budget process requires departments to assess their needs for the coming year and to review the possibility of making savings in staffing and expenditure by critically assessing the value and cost-effectiveness of their existing services and delivery methods. The Finance Division scrutinises all budget requests in communication with individual departments before submitting a consolidated draft budget, which includes a headcount proposal, for further review by senior management. The Governance Sub-Committee (GSC) of EFAC then deliberates on the proposed budget and recommends any changes it considers necessary, before sending it through EFAC to the Financial Secretary for approval.

All expenditure items are subject to stringent financial controls that are governed by detailed procurement rules and guidelines. Compliance with these guidelines is subject to internal audit, and is also reviewed by independent auditors during the annual audit of the Exchange Fund. Expenses are analysed and reported to senior management every month.

The administrative expenditure in 2023 and the budgeted expenditure for core activities in 2023 and 2024 are shown in Table 1. The difference between the actual 2023 expenditure and the 2024 budget arises mainly from an increase in staff costs, as additional headcounts have been allocated to cope with new initiatives and increased workload, and increases in provisions for maintenance of IT equipment.

Table 2 shows other expenses that are not related directly to the HKMA's own operations. During the year, the HKMA provided financial support (including support for premises and administrative costs) to international organisations whose presence in Hong Kong enhances the city's status as an international financial centre, as well as to certain regional bodies dedicated to setting global standards and promoting regulatory co-operation. Funding to promote the development of Hong Kong's capital markets, including through supporting adoption of green and sustainable finance and fintech, would contribute to the healthy growth and diversification of the market. Spending on financial infrastructure (including spending to support the operation and continued development of payment and settlement systems) enables Hong Kong's financial markets to function efficiently and securely. The HKMA also provides operational support to the Hong Kong Deposit Protection Board on a cost-recovery basis, as endorsed by the Financial Secretary under section 6 of the Deposit Protection Scheme Ordinance.

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**Table 1** Administrative expenditure

HK\$ million	2023 Budget	2023 Actual	2024 Budget
<b>Staff costs</b>	1,881		2,024
Salaries and other staff costs		1,568	
Retirement benefit costs		132	
<b>Premises expenses</b>			
Rental expenses	54	49	62
Other premises expenses (including management fees and utility charges)	91	81	100
<b>General operating costs</b>			
Maintenance of office and computer equipment	227	194	250
Financial information and communication services (including trading, dealing terminals and data link charges)	100	82	112
External relations (including international meetings)	91	51	95
Public education and publicity	85	36	68
Professional, consulting and other services	208	118	198
Training	28	6	30
Others	18	15	25
<b>Total administrative expenditure</b>	<b>2,783</b>	<b>2,332</b>	<b>2,964</b>

**Table 2** Additional expenses

HK\$ million	2023 Budget	2023 Actual	2024 Budget
Financial support to international financial organisations	57	51	62
Financial support to the Hong Kong Academy of Finance and the Hong Kong Institute for Monetary and Financial Research	103	70	111
Funding to promote the development of Hong Kong's capital markets	–	–	70
Service fees for financial infrastructure	175	82	153

## Corporate Functions

### Staff conduct and discipline

The HKMA places great importance on the integrity and conduct of its staff, expecting them to observe exemplary standards of personal conduct and integrity and to act in the best interests of the organisation. The HKMA Code of Conduct provides guidance to staff on their ethical and legal responsibilities.

The HKMA makes dedicated efforts to remind staff of its conduct-related rules and regulations, including issuing email alerts to raise staff awareness of important conduct issues in areas such as the avoidance of conflicts of interest, prevention of corruption, personal data protection, and anti-discrimination practices. Staff are required to take regular online tests to deepen their understanding of relevant policies, rules and regulations.

### Efficiency

#### Information technology

The Information Technology (IT) Division supports the smooth and efficient operation of the HKMA by maintaining a reliable, secure and resilient IT operational environment. In 2023, all of the HKMA's critical systems registered full operational uptime, enabling the continuous functioning of all essential business processes.

Cybersecurity continues to be a top priority within the HKMA's overall IT strategy. In addition to monitoring emerging cyber threats, the HKMA has enhanced its overall cybersecurity strategy with a view to safeguarding its IT services, data and assets. The enhanced strategy has involved strengthening the HKMA's operating model, making its endpoints more secure, and implementing zero trust design principles. The HKMA has also continued to reinforce its security governance and protection layers in order to enhance resilience and ensure business continuity for all critical systems. The IT Division puts efforts in enhancing the enterprise architecture governance process to ensure that technology investment aligns with the HKMA's overall business strategies.

In 2023, the HKMA has made notable progress in implementing overarching foundational services to enable application modernisation and enhance service observability. The IT Division is exploring the use of public cloud, with the aim of migrating non-sensitive workloads to the public cloud. This move will reduce the total cost of ownership while enabling a more agile IT infrastructure and service environment.

In creating a digital workplace, the HKMA aims to provide staff with modern tools and streamlined processes that will foster collaboration and drive productivity. While the migration of the email system has been progressing according to plan, legacy applications and business processes have been revamped or optimised to enhance efficiency in the workplace.

### Digitalisation

Since its inception in 2019, the Digitalisation Programme has been optimising the efficiency of the HKMA's work. It has involved embracing the latest technological advances and innovative solutions in five key areas: banking supervision, anti-money laundering supervision, financial stability surveillance, economic research, and reserves management.

The launches in 2023 of the Common Submission Platform (CSP) for the banking industry and of Data Marketplace were significant steps forward for the HKMA in its digitalisation journey. The CSP is the HKMA's next generation data submission platform, and features a range of submission channels to accommodate the latest technology trends and varying needs across the banking industry. Its user-centric functionalities enable AIs to submit certain data to regulators more easily than before and with enhanced security. Meanwhile, the Data Marketplace is providing data users with a single gateway to all their data needs within the HKMA. It allows them to find and use data conveniently while complying with best practices in data governance and management.

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These platforms, together with other digitalisation projects, have laid a solid foundation for future developments and expansion. The HKMA has undergone several stages of technical development and process re-engineering in the past few years. In 2024, the Digitalisation Programme will focus on enabling a wider adoption of technologies and data capabilities, fostering a more data-driven culture across the HKMA.

### Administration

The HKMA regularly reviews its corporate resources, including the space it has available, to ensure that it can meet its operational needs. For a more efficient use of space and greater seating capacity, the HKMA's offices adopt an open-plan layout with breakout areas for team discussions. Conference rooms and multi-function rooms for meetings and interviews are equipped with audio-visual systems that offer a user-friendly setup for the hosting of web conferences and webinars. Comprehensive office security measures, including access controls, surveillance systems and security personnel, are in place to ensure that office premises, staff and assets remain safe. The HKMA is currently part-way through a multi-year project to implement an electronic record-keeping system, which will enhance its operational efficiency and facilitate further digitalisation. The HKMA also promotes a green and caring workplace; more information can be found in the *Sustainable HKMA* chapter of the *Sustainability Report 2023*.

### Legal support

The Office of the General Counsel (OGC) provides legal advice to the HKMA on all aspects of its functions. In 2023, the OGC worked alongside other HKMA departments on matters that included the proposed regulatory regime for stablecoin issuers, the proposed amendments to the BO and its Rules, the issuance of tokenised bonds, the exploration of the legal aspects of CBDCs in the context of the Multiple CBDC Bridge (mBridge) and e-HKD<sup>2</sup> projects, and the development of Commercial Data Interchange and other data-sharing initiatives.

OGC lawyers also provide legal support relating to the HKMA's participation in international working groups, and respond to consultations on legislative proposals and other matters which may affect the functions and operations of the HKMA.

### Settlement services

The Settlement Section provides reliable and efficient settlement services as well as operational support for the HKMA's reserves management, monetary operations and other initiatives. In 2023, the Settlement Section continued to enhance its systems and procedures in order to maintain a high level of operational resilience and efficiency in meeting ongoing and new settlement service demands. Supported by effective and robust operation and system controls, it accurately and securely transferred the funds and assets of the Exchange Fund. The Settlement Section will stay agile in the face of changes arising from the rapid development of the financial industry.

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<sup>2</sup> e-HKD refers to a retail CBDC in Hong Kong.



## Corporate Functions

### Professional workforce

#### Establishment and strength

The HKMA recruits, develops and maintains a highly professional workforce to support its policy objectives and respond in an agile manner to changing work priorities.

The establishment of the HKMA in 2023 was 1,056. The HKMA made continuous efforts to support new initiatives as well as the voluminous and complex work through flexible redeployment of existing resources, efficiency enhancement and streamlining of work processes. In 2024, the HKMA will increase its establishment to 1,112 by creating 33 new posts (partly offset by the deletion of three posts) and converting 26 contract posts to permanent posts, in order to cope with its longer-term manpower needs in various areas of work.



#### HKMA's Core Values

The HKMA is committed to promoting a sound corporate culture which underpins the effective delivery of the important missions of safeguarding financial and monetary stability, as well as strengthening Hong Kong's status as an international financial centre. The core values of the HKMA are:



##### Integrity

We act with honesty, probity, and impartiality



##### Professionalism

We pursue professional excellence, intelligent enquiry, innovation, and continuous improvements



##### Collaboration

We respect and value our people; and promote diversity of views and teamwork



## Corporate Functions

Table 3 gives a breakdown of the establishment and strength of the HKMA.

**Table 3 Establishment and strength of the HKMA on 1 January 2024**

Department	Functions	Senior staff		Others	
		Establishment	Strength	Establishment	Strength
Senior Executives' Office	Top management of the HKMA	4	4	11	11
Banking Conduct	To take charge of payment systems oversight, licensing, and all supervisory and development functions relating to the business conduct of Als	1	1	98	93
Banking Policy	To formulate supervisory policies for promoting the safety and soundness of the banking sector, enhance the capacity building of industry practitioners, and take charge of the deposit protection function	1	1	49	46
Banking Supervision	To supervise operations of Als	1	1	198	180
Enforcement and Anti-Money Laundering	To investigate and, where appropriate, take enforcement action under relevant ordinances, supervise anti-money laundering and counter-terrorist financing systems, and handle complaints	1	1	108	99
Exchange Fund Investment Office	To manage reserves in line with established guidelines to achieve investment returns and enhance the quality of returns by diversifying investments into different markets and asset types	1	0	117	98
Risk and Compliance*	To oversee all risk-generating activities, including investment risks and non-investment-related corporate risks of the HKMA	1	1	44	42
External	To develop and promote Hong Kong as an international financial centre, foster regional monetary co-operation through participation in the international central banking and financial community, and promote the development of financial markets	1	1	68	56
Financial Infrastructure	To develop and enhance financial market infrastructure for maintaining and strengthening Hong Kong's status as an international financial centre	1	1	21	20
Monetary Management	To maintain financial and monetary stability through macro-financial surveillance and monitoring of market operations, license and supervise stored value facilities, designate and oversee important retail payment systems, develop thought leadership and implement policies in digital finance including regulatory regime for stablecoin issuers, take charge of the settlement function, and ensure an adequate supply of banknotes and coins	1	1	98	88
Research	To conduct research and analyses on economic and financial market developments in Hong Kong and other economies	1	1	43	40
Office of the General Counsel	To provide in-house legal support and advice	1	1	30	28
Corporate Services	To provide support in the form of administration, finance, human resources, information technology and secretariat services; handle media and community relations; and provide consumer education	1	0	185	169
Internal Audit Division	To evaluate and advise on the adequacy and effectiveness of the HKMA's governance, risk management and control processes	0	0	10	10
Resolution Office	To establish resolution standards, contribute to international resolution policy development, undertake local and cross-border resolution planning, develop operational capabilities to implement resolution, and execute the orderly resolution of a failing AI or a cross-sectoral group if needed	0	0	16	11
<b>Total</b>		<b>16</b>	<b>14</b>	<b>1,096</b>	<b>991</b>

\* Staff members overseeing investment risks are part of the Exchange Fund Investment Office set-up. For presentational reasons, they are grouped under the Risk and Compliance Department.

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### Remuneration policies

The Financial Secretary determines the pay and conditions of service for HKMA staff on the advice of the GSC through EFAC, taking into account prevailing market rates and practices.

Remuneration comprises a total cash package and a provident fund scheme, with minimal benefits in kind.

The cash package consists of monthly fixed pay (or basic pay) and variable pay that may be awarded to individual staff members as a lump sum once a year, depending on performance.

Pay for HKMA staff is reviewed annually by the Financial Secretary in light of recommendations made to him by the GSC, taking into account the GSC's assessment of the performance of the HKMA in the preceding year, findings of the pay surveys of the financial sector conducted by independent human resources consultants, and any other relevant factors. Special pay adjustments may be made from time to time to reward individual meritorious staff members and to maintain the competitiveness of their pay.

Any approved annual adjustments to the fixed pay and any variable pay are awarded to individual staff members based on their performance. Investment staff members are subject to a variable pay system that seeks to strengthen the link between their investment performance and remuneration award. The pay adjustments and awards for individual staff members at the ranks of Executive Director and above are separately discussed and approved by the Financial Secretary on the advice of the GSC. The staff members concerned are not present at the meetings when their pay is discussed. Pay adjustments and awards for individual staff members at the ranks of Division Head and below are determined by the Chief Executive of the HKMA under delegated authority from the Financial Secretary.

### Remuneration of senior staff members

The remuneration packages of senior staff members in 2023 are shown in Table 4.

**Table 4** Remuneration packages of senior staff members in 2023<sup>a</sup>

	Chief Executive	Deputy Chief Executive/ Senior Executive Director (average)	Executive Director (average)
Number of staff members <sup>b</sup>	1	4	13
(HK\$'000)			
Annualised pay			
Fixed pay	7,213	6,134	4,453
Variable pay	2,172	1,834	1,135
Other benefits <sup>c</sup>	826	835	585

- Except for annual leave accrued, the actual remuneration received by staff members who did not serve out a full year is annualised for the purpose of calculating the average annual package for the rank.
- The number of staff members in this table includes those who did not serve out a full year. The senior staff members include the Chief Executive Officer of The Hong Kong Mortgage Corporation Limited, the Special Adviser to the Chief Executive of the HKMA, and the Deputy Chief Executive Officer of the Exchange Fund Investment Office.
- Other benefits include provident funds or gratuity as the case may be, medical and life insurance, and annual leave accrued during the year. The provision of these benefits varies among senior staff members, depending on individual terms of service.

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### Staff development

The HKMA places a high priority on developing its staff's capabilities to cater for its operational needs and staff's career development, which in turn enhances their ability to adapt to new challenges. Considerable efforts are devoted to training each staff member's vertical (job-specific) and horizontal (general) skills according to identified individual and organisational needs. In 2023, the HKMA continued to enhance the professional development of staff with respect to their work and ranks under its structured training curriculum. It organised thematic talks on its work and emerging trends for staff, including topics such as financial reform in the Mainland, Guangdong-Hong Kong-Macao Greater Bay Area development and virtual assets, to keep staff abreast of the latest financial developments and support various functional areas. Leadership training for senior staff was organised to equip them with skills and insights for leading the organisation effectively.



*A workshop on Professional English Writing for general staff*



*A leadership training for division heads*

## Corporate Functions



*A workshop on Collaborative Communication Skills for general staff*



*A course on Basic Management Skills for supervisors*



The HKMA's Continuous Capacity Development Programme aims to encourage a culture of continuous learning and strengthen the competencies of the HKMA staff. The HKMA operates a training sponsorship scheme that supports staff members pursuing studies relevant to the work of the HKMA, and also reimburses membership fees paid by staff to relevant professional bodies that support their work in the HKMA and professional development.

To enhance their work exposure and promote the cross-fertilisation of skills and experience, the HKMA encourages staff members to rotate across different job areas, for example by accepting postings to the HKMA's New York Office, or secondments to HKMA-related organisations, other regulatory authorities or the Government. Secondments to international organisations such as the International Monetary Fund and the Bank for International Settlements are also arranged so that staff members can participate in activities and policy initiatives in which Hong Kong or the HKMA plays a key role. In addition, some staff members are deployed to provide support to related organisations, like the Hong Kong Deposit Protection Board, as well as to subsidiaries wholly owned by the Exchange Fund, such as Hong Kong FMI Services Limited and Hong Kong Academy of Finance Limited.



## Corporate Functions

### Opportunities for graduates and students to join the HKMA

#### Manager Trainee and Graduate Economist Programmes

The HKMA runs two trainee programmes designed to create a pool of young talents with sharp analytical minds, strong communication skills, high leadership potential and good team spirit who wish to pursue long-term careers in central banking: the Manager Trainee (MT) Programme and the Graduate Economist (GE) Programme. Each programme lasts for two years.

The MT Programme prepares young talents interested in central banking work for future key management roles within the HKMA, contributing to the financial stability and prosperity of Hong Kong. Each MT undergoes on-the-job training in two or three departments where they acquire hands-on experience in some of the HKMA's most important functions. The GE Programme, on the other hand, offers young graduates interested in economic research the opportunity to apply their research skills and contribute to the process of policy formulation in two or three departments.

Both programmes provide an all-round career development environment for trainees. Apart from receiving on-the-job training, the MTs and GEs also attend courses or briefings related to central banking, and participate in mentorship and buddy programmes, international events, special research projects and internal staff events. Upon the successful completion of their programmes, MTs are offered appointments as Managers and GEs as Economists within the HKMA.

#### Assistant Managers

Assistant Managers (AMs) are an important backbone of the HKMA's body of professional staff. Most AMs work in the banking departments, helping to preserve the safety and stability of Hong Kong's banking system. A small number of AMs work in other functional areas, where they provide analytical support and other forms of assistance. The AM position is a good career starting point for young graduates with a keen interest in banking supervision and regulatory work.



## Corporate Functions



*MTs and GEs chatting with Senior Executives*



*Digital Bootcamp for MTs and GEs*



*Central Banking Course for MTs and GEs*



*MTs and GEs visiting Hong Kong Note Printing Limited*

### Internship programmes

The HKMA runs summer and winter internship programmes for undergraduates, designed to equip them with practical work experience of and insights into the roles of a central bank. The programmes include talks and visits that provide interns with an in-depth understanding of the functions and work of the HKMA.