

# FSPB launches code of ethics for the financial services industry

THE development and advocacy of voluntary professional and ethical standards for the industry have been the foundation of the Financial Services Professional Board (FSPB) since it was first mooted in 2014.

Two years down the road, FSPB can now officially claim its own publication on its code of ethics (CoE) for the financial services industry, accompanied by feedback received from stakeholders demonstrating transparency in formulating the code.

It is a result of consultations with a total of 280 organisations consisting of financial institutions, industry associations, professional bodies and major international regulatory bodies from across Malaysia, Singapore, Hong Kong, India, Switzerland, the UK and the US.

FSPB has been tasked to develop an international code that sets out the core ethical principles that are applicable to institutions across the financial services industry. A working group, comprising chairs of industry associations in Malaysia, as well as local and international individual subject-matter experts, was established to undertake this important review.

"The CoE outlines a set of five broad fundamental principles to which institutions and individuals in the financial services industry should adhere to. It is drafted in a manner that makes it easy to use and accessible to all. The five principles are competence, integrity, fairness, confidentiality and objectivity," said FSPB chairman Tan Sri Azman Hashim.

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fessionalism anchored on a set of core ethical principles will contribute towards a more resilient financial services industry.

"The CoE aims to raise the bar of professionalism and ethics across the financial services industry to help restore, maintain and enhance public trust towards

the sector.

"We hope that the FSPB CoE will be accepted not only in Malaysia but also internationally," Azman said.

It is another milestone for the financial services sector, and FSPB members welcome its adoption as it will further enhance trust and

confidence in the sector.

"A strong financial sector will enable them (financial institutions) to continue their critical role in the development of the nation and as regional banks, in meeting stakeholders' expectations on ethical standards consistently across the countries in which they operate," said Association of Banks in Malaysia chairman Datuk Abdul Farid Alias.

Abdul Farid, who is also Malayan Banking Bhd group president and CEO, said the CoE actually complements the respective CoE currently practiced by banks.

"I am confident that our members and their employees will institutionalise the FSPB CoE principles and rely on them for guidance in decision-making and conduct at all times. These will in turn strengthen governance within the industry and help avoid lapses in ethical behaviours that could prove costly for everyone," he added.

Meanwhile, AMMB Holdings Bhd (AmBank Group) CEO Datuk Sulaiman Mohd Tahir welcomes the CoE issued by the FSPB.

"The five principles are already embedded in AmBank Group's Ethics Policy which covers all bank employees," he said.

The FSPB is a voluntary industry-wide initiative that is dedicated to the development and advocacy of professional and ethical standards that are developed through industry consensus and engagement. It was officially launched in Kuala Lumpur by Bank Negara Malaysia and the Securities Commission Malaysia in 2014.