Reflect, Reset and Refocus:
Game Plan for Hong Kong as an Asset Management Hub

Keynote speech at 16th

Reset

Refocus

4. Technology and services

I believe generative AI can be used responsibly to augment, rather than replace, asset managers in strategic decision making. As a regulator, the SFC is guided by our philosophy to promote the responsible deployment of technology as long as it enhances market efficacy and transparency, cost savings and investor experience. However, at this stage, firms must take its output with a grain of salt, stay alert to AI-related risks and make sure clients are treated fairly. We expect licensed corporations to thoroughly test AI to address any potential issues before deployment, and keep a close watch on the quality of data used by the AI. Firms should also have qualified staff managing their AI tools, as well as proper senior management oversight and a robust governance framework for AI applications. For any conduct breaches, the SFC would look to hold the licensed firm responsible not the AI.

Closing