About the Hong Kong Deposit Protection Board

OVERVIEW

Introduction

The Hong Kong Deposit Protection Board (the Board) is an independent statutory body established under section 3 of the Deposit Protection Scheme Ordinance (DPSO) to oversee the operations of the DPS. The DPS has been a key building block in Hong Kong's financial safety net since its launch in September 2006. The Board is a member of the International Association of Deposit Insurers (IADI) and participates in the Association's work on promoting effective deposit insurance systems.

Functions of the Board

Under section 5 of the DPSO, the Board's functions include:

- maintaining the DPS;
- collecting contributions payable by Scheme members;
- managing the DPS Fund;
- making payments to depositors in the event of the failure of a Scheme member; and
- recovering payments made to depositors from the assets of the failed Scheme member.

Composition of the Board

Members of the Board are appointed by the Financial Secretary (FS) in his exercise of power delegated from the Chief Executive of the Hong Kong Special Administrative Region (CE/HKSAR). The members are selected from different professions, such as accounting, finance, law, consumer affairs, information technology and administration, and have rich experience in public service. The Board currently comprises nine members, including two ex officio members representing the Monetary Authority and the Secretary for Financial Services and the Treasury of the HKSAR Government. Except for the ex officio members, all members are appointed for a fixed renewable term not exceeding six years in total under normal circumstances. See pages 7 to 8 for the composition of the Board.

Committee and Advisory Panel of the Board

Under the DPSO, the Board may appoint committees and advisory panels to assist in performing its functions. Currently, an Investment Committee and an Advisory Panel on Communication and Public Education are assisting the Board. Their objectives and composition are set out on pages 9 to 10.

About the Hong Kong Deposit Protection Board

Executive Management

Pursuant to section 6 of the DPSO, the Board shall perform its functions through the Monetary Authority unless the FS indicates otherwise. Hence, the Hong Kong Monetary Authority (HKMA) acts as the executive arm of the Board in administering the DPS. Against this background, the HKMA has assigned a team of professional and support staff to assist the Board in discharging its functions. The team is headed by an Executive Director of the HKMA, who is designated as the Chief Executive Officer of the Board to oversee all day-to-day functions of the DPS. The HKMA also provides administrative support to the Board, including accounting, administration, human resources and information technology, under detailed arrangements set out in a Memorandum of Understanding (MoU) between the two organisations. The Board reimburses costs incurred by the HKMA for such purposes on a cost recovery basis in accordance with provisions set out in the DPSO.

The powers that the Board can exercise in administering the DPS are specified in the DPSO. The Board has clear guidelines on the division of responsibilities among the Board, the management team and supporting divisions of the HKMA, and on the division of responsibilities between the Chairman of the Board and the Chief Executive Officer, which have been devised in line with good corporate governance practices. In general, the Board takes strategic decisions relating to the operations and development of the DPS and those decisions that require an exercise of the Board's powers under the DPSO. The management team, on the other hand, is responsible for the day-to-day operations of the DPS according to the principles and policies endorsed by the Board.

THE BOARD AND ITS COMMITTEE AND ADVISORY PANEL

Members of the Board

Chairman

Ms LAU Yin-hing, Connie, SBS, JP
Former Ombudsman

Former Chief Executive
Consumer Council

Members

Mr CHEUNG Tai-keung, Jack
Former Chief Executive Officer
Treasury Markets Association

Professor Darwin CHOI (since July 2025)
Associate Professor of Finance
The Hong Kong University of Science and Technology

Mrs KAN NG Chau-yuk, Helen (since July 2025)
Former Executive Director and Deputy Chief Executive Officer
China CITIC Bank International Limited

Mrs LAW SHING Mo-han, Yvonne, BBS, JP
Former Partner and Senior Advisor
Deloitte China

About the Hong Kong Deposit Protection Board

Members

Mr MAK Yip-shing, Andrew, BBS, JP

Barrister
Sir Oswald Cheung's Chambers

Ms Melissa Kaye PANG, BBS, MH, JP (since January 2026)

Past President
The Law Society of Hong Kong

Chairman
Agency for Volunteer Service

Mr HO Siu-hong, Francis, JP

Deputy Secretary for Financial Services and the Treasury (Financial Services)

Ex officio member of the Board representing the Secretary for Financial Services and the Treasury

Mr YUEN Kwok-hang, Arthur, JP

Deputy Chief Executive
Hong Kong Monetary Authority

Ex officio member of the Board representing the Monetary Authority

Mr CHAN Kam-man, Lawrence (until December 2025)

Partner
DeHeng Law Offices (Hong Kong) LLP

Professor CHAN Koon-hung (until June 2025)

Professor of Business and Hospitality Management
Saint Francis University

Emeritus Professor of
Department of Accountancy
Lingnan University

Professor LEE Kwok-on, Matthew (until June 2025)

Chair Professor of Information Systems and Electronic Commerce
City University of Hong Kong

About the Hong Kong Deposit Protection Board

Investment Committee

The Investment Committee operates in accordance with section 7 of Schedule 2 to the DPSO to advise the Board on the investment of the DPS Fund. It is responsible for:

- making recommendations on investment policy and strategy in respect of the DPS Fund;
- monitoring the investment performance of the DPS Fund and maintaining proper risk management controls on the investment activities of the Board; and
- working on any other investment-related matters as the Board determines from time to time.

The Committee comprises members with experience and expertise in banking and investment areas. The Chairman and most members of the Committee are also members of the Board.

Investment Committee

The membership of the Committee is as follows:

Chairman

Mr CHEUNG Tai-keung, Jack

Members

Professor Darwin CHOI
(since August 2025)

Mrs LAW SHING Mo-han, Yvonne, BBS, JP

Ms LEE Tze-sen, Frances
(since August 2025)
Chief Investment Officer (Public Markets)
Exchange Fund Investment Office
Hong Kong Monetary Authority

Professor CHAN Koon-hung
(until June 2025)

Mr CHAN Shiu-lun, Christopher
(until June 2025)
Chief Investment Officer (Public Markets)
Exchange Fund Investment Office
Hong Kong Monetary Authority

About the Hong Kong Deposit Protection Board

Advisory Panel on Communication and Public Education

The Advisory Panel on Communication and Public Education operates in accordance with section 7 of the DPSO. Comprising the Chairman of the Board and experts with extensive experience in public relations, communication and community education, the Advisory Panel advises the Board on related matters, such as strategy development and activity implementation in these areas.

Advisory Panel on Communication and Public Education

The membership of the Advisory Panel is as follows:

Chairman

Ms LAU Yin-hing, Connie, SBS, JP

Members

Mr LAU Chung, Billie

Ms LAU Mee-yee, Esme

Mr WONG Wai-kin, Eugene (since September 2025)

Mr FUNG Lap-wing, Eric (until September 2025)

CORPORATE GOVERNANCE

The Board

The Board is an independent statutory body formed under the DPSO. In line with good corporate governance standards applicable to deposit insurers, only a minority of the members of the Board are representatives from the HKSAR Government and the HKMA. This arrangement facilitates a balanced contribution from the HKSAR Government, the HKMA as the banking supervisor in Hong Kong, and external professionals, allowing for different perspectives in DPS management and operations. At the same time, the Board's functions are insulated from the influence of the banking industry, as current employees or directors of banks and bank-related companies are ineligible for appointment to the Board.

The Board is subject to the oversight of the FS, who is responsible for approving the estimates of income and expenditure of the DPS Fund, and for tabling in the Legislative Council the Board's annual report covering its activities, the statement of accounts of the DPS Fund and the audit report of the statement. Provisions of the DPSO govern the proceedings of the Board, which meets about three times a year to discuss policy issues crucial to the operations and continuing development of the DPS. In 2025-2026, the Board met three times and recorded full attendance at all meetings.

Risk Management and Audits

To manage the risks of the DPS, the Board ensures that appropriate and prudent risk management systems are implemented adequately and reviewed regularly. The Internal Audit Division (IAD) of the HKMA performs periodic reviews of the risks inherent in various operational areas of the Board. It also assesses whether appropriate and sufficient controls are in place to safeguard the Board against the potential risks identified. Audit findings and recommendations of the IAD, if any, are reported directly to the Board to ensure that any material issues identified are communicated independently and effectively to Board members. In its 2025 review, the IAD concluded that the Board had implemented comprehensive policies and procedures and maintained effective controls.

The Board appoints an external auditor under the approval of the FS to audit the DPS Fund's annual statement of accounts. The appointee reports the results and any findings directly to the Board. The external auditor responsible for the audit for the financial year ended 31 March 2026 was Deloitte Touche Tohmatsu. To avoid any potential conflict of interest, the Board has a standing mechanism that safeguards the independence of the financial audit undertaken by the appointed external auditor. If the appointed external auditor also participates in other engagements with the Board, the financial auditing work will be conducted by a separate team.

About the Hong Kong Deposit Protection Board

Standards of Behaviour and Ethics

Clear guidelines and procedures, including requirements for declaration of interests, are set out in the DPSO and the Code of Conduct for members and staff of the Board to prevent any possible conflict of interest. Members are required to declare in writing their personal interests when they first join the Board or its committees, and then annually to the secretary of the Board. The secretary keeps the Register of Members' Interests, which is available for public inspection upon request. Senior members of staff are required to make an annual declaration to the Chairman of the Board. Members and staff observe specific procedures to report their interests and, when applicable, to excuse themselves from the decision-making process.

Communication and Transparency

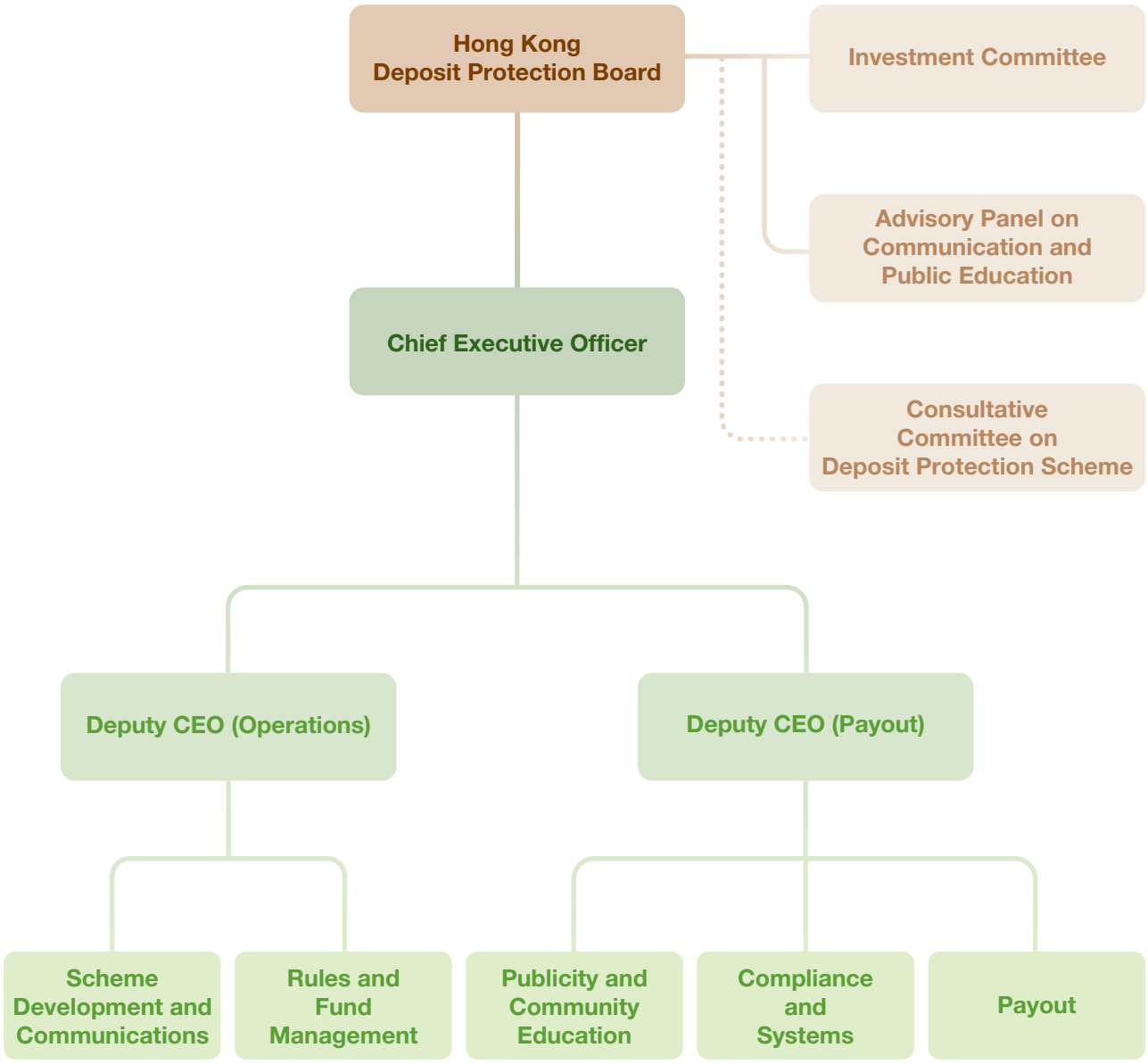
The Board is committed to open communication with the public and other stakeholders. It maintains a website to facilitate access to information on DPS operations, and makes its annual report available publicly. In addition, the Board operates multiple channels to answer enquiries from the public. The Board also conducts consultations with banking industry associations on any policies and initiatives relating to the operations of the DPS that may affect the industry.

Appeal Mechanism

Certain decisions made by the Board and the Monetary Authority under the DPSO can be the subject of an appeal to the Deposit Protection Appeals Tribunal. The CE/HKSAR has appointed a former Deputy Judge of the Court of First Instance of the High Court as Chairman of the Tribunal, together with a panel of two people who may be called upon as members of the Tribunal. The Tribunal convenes sittings only when required. To date, no appeal case has been reported to or reviewed by the Tribunal.

Review of Corporate Governance Structure

The Board has a policy of reviewing its corporate governance structure regularly to ensure that it continues to adhere to sound governance standards regardless of any changes in the scope of the Board's operations driven by the development of the DPS. Refinements are made between individual reviews to help the Board keep up with local and international best practices. The IAD of the HKMA also conducts independent reviews of the Board's corporate governance practices against applicable local or international standards on a periodic basis. In the 2025 review mentioned on page 11, the IAD concluded that the Board had maintained a robust governance framework.

ORGANISATIONAL STRUCTURE

(as of 31 March 2026)