

MODULE SPECIFICATIONS

Professionalism and Ethics (PET)

Level of Study: Specialist (Level 2) – Compulsory Module

Effective date: 1 May 2024

Version: 2.3

Revision of module specifications format.

A. Module Aim

The Professionalism and Ethics (PET) module provides comprehensive insight into the topic of ethics and how it impacts banking institutions. The module takes a reflective approach and considers a variety of ethical theories and models. The module also takes a practical and applied approach, using real-life case studies, and focuses on the identification of ethical issues and considers approaches to resolution.

B. Learning Outcomes (LO)

Upon completion of this module, candidates will be able to:

LO1	Critically analyse the role of banks and other financial institutions in society and examine the history and development of the financial services organisations.
LO2	Differentiate between a range of ethical theories and models and examine their applications in a banking environment.
LO3	Differentiate between a range of ethical theories and models for individuals and examine their applications in a banking environment.
LO4	Review recent ethical and regulatory issues in financial services.
LO5	Differentiate between a range of organisational models and assess their potential impact on ethical and professional behaviour in a banking environment.
LO6	Relate corporate governance with professionalism and ethics in banking.

C. Mode of Delivery

This module is offered as Module by Intake. Candidates must enrol within a specific deadline and attempt the exam within a pre-determined period.

D. Learning Method

A combination of methods can be adopted that includes but not limited to:

- Workshops (compulsory/optional)
- Discussions
- Seminars
- Self-study
- Moodle (Learning Management System)

E. Qualification and Module Time Limits

The qualification and module time limit for this module is as below:

Qualification Time Limit	Module Time Limit
24 months	12 months

For an extension of qualification and module time limit, please refer to the AICB Membership and Qualification Regulations ([Membership and Qualifications Regulations](#)).

F. Deferments and Online Exam Rescheduling

Module deferment applies to this module. Module Deferment means candidates defer the whole module which includes the workshop (if applicable), assignment, and examination to the next available intake.

Candidates may apply to defer their online examination and re-book the examination based on extenuating circumstances grounds as stipulated in the regulations. Effective 13th July 2024, candidates may reschedule the online examination booking up to a maximum of three (3) times per module registration.

Please refer to AICB Membership and Qualification Regulations ([Membership and Qualifications Regulations](#)) for more information on module/workshop deferment.

G. Assessment

Examination (Pearson-Vue Online)	MCQ	Written	Assignment
Duration		3 hours 15 mins	
Format		2 compulsory scenario-based questions	

H. Grade Band

The grading below is applicable for this module:

Grade Band	Marks (%)
Distinction	80 to 100
Pass	60 to 79
Fail	0 to 59

I. Module Outline

#	Learning topics	Learning outcomes (LO)	Assessment criteria
1	Banking and its ethical landscape 1.1 The development of the banking industry 1.2 The banks' crises and scandals 1.3 Building confidence and trust in banking	LO1 – Critically analyse the role of banks and other financial institutions in society and examine the history and development of the financial services organisations.	1. Critically reflect on the evolving nature of a bank's responsibilities to its stakeholders. 2. Review the lessons learnt from the Global Financial Crises 1997 and 2008. 3. Consider what constitutes ethical and professional behaviour in a banking environment. 4. Discuss what is typically included in codes of conduct and ethics issued by professional bodies. 5. Evaluate approaches for building and maintaining confidence and trust in a financial institution.
2	Ethical theories and models in practice 2.1 What is ethics? 2.2 Ethical theories and its approaches 2.3 Approaches to ethics based on a belief system 2.4 Ethical decision-making models 2.5 Moral intensity 2.6 Unethical behaviour in banking	LO2 – Differentiate between a range of ethical theories and models and examine their applications in a banking environment.	1. Discuss how personal value are formed and examine their potential impact on practicing bankers. 2. Compare and contrast the different approaches to ethics based on a range of theories. 3. Explain how ethical decision-making models can be used in making a decision.
3	Ethics for individuals 3.1 Theories of moral reasoning 3.2 Factors influencing ethical thinking 3.3 Ethical dilemmas and conflict of interest	LO3 – Differentiate between a range of ethical theories and models for individuals and examine their applications in a banking environment.	1. Apply any related theory of moral reasoning to the decision-making process. 2. Understand the factors which affect ethical thinking and ethical reasoning at the individual level. 3. Identify the ways in which ethical dilemmas and conflicts of interest may be resolved or mitigated.

#	Learning topics	Learning outcomes (LO)	Assessment criteria
4	<p>The influence of ethics, regulations, and the law in financial services</p> <p>4.1 Regulation and its importance</p> <p>4.2 Theories of regulations</p> <p>4.3 Regulatory failures</p> <p>4.4 Data privacy</p> <p>4.5 Information security</p> <p>4.6 Disclosure: Derivatives products</p> <p>4.7 Bribery and corruption</p> <p>4.8 Misrepresentation</p> <p>4.9 Competition</p> <p>4.10 Money laundering and terrorism financing</p> <p>4.11 Violating sanctions</p> <p>4.12 False filing of tax returns</p> <p>4.13 Bullying and discriminatory behaviour</p> <p>4.14 Digital innovations and issue of responsibility</p> <p>4.15 Open banking</p> <p>4.16 Artificial intelligence (AI)</p>	<p>LO4 – Review recent ethical and regulatory issues in financial services.</p>	<ol style="list-style-type: none"> 1. Understand regulations, its theories and importance. 2. Examine the financial industry failures from an ethical perspective. 3. Evaluate the impact of these ethical issues on society, financial institutions, regulators, and policymakers.
5	<p>Ethics and the organisation</p> <p>5.1 Organisational values</p> <p>5.2 Moral maturity</p> <p>5.3 Cultural models</p> <p>5.4 International aspects of culture</p> <p>5.5 Tone at the top</p> <p>5.6 Corporate code of ethics</p> <p>5.7 Stakeholder theory</p> <p>5.8 Consensus theory</p> <p>5.9 Social contract theory</p> <p>5.10 The social and environmental impact on organisation</p> <p>5.11 International context</p> <p>5.12 Sustainable financing</p> <p>5.13 Financial inclusion</p> <p>5.14 Value-based intermediation (VBI)</p>	<p>LO5 – Differentiate between a range of organisational models and assess their potential impact on ethical and professional behaviour in a banking environment.</p>	<ol style="list-style-type: none"> 1. Describe the factors that influence and organisation's risk, ethics, and compliance culture. 2. Compare and contrast the stakeholder and consensus approach to ethics. 3. Appraise the social and environmental impact of a banking organisation and explain the significance of sustainability.

#	Learning topics	Learning outcomes (LO)	Assessment criteria
6	Corporate governance 6.1 Definition of corporate governance 6.2 Agency theory 6.3 Stewardship theory 6.4 Corporate governance: Regulatory regimes 6.5 The role of BNM in corporate governance 6.6 The board of directors	LO6 – Relate corporate governance with professionalism and ethics in banking.	1. Define corporate governance, understand its scope, and explain its importance. 2. Describe the “agency problem” and know the implications of agency costs. 3. Explain how different regulatory regimes have addressed corporate governance issues through the rules-based approach, principles-based approach, or hybrid policies. 4. Explain the roles and duties of a board of directors, individual directors and standing committees.

Note: This document contains information that is deemed accurate and valid as of the date of publication.