

Chee Hong Tat: Speech - Institute of Banking and Finance Distinction Evening

Speech by Mr Chee Hong Tat, Minister for National Development, and Deputy Chairman of the Monetary Authority of Singapore, at the Institute of Banking and Finance Distinction Evening, Singapore, 9 October 2025.

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Chairman, Council Members and CEO of the Institute of Banking and Finance (IBF),
Sisters and Brothers of the Labour Movement,
Ladies and Gentlemen,

Good evening, I am happy to join you today to celebrate the contributions of IBF and our tripartite partners – financial institutions (FIs), unions and government agencies – in nurturing talent for our financial sector.

It is a changed world. The global operating environment is shifting.

a. Strategic rivalries between major powers have intensified. Governments are placing greater emphasis on industrial policies to strengthen domestic capabilities and enhance supply chain resilience. Trade and financial flows are being reshaped.

b. Technology - this is also changing and accelerating, including the use of AI.

c. And climate change is intensifying the need to transition to a low-carbon future.

In August, the government launched the Economic Strategy Review to ensure that our businesses and workers can continue to access good opportunities amidst these shifts.

We will build on our existing strengths and identify new opportunities to chart our way forward. One such strength is our financial & insurance services sector.

a. It contributed about 14% of Singapore's GDP in 2024, and grew by 6.8% last year - more than double the previous year's growth. This growth has been broad-based, across banking, insurance, capital markets, asset management and wealth management.

Growth matters because we can only create good jobs for our workers and ensure them a higher pay and a better future when we have growth.

a. Over the past decade, the financial services workforce grew by more than 40,000, with 9 out of 10 of the net jobs created going to locals.^{[1](#)}

b. In the first half of this year, the financial services industry added over 2,000 net jobs for locals.

c. Our FIs remain keen to hire more workers, particularly in wealth management, financial advisory and compliance roles.

d. But I understand some fresh graduates may worry about job prospects, due to economic uncertainties and greater competition from more jobseekers entering the market. Together with our tripartite partners, the government will continue to monitor employment outcomes closely, and we stand ready to ramp up our support for our workers where necessary.

To have healthy job creation, we must have sustained economic growth. To achieve this outcome in the financial sector, we must respond to shifts in trade, technology, and climate.

This evening, I would like to focus on the technology shift given its wide-ranging implications for both businesses and our workforce.

I mentioned earlier that AI is one of the key drivers. It is reshaping how we live and work. Already, it is helping people to draft documents, analyse data, generate new ideas, respond to customer queries, and so on and so forth. It opens up possibilities for faster innovation, higher productivity, and stronger growth, which is especially important because we are also trying to grow, while facing an ageing workforce.

Over 70 countries have adopted national AI strategies and policies² - Singapore is one of them. While AI will become more mainstream over time, the countries that can harness its potential early will stand to reap the greatest benefits.

And our financial sector is one of the areas that can benefit significantly.

a. McKinsey estimated that the adoption of GenAI could add up to S\$550 billion in value annually to the global financial sector, which is up to about 5% per year.

To ensure Singapore's financial sector stays competitive and continues to create good jobs for Singaporeans, we must enable our FIs – both big and small – to adopt AI efficiently, effectively and responsibly. To do this, I believe we need to do two things well:

a. The first is to continuously upgrade our AI ecosystem to promote knowledge exchange and encourage innovation. Amongst others, this encompasses updating our rules to be relevant in today's context.

b. The second is to uplift and upskill our workforce to be AI-ready.

Please allow me to elaborate on how we will upgrade our AI ecosystem.

Today, over 30 FIs have AI functions in Singapore, with several serving as global incubators for AI solutions. I see this as a good vote of confidence for what we are able to offer in Singapore. But there are also FIs that are just beginning their AI adoption journey. And we see value in fostering knowledge exchange to help to uplift and upgrade the entire sector.

To drive this, MAS had launched the PathFin.ai programme, which now brings together over 80 FIs to share their AI implementation experiences.

To expand our efforts to facilitate peer learning and help Singapore FIs improve their AI implementation, I am pleased to announce the launch of the PathFin.ai knowledge hub that is developed under this programme.

The knowledge hub features an initial set of successful use cases, curated by industry participants in key areas like sales and marketing, customer operations, risk management, and engineering and tech. It also features learnings from pathfinder FIs that have successfully deployed AI in these areas.

MAS will collaborate with our industry partners to progressively enhance the knowledge hub with more peer-validated use cases, resources and solutions. This will help to deepen FIs' understanding of how AI can be applied and reduce the time taken by individual FIs when they implement AI solutions. So, all of us don't have to start from scratch; we can learn from one another to shorten the learning curve.

I would like to encourage all FIs to sign up to contribute, to learn, and to grow as a community.

Beyond peer learning, MAS will also enhance the clarity of our supervisory expectations on AI risk management, so that our FIs will have the confidence to experiment and innovate with AI.

Our journey started in 2018, where we first published the FEAT principles – Fairness, Ethics, Accountability and Transparency – to guide responsible use of AI in the financial sector. Last year, we published an information paper setting out good practices for AI model risk management. Building on this, we plan to consult the industry on a set of supervisory guidelines on AI risk management later this year. We hear feedback from FIs that clearer supervisory expectations would help to support your AI innovation, because as you look to embed AI use across more business functions, you want to be clear, you don't want to run afoul of the rules and regulations. This is a partnership that MAS would like to embark on together. We want to also help you improve your operational processes and to help manage risks in areas such as scams and money-laundering. AI can help us - as tools - to become more effective and efficient in dealing with these risks.

In parallel, through Project MindForge, MAS is also working with the industry to develop an AI risk management handbook that is targeted to be published later this year as well. The handbook will guide FIs' implementation of the upcoming supervisory guidelines, by providing practitioners' perspectives on sound practices for deploying AI responsibly.

Beyond upgrading our AI ecosystem, the second important area that I mentioned earlier that is equally important, is to prepare our workforce for an AI-enabled future.

Over the past year, MAS and IBF, together with Workforce Singapore (WSG) and our industry partners, had worked with McKinsey on a Jobs Transformation Map, or JTM, to study how GenAI could potentially reshape jobs and skills in Singapore's financial sector.

To help our workforce seize these opportunities, MAS and IBF have partnered 10 pilot FIs to unpack what AI adoption means for specific job roles, and to testbed and refine

our approach to support the workforce. Rather than talk about it in general, we thought it is more useful if we can identify specific job roles, see how AI will affect these job roles, and what we can do, working with our tripartite partners, to help support our workers to transit on this journey.

- a. Tonight's IBF Inspire Award winners – DBS, HSBC, Manulife, OCBC and UOB, are among the pilot FIs - that have set the benchmark by proactively upskilling and reskilling their workforce alongside AI adoption.
- b. DBS is also the winner of the inaugural Workforce Transformation Award conferred by WSG and IBF, for championing continuous learning and career development.
- c. Congratulations to our award winners.

From these pilots, we have distilled two key learning points:

First, we must aim to uplift AI literacy for all. Not just for some, but for all. We want to help all our workers become more familiar with AI. There will be a range of existing knowledge and skills amongst our workers. Some are already experts in AI. Some may know of it a little, tried it, but are not so familiar with it yet. And some could be newbies – totally new to AI. But it does not matter – what is important is that we bring everyone along and we leave no one behind. So, when we embark on this journey, our aim is not to just help some people become familiar with AI. We want to help everyone to be familiar, and to equip yourselves with the knowledge and skills on how to use this tool called AI.

- a. Foundational skills like prompt design, AI principles, governance and ethics will be needed across different roles.
- b. The JTM that I mentioned earlier also suggests tailoring foundational AI skills based on job role categories: business leader, business user, risk and compliance practitioner, and tech practitioner. Different roles will have their own specific skills, but there are also some generic ones that cut across different jobs.
- c. IBF is partnering pilot FIs to equip their workforce with these foundational skills. For a start, the three local banks have committed to uplifting the AI literacy of all their 35,000 employees in Singapore in the next 1 to 2 years, tapping on IBF-accredited programmes. To date, more than half have been trained, and we will continue with this journey.
- d. IBF is also working with external training partners to develop and contextualise AI courses with financial sector use cases. I think this is very important, because if you learn AI in a very general way, and you don't know how to apply it at work, you won't be able to extract maximum value from the courses. So, I think this is very useful. We also want to help develop accredited training programmes that are tailored to specific roles like compliance.
- e. I would like to encourage our union leaders who are present to encourage your members and assure them that the support will be there and that help will be given

to them to equip them with the skills. So, please encourage them to participate in the training programmes.

Second, we should upskill workers alongside role-specific AI adoption. As AI is integrated into a job role, financial sector workers will need to learn how to use role-specific AI tools, and deepen their functional expertise so that they can perform higher-value work. I think this is another very important concept. The first important concept that I mentioned earlier is that we leave no one behind; we will make sure we uplift AI literacy for all. The second very important concept is that we are not thinking of AI to replace workers, but to augment our workers, and to help our workers do their jobs better – that is our aim.

a. Routine tasks can be streamlined, to enhance our employees' capacity to take on other higher value-added work. This is something that we hope will be able to help improve the productivity and efficiency of our workers.

b. We also want to encourage our workers in the process of looking at how you use AI, to be able to give feedback to management because sometimes when you use AI, you can see that work processes will need to change; it's not just business as usual. Then, you can give some feedback to your supervisors, your managers, to suggest how processes and the systems can also be improved. So, this is a two-way process. It's not just helping to equip our workers, to help them become more productive. In the process of doing that, our workers can be active contributors to helping companies become more productive.

c. And MAS, as I mentioned earlier, will work closely with you. If there are certain rules and regulations that we need to change so as to enable you to do AI better, we are prepared to do so.

d. Our relationship managers, at Bank of Singapore, for example – this is OCBC's private banking subsidiary – they have adopted an AI tool to help draft source of wealth reports for private banking clients. This has helped to cut down preparation time from 10 days to one hour, so it is not just an incremental improvement, it is quite a big improvement that they can achieve, and this also helps to improve client onboarding and free up our RMs to be able to serve more clients.

e. In addition to being more efficient, employees can access enhanced career pathways.

i. One good example is the underwriters at Manulife. By leveraging AI tools that enhance risk analysis and decision-making, alongside IBF's support on job redesign and training, underwriters are able to take on higher value and more complex cases. This is expected to drive revenue growth, and I hope in the process of doing that, accelerate their career progression.

ii. As FIs step up on their use of AI, certain job roles may see increased demand, such as AI Governance. Prudential is partnering with IBF to train 11 employees – originally from compliance and technology security backgrounds – into expanded roles that now include AI governance. These employees will be supported through job redesign and structured training.

IBF will continue to work with our FIs to flesh out more of such upskilling pathways and I hope that FIs who have not yet embarked on this journey, you can take a look at these FIs as references, as you think about what you can do within your own organisation. Where these translate to changes in job roles, FIs will map out how these roles could evolve or be redesigned and then work with IBF to ensure reskilling support for employees to take on such job roles, or pivot to adjacent career pathways.

I want to assure our sisters and brothers who are from the unions, that as we embark on this journey, this is something that we want to do together with you. Because we believe that this adoption of AI will help our FIs to become more competitive, and in the process of doing so, I hope they can grow the size of their business and their operations here in Singapore, and then as a consequence, they will be able to provide more jobs for our workers, with better pay and better work prospects.

To support more FIs, the PathFin.ai knowledge hub will also feature resources on workforce planning and case studies of successful role redesign.

There are also resources on upskilling pathways that finance professionals can tap on. In the AI era, learning agility, adaptability and soft skills such as strategic thinking will be just as important as technical know-how.

Besides supporting the skills transformation of experienced finance professionals, IBF and FIs are also upskilling our young talent to be AI-ready. The aim is to provide them with meaningful exposure to AI use cases and projects early in their career, or even while they are still in school. Let me highlight two such initiatives.

a. One, IBF is partnering our Institutes of Higher Learning and our FIs to develop internships and traineeships that provide practical exposure to how AI is applied in finance. FIs such as UBS have already started recruiting summer interns and graduate trainees for their AI functions. UBS' AI & Transformation Factory in Singapore is its largest AI function globally to drive AI initiatives across the UBS Group. Interns and trainees will be able to participate in the development and scaling of cutting-edge AI solutions across markets that UBS operates in.

b. The second example is IBF and IMDA are supporting our FIs to hire and train fresh graduates. UOB, for example, is targeting to hire 100 fresh graduates over three years into a two-year programme. The programme is developed in partnership with NUS, with funding support from IMDA and the financial sector development fund administered by MAS. Under the programme, fresh graduates will receive certifiable AI skilling, undergo specialised on-the-job training and be mentored by senior data practitioners.

So, we are trying to do this for both our existing workers, and also those who are going to join us, starting from school. As I mentioned earlier, we leave no one behind and we want to uplift all our workers.

Unions, you play a key role in this process.

- a. Last year, NTUC, IBF and industry associations signed an MOU to reinforce tripartite collaboration in upskilling and reskilling our financial sector workforce in emerging areas.
- b. One platform that we would like to encourage everybody to consider is the Company Training Committee or CTC. NTUC has a CTC grant that can help support FIs and our FinTech firms to build AI capabilities while ensuring positive worker outcomes.
- c. IBF is also working closely with the unions to uplift AI literacy and upskill our workers. In particular,
 - i. NTUC LearningHub will be launching an IBF-accredited GenAI course that is tailored specially for finance professionals.
 - ii. The financial sector unions are also stepping up their outreach efforts in partnership with IBF, to build AI awareness and to encourage our workers to go for upskilling.

Conclusion

Ladies and gentlemen, I want to end my speech by first thanking all of you for your strong support on this AI journey that we are embarking on. This is not something that we can achieve overnight. It takes time. There's a certain journey we need to go through. You need building blocks, you need an ecosystem, you need partnership. I do not believe that this is something that the government can achieve on our own, or our employers can achieve on their own, or workers can achieve on their own. Because if we just do it by ourselves, without the other two partners, there's no complete ecosystem. We need all the ecosystem partners to support this, to work together, and to ultimately have a win-win outcome that is both good for companies and good for our workers.

The age of AI brings immense opportunities for our financial sector. To fully realise its potential, we must continue to work together as a tripartite community – to innovate boldly, to regulate responsibly and to equip our people with the skills to thrive.

Let me close by once again congratulating our newly conferred IBF Fellows and Distinguished Fellows, and the IBF Inspire, Advance, and Workforce Transformation award winners. Your commitment to workforce development sets a strong example for the whole industry. And I hope that more companies will learn from you, will look up to you and use you as a good role model and then implement the best practices in their own organisation.

Thank you, and I wish everyone a wonderful evening ahead.

¹ Excludes jobs in holding companies.

² Based on Google's April 2025 Report on AI Pioneers: How Countries are Seizing the AI Opportunity.