

Reports and Audited Financial Statements

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
我的強積金計劃

31 March 2025

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
我的強積金計劃

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MY CHOICE MANDATORY PROVIDENT FUND SCHEME

我的強積金計劃

SCHEME REPORT

For the year ended 31 March 2025

OVERVIEW

My Choice Mandatory Provident Fund Scheme (the "Scheme") is a mandatory provident fund scheme governed by a master trust deed dated 7 April 2010 and its subsequent deeds of amendment and subject to the laws of the Hong Kong Special Administrative Region of the People's Republic of China.

The Scheme is designed to provide retirement benefits to the employee members, self-employed persons, personal account members and Tax Deductible Voluntary Contributions ("TVC") members under the Scheme. In addition, subject to the Trustee's approval, any person who is or had been a member of a registered scheme under the Mandatory Provident Fund Schemes Ordinance (the "MPFSO") or of an occupational retirement scheme may participate in the Scheme as a member by completing a Special Voluntary Contribution application form and executing a participation agreement. Subject to the provisions of the MPFSO and the Trustee's approval, any person who is an employee member of a scheme, a self-employed person member of a scheme, a personal account holder of a scheme, or a member of an occupational retirement scheme in respect of which an exemption has been granted under section 5 of the MPFSO may participate in the Scheme as a TVC member by completing an application form and executing a participation agreement.

The Scheme has been approved as a registered scheme by the Mandatory Provident Fund Schemes Authority (the "MPFA") under the MPFSO and authorised by the Securities and Futures Commission of Hong Kong (the "SFC").

The Scheme is a master trust scheme which consists of fourteen constituent funds (collectively the "Constituent Funds") during the year ended 31 March 2025. Each constituent fund has a separate and distinct investment objective and policy. They are:

1. My Choice Growth Fund
2. My Choice Balanced Fund
3. My Choice Stable Fund
4. My Choice Global Equity Fund
5. My Choice Asia Equity Fund
6. My Choice China Equity Fund
7. My Choice Hong Kong Equity Fund
8. My Choice Hong Kong Tracking Fund
9. My Choice Global Bond Fund
10. My Choice HKD Bond Fund
11. My Choice RMB & HKD Money Market Fund
12. My Choice MPF Conservative Fund
13. My Choice Core Accumulation Fund
14. My Choice Age 65 Plus Fund

Note: My Choice Japan Equity Fund, which has previously offered under the Scheme, was terminated on 26 November 2013.

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SCHEME REPORT (continued)

For the year ended 31 March 2025

FINANCIAL DEVELOPMENT OF THE SCHEME

During the financial year ended 31 March 2025, the members' contributions were invested in the constituent funds of the Scheme in accordance with their investment choices. The market value of the fourteen constituent funds as at 31 March 2025 is as follows:

	HK\$
My Choice Growth Fund	389,060,077
My Choice Balanced Fund	224,062,281
My Choice Stable Fund	234,579,042
My Choice Global Equity Fund	475,982,124
My Choice Asia Equity Fund	190,568,687
My Choice China Equity Fund	500,521,068
My Choice Hong Kong Equity Fund	291,811,237
My Choice Hong Kong Tracking Fund	158,027,218
My Choice Global Bond Fund	113,348,447
My Choice HKD Bond Fund	79,652,671
My Choice RMB & HKD Money Market Fund	54,366,473
My Choice MPF Conservative Fund	395,597,293
My Choice Core Accumulation Fund	211,717,970
My Choice Age 65 Plus Fund	77,371,135
Total	<u>3,396,665,723</u>

The net gain on investments of the Scheme for the financial year ended 31 March 2025 amounted to HK\$323,167,934 (2024: net loss of HK\$29,811,856).

CHANGES TO THE GOVERNING RULES OF THE SCHEME

During this financial year, the following amendment was made to the governing rules of the scheme.

1. eMPF Platform and Scheme administrator

Subsequent to the reporting period, with effect from 5 June 2025, the relevant administrative services previously provided by the Trustee has been ceased and the eMPF Platform Company Limited has taken up the administration of the Scheme and provide scheme administration services to handle instructions from Scheme Participants directly through the eMPF Platform.

The eMPF Platform is developed by the eMPF Platform Company Limited (the “eMPF Company”) which is a wholly-owned subsidiary of the Mandatory Provident Fund Schemes Authority of Hong Kong (the “MPFA”), and operates the eMPF Platform as a not-for-profit public utility. The eMPF Platform is a centralized electronic platform and your one-stop online hub for managing your Mandatory Provident Fund (“MPF”) anytime anywhere through the mobile app or web portal. The legal notice on mandatory use of eMPF Platform of the Scheme is published in the Gazette.

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SCHEME REPORT (continued)

For the year ended 31 March 2025

1. eMPF Platform and Scheme administrator (continued)

The Trust Deed, Scheme Brochure and KSID of the Scheme have been amended to reflect the new administrative arrangements. For details, please refer to section 2 of the Notice to Participating Employers and Members dated 1 April 2025.

2. Relevant amendment to the Trust Deed, Scheme Brochure and KSID in relation to adjustment of management fees

Subsequent to the reporting period, with effect from 5 September 2025, a fee has become payable by the Trustee from the Scheme's assets to the eMPF Company for its services and the aggregate management fees of certain Constituent Funds have been reduced accordingly. For details, please refer to Notice to Participating Employers and Members dated 1 April 2025 for the new breakdown of the management fees of each Constituent Fund at the Constituent Fund level.

- (i) The trustee fee charged at the underlying fund level of My Choice Balanced Fund, My Choice Stable Fund and My Choice Global Equity Fund has been reduced from 0.10% to 0.085% of NAV per annum with effect from 29 September 2023. With effect from 1 January 2024, the investment management fee charged at the underlying fund level of (i) My Choice Balanced Fund, (ii) My Choice Stable Fund and (iii) My Choice Global Equity Fund has been respectively reduced (i) from 0.32% to 0.30% of NAV per annum, (ii) from 0.32% to 0.30% of NAV per annum and (iii) from 0.33% to 0.30% of NAV per annum.

In view of the said reduction, the aggregate management fees of My Choice Balanced Fund, My Choice Stable Fund and My Choice Global Equity Fund (which includes the trustee fee and the investment management fee charged at the underlying fund level) have been reduced accordingly. The relevant disclosures in the Scheme Brochure and the KSID will be updated to reflect such reduction.

- (ii) The investment management fee charged at the constituent fund level of My Choice MPF Conservative Fund has been reduced from 0.25% to 0.15% of NAV per annum with effect from 1 January 2024. The aggregate management fee of My Choice MPF Conservative Fund has been reduced accordingly. The relevant disclosures in the Scheme Brochure and the KSID will be updated to reflect such reduction.

Subsequent to the reporting period, with effect from 1 April 2026, according to the amendments to the MPF legislation, the cap on the total amount of out-of-pocket expenses incurred by us on a recurrent basis in the discharge of our duties to provide services for the My Choice Core Accumulation Fund and the My Choice Age 65 Plus Fund in a single year will be reduced from 0.2% of the net asset value of each of these Constituent Funds to 0.1% of the net asset value. For details as to what types of expenses are characterised as out-of-pocket expenses, please refer to section 5 of the Scheme Brochure.

3. Changes of investment policies of certain constituent funds

With effect from 31 July 2025 (Effective Date), the investment policies of certain constituent funds have been updated to reflect the changes and/or enhance disclosure of the investment policy of its underlying APIFs respectively:

- (i) My Choice Asia Equity Fund - Investment in China A Shares and China B Shares

Name of constituent fund	Name of underlying APIF
My Choice Asia Equity Fund	Asia Pacific Equity Fund (MPF) of the Fidelity Global Investment Fund

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SCHEME REPORT (continued)

For the year ended 31 March 2025

3. Changes of investment policies of certain constituent funds

In order to enhance the flexibility of the underlying APIF to tap into the investment opportunities in the Mainland China equity markets, the investment policy of the underlying APIF has been amended to reflect that may invest up to 20% of their respective net asset values in China A Shares and China B Shares via the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect and/or Qualified Foreign Investor status of the investment manager of the underlying APIF.

Corresponding amendments have also been made to the investment policy of the constituent fund, which is a feeder fund investing into the underlying APIF, to reflect the changes to the investment policy of the underlying APIF.

- (ii) My Choice Hong Kong Equity Fund - Use of financial futures contracts and financial option contracts in accordance with the Regulation

Name of constituent fund	Name of underlying APIF
My Choice Hong Kong Equity Fund	Hong Kong Equity Fund of the Fidelity Global Investment Fund

With effect from the Effective Date, financial futures contracts and financial option contracts may also be acquired by the underlying APIF for purposes other than hedging in accordance with the Regulation, which may only do so for addressing any settlement mismatch with the relevant securities markets (“Other Purposes”).

Corresponding amendments have also been made to the investment policy of the constituent fund, which is a feeder fund investing into the underlying APIF, to reflect the changes to the investment policy of the underlying APIF.

- (iii) My Choice Global Bond Fund - Investment in onshore China debt securities and instruments with loss-absorption features

Name of constituent fund	Name of underlying APIF
My Choice Global Bond Fund	World Bond Fund of the Fidelity Global Investment Fund

- (a) The percentage of indirect invest to onshore China debt securities by the underlying APIF has been changed from the Effective Date:

Before Effective Date	After Effective Date
Up to 10% of its net asset value	Up to 20% of its net asset value

- (b) Enhance disclosure to the underlying APIF which may indirectly invest in instruments with loss-absorption features, include instruments classified as non-preferred senior bonds and other instruments eligible to be counted as loss-absorbing capacity.

In order to enhance the flexibility of the underlying APIF to tap into the investment opportunities in the Mainland China bond markets, the investment policy of the said underlying APIF has been amended to reflect that may invest up to 20% of their respective net asset values in onshore Mainland China debt securities.

Corresponding amendments in relation to (a) and (b) above have also been made to the investment policy of the constituent fund, which is a feeder fund investing into the underlying APIF, to reflect the changes to the investment policy of the underlying APIF.

Above mentioned changes are merely the summary of amendment made to the governing rules of the scheme during the financial year. For further details, please refer to our latest Offering Document.

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SCHEME REPORT (continued)

For the year ended 31 March 2025

SERVICE PROVIDERS

Trustee and Custodian	BOCI-Prudential Trustee Limited Suites 1501-07 & 1513-16, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong
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Particulars of the directors are stated in Annex A of the Scheme Report.

Investment Manager of the My Choice MPF Conservative Fund, the My Choice Core Accumulation Fund and the My Choice Age 65 Plus Fund	Schroder Investment Management (Hong Kong) Limited Suite 3301, Level 33, Two Pacific Place, 88 Queensway, Hong Kong
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Investment Manager of the My Choice Hong Kong Tracking Fund	CSOP Asset Management Limited 2801-2803 Two Exchange Square, 8 Connaught Place, Central, Hong Kong
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Investment Manager of the My Choice RMB & HKD Money Market Fund	Allianz Global Investors Asia Pacific Limited 32/F, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong
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Auditors	Ernst & Young 27/F, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
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Legal Advisors	Baker & McKenzie 14th Floor, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong
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SCHEME REPORT (continued)

For the year ended 31 March 2025

SERVICE PROVIDERS (continued)

Bank	Bank of China (Hong Kong) Limited 14/F Bank of China Tower, 1 Garden Road, Central, Hong Kong
	<i>The bank is an associate of the Trustee. Particulars of the controllers are stated in Annex B of the Scheme Report.</i>
MPF Corporate Intermediaries	<ol style="list-style-type: none">1. The Prudential Hong Kong Limited 59/F, One Island East, 18 Westlands Road, Quarry Bay, Hong Kong2. BOC Group Life Assurance Company Limited 13/F and Suites 1705-1712, 17/F, 1111 King's Road, Taikoo Shing, Hong Kong3. CES Wealth Management (HK) Limited 28/F, Lee Gardens One, 33 Hysan Avenue, Causeway Bay, Hong Kong (Ceased to act as Scheme's MPF Corporate Intermediaries with effect from 1 September 2024)4. Alpha Professional Wealth Management Limited Room 407, 4/F, Tung Hip Commercial Building, 244-248 Des Voeux Road Central, Central, Hong Kong (Ceased to act as Scheme's MPF Corporate Intermediaries with effect from 1 September 2024)5. Towers Watson Hong Kong Limited 16/F, 17/F and Unit 1802, Lee Garden Three, 1 Sunning Road, Causeway Bay, Hong Kong6. Luk Fook Wealth Management (HK) Ltd Units 2201-2207 & 2213-2214, 22/F, Cosco Tower, 183 Queen's Road, Central, Hong Kong

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SCHEME REPORT (continued)

For the year ended 31 March 2025

SERVICE PROVIDERS (continued)

The Prudential Hong Kong Limited and BOC Group Life Assurance Company Limited are the associate of the Trustee. Particulars of the controllers are stated in Annex B of the Scheme Report.

General information
and enquiry

BOCI-Prudential Trustee Limited
Customer Service Centre
Suites 1507,
15/F, 1111 King's Road,
Taikoo Shing,
Hong Kong

Hotline: 2929 3366
Fax No.: 2151 0999
Website: www.bocpt.com

Date: 26 September 2025

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SCHEME REPORT (continued)

For the year ended 31 March 2025

PARTICULARS OF DIRECTORS OF TRUSTEE
DURING THE YEAR ENDED 31 MARCH 2025

<u>Name</u>	<u>Business address</u>
Law Lai Wah, Andrew	Suites 1501-07 & 1513-16, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong
Ma Yuk Sheung, Loretta	Suites 1501-07 & 1513-16, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong
Kwok Wai Shun Wilson	Suites 1501-07 & 1513-16, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong
Chow Kwok Cheong	Suites 1501-07 & 1513-16, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong
Leung Siu Ling	Suites 1501-07 & 1513-16, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong
Lau Tim	Suites 1501-07 & 1513-16, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong
Wang Huabin (appointed on 24 Sep 2024)	13/F, Bank of China Tower, 1 Garden Road, Hong Kong
Choi Wai Fan (appointed on 16 Jan 2025)	Suites 1501-07 & 1513-16, 15/F, 1111 King's Road, Taikoo Shing, Hong Kong
Xu Haifeng (resigned on 24 Sep 2024)	

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SCHEME REPORT (continued)

For the year ended 31 March 2025

PARTICULARS OF CONTROLLERS OF
BANK OF CHINA (HONG KONG) LIMITED
DURING THE YEAR ENDED 31 MARCH 2025

<u>Name</u>	<u>Business/residential address</u>
Central Huijin Investment Limited	New Poly Plaza, 1 Chaoyangmen Beidajie, Dongcheng District, Beijing, 100010, The People's Republic of China
Bank of China Limited	1 Fuxingmen Nei Dajie, Beijing 100818, The People's Republic of China
BOC Hong Kong (Group) Limited	52/F, Bank of China Tower, 1 Garden Road, Hong Kong
BOC Hong Kong (BVI) Limited	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands
BOC Hong Kong (Holdings) Limited	53/F, Bank of China Tower, 1 Garden Road, Hong Kong
Ge Haijiao	1 Fuxingmen Nei Dajie, Beijing 100818, The People's Republic of China
Zhang Hui (appointed on 6 Feb 2025)	1 Fuxingmen Nei Dajie, Beijing 100818, The People's Republic of China
Sun Yu	14/F, Bank of China Tower, 1 Garden Road, Hong Kong
Eva Cheng	c/o 53/F, Bank of China Tower, 1 Garden Road, Hong Kong
Choi Koon Shum	Room 1608, 16/F, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong
Fung Yuen Mei Anita	c/o 53/F, Bank of China Tower, 1 Garden Road, Hong Kong
Law Yee Kwan Quinn	c/o 53/F, Bank of China Tower, 1 Garden Road, Hong Kong
Lee Sunny Wai Kwong	c/o 53/F, Bank of China Tower, 1 Garden Road, Hong Kong
Lip Sai Wo	c/o 53/F, Bank of China Tower, 1 Garden Road, Hong Kong
Ma Si Hang Frederick	c/o 53/F, Bank of China Tower, 1 Garden Road, Hong Kong
Liu Jin (resigned on 25 Aug 2024)	
Lin Jingzhen (resigned on 7 Jan 2025)	

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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SCHEME REPORT (continued)

For the year ended 31 March 2025

PARTICULARS OF CONTROLLERS OF
THE PRUDENTIAL HONG KONG LIMITED
DURING THE YEAR ENDED 31 MARCH 2025

<u>Name</u>	<u>Business/residential address</u>
Prudential Public Limited Company	1 Angel Court, London EC2R 7AG, United Kingdom
Prudential Corporation Asia Limited	13/F, One International Finance Centre, One Harbour View Street, Central, Hong Kong
Lam Chi Kong Lawrence	59/F, One Island East, 18 Westlands Road, Quarry Bay, Hong Kong
Ng Yin Yee Angel (appointed on 14 Feb 2025)	59/F, One Island East, 18 Westlands Road, Quarry Bay, Hong Kong
Stephen Paul Bickell	59/F, One Island East, 18 Westlands Road, Quarry Bay, Hong Kong
Tan Shen Fong Alan	59/F, One Island East, 18 Westlands Road, Quarry Bay, Hong Kong
Kenneth Patrick Chung	59/F, One Island East, 18 Westlands Road, Quarry Bay, Hong Kong
Kwan Wing Han Margaret	59/F, One Island East, 18 Westlands Road, Quarry Bay, Hong Kong
Ng Lup-yin Lilian (resigned on 17 Feb 2025)	

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SCHEME REPORT (continued)

For the year ended 31 March 2025

PARTICULARS OF CONTROLLERS OF
BOC GROUP LIFE ASSURANCE COMPANY LIMITED
DURING THE YEAR ENDED 31 MARCH 2025

<u>Name</u>	<u>Business/residential address</u>
Central Huijin Investment Limited	New Poly Plaza, 1 Chaoyangmen Beidajie, Dongcheng District, Beijing, 100010, The People's Republic of China
Bank of China Limited	1 Fuxingmen Nei Dajie, Beijing 100818, The People's Republic of China
BOC Hong Kong (Group) Limited	52/F, Bank of China Tower, 1 Garden Road, Hong Kong
BOC Hong Kong (BVI) Limited	P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands
BOC Hong Kong (Holdings) Limited	53/F, Bank of China Tower, 1 Garden Road, Hong Kong
Bank of China Group Insurance Company Limited	9/F, Wing On House, 71 Des Voeux Road Central, Hong Kong
Sun Yu	13/F and Suites 1705-1712, 17/F, 1111 King's Road, Taikoo Shing, Hong Kong
Lau Hon Chuen	13/F and Suites 1705-1712, 17/F, 1111 King's Road, Taikoo Shing, Hong Kong
Qu Helei	13/F and Suites 1705-1712, 17/F, 1111 King's Road, Taikoo Shing, Hong Kong
Tang Chee Ping Wilson	13/F and Suites 1705-1712, 17/F, 1111 King's Road, Taikoo Shing, Hong Kong
Chan Man	13/F and Suites 1705-1712, 17/F, 1111 King's Road, Taikoo Shing, Hong Kong
Leung Wing Lok	13/F and Suites 1705-1712, 17/F, 1111 King's Road, Taikoo Shing, Hong Kong
Xu Haifeng (appointed on 24 July 2024)	13/F and Suites 1705-1712, 17/F, 1111 King's Road, Taikoo Shing, Hong Kong
Lai Zhenzhen (resigned on 30 April 2024)	
Ge Chunyao (appointed on 24 July 2024 and resigned on 28 March 2025)	

INDEPENDENT AUDITOR'S REPORT

To the trustee of My Choice Mandatory Provident Fund Scheme 我的強積金計劃

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of My Choice Mandatory Provident Fund Scheme (the "Scheme") set out on pages 16 to 67, which comprise the statement of net assets available for benefits - Scheme as at 31 March 2025, and the statement of changes in net assets available for benefits - Scheme and statement of cash flows – Scheme, for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Scheme as at 31 March 2025 and of its financial transactions and its cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to Practice Note 860.1 (Revised), *The Audit of Retirement Schemes* as issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Scheme in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report Thereon

The trustee of the Scheme is responsible for the other information. The other information comprises the information included in the scheme report and the investment report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (continued)

To the trustee of My Choice Mandatory Provident Fund Scheme 我的強積金計劃

Responsibilities of Trustee for the Financial Statements

The trustee is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee either intends to liquidate the Scheme or to cease operations, or has no realistic alternative but to do so.

In addition, the trustee is required to ensure that the financial statements have been properly prepared in accordance with sections 80, 81, 83 and 84 of the Mandatory Provident Fund Schemes (General) Regulation ("General Regulation").

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 102 of the General Regulation, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. In addition, we are required to assess whether the financial statements of the Scheme have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and, obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT (continued)

To the trustee of My Choice Mandatory Provident Fund Scheme
我的強積金計劃

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

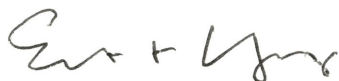
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Scheme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustee.
- Conclude on the appropriateness of the trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on matters under the Mandatory Provident Fund Schemes (General) Regulation

- a. In our opinion, the financial statements have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.
- b. We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purpose of our audit.

The engagement partner on the audit resulting in this independent auditor's report is Chan, Ka Man (practising certificate number: P07861).



Certified Public Accountants
Hong Kong
26 September 2025

INDEPENDENT AUDITOR'S ASSURANCE REPORT

To the trustee of My Choice Mandatory Provident Fund Scheme 我的強積金計劃

We have audited the financial statements of My Choice Mandatory Provident Fund Scheme (the "Scheme") for the year ended 31 March 2025 in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 860.1 (Revised) *The Audit of Retirement Schemes* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), and have issued an unqualified auditor's report thereon dated 26 September 2025.

Pursuant to section 102 of the Mandatory Provident Fund Schemes (General) Regulation ("General Regulation"), we are required to report whether the Scheme complied with certain requirements of the Mandatory Provident Fund Schemes Ordinance ("MPFSO") and the General Regulation.

Trustee's Responsibility

The General Regulation requires the trustee to ensure that:

- a. proper accounting and other records are kept in respect of the constituent funds of the Scheme, the Scheme assets and all financial transactions entered into in relation to the Scheme;
- b. the requirements specified in the guidelines made by the Mandatory Provident Fund Schemes Authority under section 28 of the MPFSO with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 and Part X of, and Schedule 1 to, the General Regulation are complied with;
- c. the requirements under sections 34DB(1)(a), (b), (c) and (d), 34DC(1), 34DD(1) and (4) of the MPFSO are complied with; and
- d. the Scheme assets are not subject to any encumbrance, otherwise than as permitted by the General Regulation.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* as issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

INDEPENDENT AUDITOR'S ASSURANCE REPORT (continued)

To the trustee of My Choice Mandatory Provident Fund Scheme 我的強積金計劃

Auditor's Responsibility

Our responsibility is to report on the Scheme's compliance with the above requirements based on the results of the procedures performed by us.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and with reference to Practice Note 860.1 (Revised), *The Audit of Retirement Schemes* issued by the HKICPA. We have planned and performed our work to obtain reasonable assurance on whether the Scheme has complied with the above requirements.

We have planned and performed such procedures as we considered necessary with reference to the procedures recommended on PN 860.1 (Revised), which included reviewing, on a test basis, evidence obtained from the trustee regarding the Scheme's compliance with the above requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

Based on the foregoing:

1. in our opinion:
 - a. proper accounting and other records have been kept during the year ended 31 March 2025 in respect of the constituent funds of the Scheme, the Scheme assets and all financial transactions entered into in relation to the Scheme; and
 - b. the requirements specified in the guidelines made by the Mandatory Provident Fund Schemes Authority under section 28 of the MPFSO with respect to forbidden investment practices and the requirements of sections 37(2), 51 and 52 and Part X of, and Schedule 1 to, the General Regulation are complied with, in all material respects, as at 31 March 2025, 31 December 2024 and 30 September 2024;
 - c. the requirements specified in the MPFSO under sections 34DB(1)(a), (b), (c) and (d) 34DC(1) and 34DD(1) and (4)(a) with respect to the investment of accrued benefits and control of payment for services relating to My Choice Core Accumulation Fund and My Choice Age 65 Plus Fund have been complied with, in all material respects, as at 31 March 2025, 31 December 2024 and 30 September 2024; and
 - d. the requirements specified in section 34DD(4)(b) of the MPFSO with respect to the controls of out-of-pocket expenses of the My Choice Core Accumulation Fund and My Choice Age 65 Plus Fund have been complied with, in all material respects, as at 31 March 2025.
2. as at 31 March 2025, the Scheme assets were not subject to any encumbrance, otherwise than as permitted by the General Regulation.

INDEPENDENT AUDITOR'S ASSURANCE REPORT (continued)

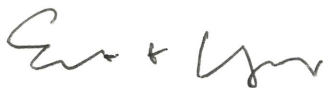
To the trustee of My Choice Mandatory Provident Fund Scheme
我的強積金計劃

Other Matter

The requirements specified in the MPFSO under sections 34DI(1), (2) and 34DK(2) with respect to the transfer of accrued benefits to an account and specified notice, and 34DJ(2), (3), (4) and (5) with respect to locating scheme members relating to the My Choice Core Accumulation Fund and My Choice Age 65 Plus Fund are not applicable to the trustee during the year ended 31 March 2025 as the trustee has completed the relevant transitional provisions. Accordingly, there is no reporting on these sections.

Intended Users and Purpose

This report is intended solely for submission by the trustee to the Mandatory Provident Fund Schemes Authority pursuant to section 102 of the General Regulation, and is not intended to be, and should not be, used by anyone for any other purpose.



Certified Public Accountants
Hong Kong
26 September 2025

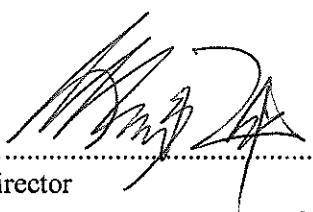
MY CHOICE MANDATORY PROVIDENT FUND SCHEME
我的強積金計劃


STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS - SCHEME

At 31 March 2025

	2025 HK\$	2024 HK\$
ASSETS		
Investments in constituent funds	3,396,665,723	3,104,434,321
Amounts due from constituent funds	2,652,896	3,684,450
Contributions receivable	10,858,938	13,545,313
Other receivables	1,858,273	54,649
Bank balances	5,733,514	8,804,788
	<u>3,417,769,344</u>	<u>3,130,523,521</u>
LIABILITIES		
Amounts due to constituent funds	655,390	3,009,215
Benefits payable	4,075,141	4,916,448
	<u>4,730,531</u>	<u>7,925,663</u>
NET ASSETS ATTRIBUTABLE TO SCHEME MEMBERS	<u>3,413,038,813</u>	<u>3,122,597,858</u>

The financial statements on pages 16 to 67 were approved and authorised for issue by the Trustee on 26 September 2025 and are signed on its behalf by:


.....
Director


.....
Director

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
我的強積金計劃

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - SCHEME

For the year ended 31 March 2025

	2025 HK\$	2024 HK\$
INCREASE IN NET ASSETS ATTRIBUTABLE TO SCHEME MEMBERS FROM PARTICIPATING TRANSACTIONS		
Contributions received and receivable		
from employers		
- mandatory	84,147,895	85,833,529
- additional voluntary	9,426,733	8,736,803
from employees		
- mandatory	100,053,182	102,903,511
- additional voluntary	27,448,581	27,664,395
Transfers in from other schemes	64,621,566	89,915,737
Contributions surcharge	511,225	473,144
	<u>286,209,182</u>	<u>315,527,119</u>
Benefits paid and payable		
- Retirement	(45,818,226)	(37,013,278)
- Early retirement	(20,882,698)	(9,130,108)
- Death	(6,494,634)	(2,806,336)
- Permanent departure	(14,207,155)	(12,693,980)
- Total incapacity	(343,474)	(376,970)
- Refunds of additional voluntary contributions	(86,399)	(126,156)
- Small balance account	-	-
- Terminal illness	(148,865)	(129,636)
Transfers out to other schemes	(230,954,710)	(176,367,201)
	<u>(318,936,161)</u>	<u>(238,643,665)</u>
Forfeitures	-	-
Sub-total of benefits paid and payable and forfeitures	<u>(318,936,161)</u>	<u>(238,643,665)</u>
INCREASE IN NET ASSETS ATTRIBUTABLE TO SCHEME MEMBERS RESULTING FROM OPERATIONS	(32,726,979)	76,883,454
Investment gain/(loss):		
Net gain/(loss) on investments	<u>323,167,934</u>	<u>(29,811,856)</u>
INCREASE IN NET ASSETS ATTRIBUTABLE TO SCHEME MEMBERS	290,440,955	47,071,598
BALANCE AT BEGINNING OF THE YEAR	<u>3,122,597,858</u>	<u>3,075,526,260</u>
BALANCE AT END OF THE YEAR	<u><u>3,413,038,813</u></u>	<u><u>3,122,597,858</u></u>

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
我的強積金計劃

STATEMENT OF CASH FLOWS - SCHEME

For the year ended 31 March 2025

	2025 HK\$	2024 HK\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Subscription of units in constituent funds	(290,353,454)	(311,671,457)
Redemption of units in constituent funds	319,967,715	236,757,372
Other operating cash payments	<u>(1,803,624)</u>	<u>(17,246)</u>
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	<u>27,810,637</u>	<u>(74,931,331)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions received	288,895,557	314,772,768
Benefits paid	<u>(319,777,468)</u>	<u>(236,754,246)</u>
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	<u>(30,881,911)</u>	<u>78,018,522</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(3,071,274)	3,087,191
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	<u>8,804,788</u>	<u>5,717,597</u>
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances	<u><u>5,733,514</u></u>	<u><u>8,804,788</u></u>

MY CHOICE MANDATORY PROVIDENT FUND SCHEME

我的強積金計劃

REVENUE STATEMENT - CONSTITUENT FUNDS

For the year ended 31 March 2025

		My Choice Growth Fund		My Choice Balanced Fund		My Choice Stable Fund		My Choice Global Equity Fund		My Choice Asia Equity Fund		My Choice China Equity Fund		My Choice Hong Kong Equity Fund		My Choice Hong Kong Tracking Fund	
Notes	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	
Investment (losses)/ gains																	
Interest income from bank deposits	6(d)	526	489	318	328	330	328	890	677	305	267	636	581	440	419	612	609
Interest income from interest-bearing securities		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend income		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net realised (losses)/gains on investments		5,362,969	1,853,021	3,214,989	1,477,345	2,137,881	718,294	12,397,833	1,999,829	3,386,182	1,155,241	(1,472,918)	(4,355,863)	(2,863,369)	(3,965,775)	5,511,680	4,917,620
Net change in (losses)/gains on investments		30,082,615	9,822,432	13,624,714	3,895,683	10,099,475	2,653,167	8,103,925	74,496,237	(1,545,122)	19,099,747	79,534,184	(92,463,241)	86,306,342	(53,957,012)	50,968,067	(23,579,996)
Sundry income		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Management fee rebates	6(c)	1,468,529	1,315,713	719,038	646,341	756,708	672,430	1,595,757	1,177,995	817,046	695,191	2,916,875	2,903,428	1,051,806	956,905	-	-
		36,914,639	12,991,655	17,559,059	6,019,697	12,994,394	4,044,219	22,098,405	77,674,738	2,658,411	20,950,446	80,978,777	(93,915,095)	84,495,219	(56,965,463)	54,156,501	(22,627,362)
Investment expenses																	
Investment management fees	6(a)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(84,665)	(77,143)
Trustee fees	6(b)	(2,092,511)	(1,866,992)	(1,197,799)	(1,124,473)	(1,261,274)	(1,169,704)	(2,659,557)	(2,098,082)	(1,106,268)	(937,291)	(2,726,261)	(2,701,830)	(1,424,657)	(1,290,524)	(761,991)	(694,301)
Sub-custodian fee	6(f)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction fee	6(e)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		(2,092,511)	(1,866,992)	(1,197,799)	(1,124,473)	(1,261,274)	(1,169,704)	(2,659,557)	(2,098,082)	(1,106,268)	(937,291)	(2,726,261)	(2,701,830)	(1,424,657)	(1,290,524)	(846,656)	(771,444)
Administrative expenses																	
Index licence fee		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(35,277)	(32,143)
Professional indemnity insurance		(5,938)	(6,358)	(3,401)	(3,830)	(3,582)	(3,984)	(7,546)	(7,126)	(3,147)	(3,188)	(7,730)	(9,224)	(4,025)	(4,406)	(2,152)	(2,369)
Auditor's fee		(28,845)	(26,459)	(16,524)	(15,937)	(17,383)	(16,599)	(36,740)	(33,427)	(15,205)	(13,307)	(37,630)	(38,200)	(19,704)	(18,234)	-	-
Bank charges	6(d)	(5,295)	(7,570)	(4,138)	(5,539)	(4,233)	(6,220)	(7,148)	(8,360)	(4,175)	(5,444)	(5,793)	(9,246)	(4,655)	(6,367)	-	-
Printing and postage expenses		(30,891)	(29,033)	(17,588)	(17,573)	(18,593)	(18,256)	(38,055)	(31,930)	(16,329)	(14,520)	(40,712)	(42,566)	(21,294)	(20,619)	-	-
Fund price publication expense		(12,425)	(12,226)	(12,425)	(12,226)	(12,425)	(12,226)	(12,425)	(12,226)	(12,425)	(12,226)	(12,425)	(12,226)	(12,425)	(12,226)	-	-
Miscellaneous expense		(1,031)	(3,670)	(621)	(2,193)	(646)	(2,338)	(1,166)	-	(519)	(1,831)	(1,481)	(5,899)	(708)	(2,673)	-	-
Legal and professional fee		(32,427)	(43,694)	(18,809)	(26,446)	(19,729)	(27,587)	(40,404)	(49,414)	(17,196)	(22,279)	(42,119)	(62,007)	(21,045)	(29,856)	-	-
		(116,852)	(129,010)	(73,506)	(83,744)	(76,591)	(87,210)	(143,484)	(142,483)	(68,996)	(72,795)	(147,890)	(179,368)	(83,856)	(94,381)	(37,429)	(34,512)
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO MEMBERS FROM OPERATIONS																	
		34,705,276	10,995,653	16,287,754	4,811,480	11,656,529	2,787,305	19,295,364	75,434,173	1,483,147	19,940,360	78,104,626	(96,796,293)	82,986,706	(58,350,368)	53,272,416	(23,433,318)

With effect from 1 October 2016, the Trustee would bear part of fees of the Scheme and the constituent funds when the constituent funds' net asset value is less than HK\$160 million.

MY CHOICE MANDATORY PROVIDENT FUND SCHEME

我的強積金計劃

REVENUE STATEMENT - CONSTITUENT FUNDS (continued)

For the year ended 31 March 2025

Notes	My Choice Global Bond Fund		My Choice HKD Bond Fund		My Choice RMB & HKD Money Market Fund		My Choice MPF Conservative Fund		My Choice Core Accumulation Fund		My Choice Age 65 Plus Fund		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
Investment (losses)/gains														
Interest income from bank deposits	201	154	169	124	106	147	3,491,789	8,770,954	420	338	181	177	3,496,923	8,775,592
Interest income from interest-bearing securities	-	-	-	-	-	-	7,892,454	2,609,475	-	-	-	-	7,892,454	2,609,475
Dividend income	-	-	-	-	-	-	-	-	-	-	-	-	5,511,680	4,917,620
Net realised (losses)/gains on investments	(888,248)	(1,076,234)	604,159	(154,768)	170,977	(88,419)	1,834,823	1,893,171	2,608,881	942,709	372,910	(133,480)	24,543,211	(3,700,524)
Net change in unrealised (losses)/gains on investments	1,635,765	230,898	3,482,997	2,339,657	924,321	(670,290)	375,454	23,725	6,287,907	21,443,023	1,848,286	3,446,729	291,728,930	(33,219,241)
Sundry income	-	-	-	-	-	-	20	-	-	-	-	-	20	-
Management fee rebates	459,002	394,998	306,303	294,801	38,040	38,580	-	-	-	-	-	-	10,129,104	9,096,382
	<u>1,206,720</u>	<u>(450,184)</u>	<u>4,393,628</u>	<u>2,479,814</u>	<u>1,133,444</u>	<u>(719,982)</u>	<u>13,594,540</u>	<u>13,297,325</u>	<u>8,897,208</u>	<u>22,386,070</u>	<u>2,221,377</u>	<u>3,313,426</u>	<u>343,302,322</u>	<u>(11,520,696)</u>
Investment expenses														
Investment management fees	6(a)	-	-	-	-	-	(530,891)	(725,671)	(413,245)	(322,249)	(144,433)	(120,165)	(1,173,234)	(1,245,228)
Trustee fees	6(b)	(592,503)	(507,412)	(437,558)	(418,872)	(294,637)	(297,173)	(1,911,209)	(1,738,055)	(1,118,155)	(867,678)	(389,967)	(324,444)	(17,974,347)
Sub-custodian fee	6(f)	-	-	-	-	-	-	(30,824)	(15,040)	-	-	-	(30,824)	(15,040)
Transaction fee	6(c)	-	-	-	-	-	-	(16,620)	(7,680)	-	-	-	(16,620)	(7,680)
		<u>(592,503)</u>	<u>(507,412)</u>	<u>(437,558)</u>	<u>(418,872)</u>	<u>(294,637)</u>	<u>(297,173)</u>	<u>(2,489,544)</u>	<u>(2,486,446)</u>	<u>(1,531,400)</u>	<u>(1,189,927)</u>	<u>(534,400)</u>	<u>(444,609)</u>	<u>(19,195,025)</u>
Administrative expenses														
Index licence fee		-	-	-	-	-	-	-	-	-	-	-	(35,277)	(32,143)
Professional indemnity insurance		(1,680)	(1,728)	(1,245)	(1,427)	(838)	(1,013)	(5,414)	(5,920)	(3,163)	(2,956)	(1,105)	(1,104)	(50,966)
Auditor's fee		-	-	-	-	-	-	(26,428)	(24,620)	(15,417)	(3,619)	-	-	(213,876)
Bank charges	6(d)	-	-	-	-	-	-	(15,898)	(14,533)	(5,012)	(1,089)	-	-	(56,347)
Printing and postage expenses		-	-	-	-	-	-	(26,972)	(27,394)	(16,038)	(2,669)	-	-	(226,472)
Fund price publication expense		-	-	-	-	-	-	(12,425)	(12,226)	(12,425)	(2,982)	-	-	(111,825)
Miscellaneous expense		-	-	-	-	-	-	(961)	(3,202)	(150)	-	-	-	(7,283)
Legal and professional fee		-	-	-	-	-	-	(28,859)	(40,435)	(16,729)	(15,961)	-	-	(237,317)
		<u>(1,680)</u>	<u>(1,728)</u>	<u>(1,245)</u>	<u>(1,427)</u>	<u>(838)</u>	<u>(1,013)</u>	<u>(116,957)</u>	<u>(128,330)</u>	<u>(68,934)</u>	<u>(29,276)</u>	<u>(1,105)</u>	<u>(1,104)</u>	<u>(939,363)</u>
INCREASE/(DECREASE) IN NET ASSETS														
ATTRIBUTABLE TO MEMBERS FROM OPERATIONS		<u>612,537</u>	<u>(959,324)</u>	<u>3,954,825</u>	<u>2,059,515</u>	<u>837,969</u>	<u>(1,018,168)</u>	<u>10,988,039</u>	<u>10,682,549</u>	<u>7,296,874</u>	<u>21,166,867</u>	<u>1,685,872</u>	<u>2,867,713</u>	<u>323,167,934</u>
														<u>(29,811,856)</u>

With effect from 1 October 2016, the Trustee would bear part of fees of the Scheme and the constituent funds when the constituent funds' net asset value is less than HK\$160 million.

MY CHOICE MANDATORY PROVIDENT FUND SCHEME

我的強積金計劃

STATEMENT OF ASSETS AND LIABILITIES - CONSTITUENT FUNDS

At 31 March 2025

	<u>Notes</u>	<u>My Choice Growth Fund</u>		<u>My Choice Balanced Fund</u>		<u>My Choice Stable Fund</u>		<u>My Choice Global Equity Fund</u>		<u>My Choice Asia Equity Fund</u>	
		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
ASSETS											
Investments in approved pooled investment funds/ approved index-tracking collective investment scheme		389,158,207	368,014,209	224,322,682	216,615,979	234,486,091	226,251,735	475,817,948	460,963,190	190,222,307	193,016,428
Investments in interest-bearing securities	9	-	-	-	-	-	-	-	-	-	-
Interest and other receivables		128,159	107,356	62,912	108,987	65,422	113,678	134,945	226,599	65,407	58,858
Contributions in transit		41,192	288,674	23,668	114,739	26,651	96,503	136,343	488,786	23,115	143,597
Accounts receivable on fund switching		302,984	359,183	157,561	104,558	384,096	84,035	309,118	1,339,891	462,724	147,625
Amount due from brokers		29,000	221,000	16,000	-	-	276,000	1,001,000	-	-	226,000
Bank deposits	7	-	-	-	-	-	-	-	-	-	-
Bank balances		468,712	1,729	199,489	269,743	148,577	77,574	109,762	407,379	142,086	170,038
TOTAL ASSETS		390,128,254	368,992,151	224,782,312	217,214,006	235,110,837	226,899,525	477,509,116	463,425,845	190,915,639	193,762,546
LIABILITIES											
Accounts payable on fund switching		437,605	189,552	397,054	81,717	187,013	323,098	648,646	448,270	203,846	193,513
Redemptions payable		418,263	173,849	200,737	197,858	217,230	99,068	616,114	1,033,346	38,413	258,455
Accounts payable and accruals		212,309	177,709	122,240	106,036	127,552	110,445	262,232	218,082	104,693	92,632
Amount due to broker		-	-	-	-	-	-	-	-	-	-
TOTAL LIABILITIES		1,068,177	541,110	720,031	385,611	531,795	532,611	1,526,992	1,699,698	346,952	544,600
NET ASSETS ATTRIBUTABLE TO MEMBERS		389,060,077	368,451,041	224,062,281	216,828,395	234,579,042	226,366,914	475,982,124	461,726,147	190,568,687	193,217,946
NUMBER OF UNITS IN ISSUE		18,491,316.1269	19,189,499.6129	11,362,538.9428	11,841,919.0146	14,599,047.7879	14,814,973.5007	17,123,542.8326	17,320,847.6316	10,004,622.8854	10,207,973.9380
NET ASSET VALUE PER UNIT		21.0401	19.2006	19.7193	18.3102	16.0681	15.2796	27.7969	26.6572	19.0480	18.9281

MY CHOICE MANDATORY PROVIDENT FUND SCHEME

我的強積金計劃

STATEMENT OF ASSETS AND LIABILITIES - CONSTITUENT FUNDS (continued)

At 31 March 2025

Notes	<u>My Choice China Equity Fund</u>		<u>My Choice Hong Kong Equity Fund</u>		<u>My Choice Hong Kong Tracking Fund</u>		<u>My Choice Global Bond Fund</u>		<u>My Choice HKD Bond Fund</u>	
	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$
ASSETS										
Investments in approved pooled investment funds/ approved index-tracking collective investment scheme	501,738,753	469,277,487	292,072,390	225,678,854	158,712,750	122,071,793	113,459,085	100,902,565	79,705,156	80,285,000
Investments in interest-bearing securities	-	-	-	-	-	-	-	-	-	-
Interest and other receivables	259,934	211,982	101,420	70,047	-	-	40,378	32,478	25,785	23,185
Contributions in transit	62,927	394,090	46,627	520,959	2,523	123,720	73,666	96,594	3,098	28,366
Accounts receivable on fund switching	188,667	9,081	326,811	336,970	756,293	214	19,352	13,661	100,906	495,428
Amount due from brokers	-	410,000	174,000	-	-	-	34,000	364,000	20,000	27,000
Bank deposits	-	-	-	-	-	-	-	-	-	-
Bank balances	435,096	184,561	220,276	1,198	1,155,387	440,505	93,127	43,213	65,930	57,155
TOTAL ASSETS	502,685,377	470,487,201	292,941,524	226,608,028	160,626,953	122,636,232	113,719,608	101,452,511	79,920,875	80,916,134
LIABILITIES										
Accounts payable on fund switching	1,805,857	726,085	918,527	407,070	1,158,208	186,348	267,352	207,109	178,517	13,046
Redemptions payable	77,034	68,313	53,609	70,230	611,495	86,354	51,821	237,266	53,098	131,117
Accounts payable and accruals	281,418	234,265	158,151	112,248	92,388	71,362	51,988	41,698	36,589	32,882
Amount due to broker	-	-	-	-	737,644	166,466	-	-	-	-
TOTAL LIABILITIES	2,164,309	1,028,663	1,130,287	589,548	2,599,735	510,530	371,161	486,073	268,204	177,045
NET ASSETS ATTRIBUTABLE TO MEMBERS	500,521,068	469,458,538	291,811,237	226,018,480	158,027,218	122,125,702	113,348,447	100,966,438	79,652,671	80,739,089
NUMBER OF UNITS IN ISSUE	22,933,253.6797	25,210,025.7434	18,900,176.7576	20,031,994.2497	10,530,752.8342	11,783,592.2407	12,649,859.6716	11,339,929.1381	6,349,108.7413	6,763,623.2966
NET ASSET VALUE PER UNIT	21.8251	18.6218	15.4396	11.2828	15.0062	10.3640	8.9604	8.9036	12.5454	11.9372

MY CHOICE MANDATORY PROVIDENT FUND SCHEME

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STATEMENT OF ASSETS AND LIABILITIES - CONSTITUENT FUNDS (continued)

At 31 March 2025

		RMB & HKD		My Choice MPF		My Choice Core		My Choice		Total	
	Notes	Money Market Fund		Conservative Fund		Accumulation Fund		Age 65 Plus Fund			
		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
ASSETS											
Investments in approved pooled investment funds/ approved index-tracking collective investment scheme		54,071,953	53,491,654	-	-	211,658,885	187,916,097	77,090,540	65,560,345	3,002,516,747	2,770,045,336
Investments in interest-bearing securities	9	-	-	274,368,208	135,853,056	-	-	-	-	274,368,208	135,853,056
Interest and other receivables		3,432	2,987	116,808	641,050	-	672	325	275	1,004,927	1,598,154
Contributions in transit		9,901	36,047	124,924	451,071	42,110	156,327	38,645	69,742	655,390	3,009,215
Accounts receivable on fund switching		303,179	-	3,602,273	882,465	307,808	194,860	294,566	59,344	7,516,338	4,027,315
Amount due from brokers		-	-	-	-	-	30,000	-	571,000	1,274,000	2,125,000
Bank deposits	7	-	-	103,625,564	170,105,446	-	-	-	-	103,625,564	170,105,446
Bank balances		35,081	43,046	20,041,973	25,309,239	305,130	8,485	125,651	175,630	23,546,277	27,189,495
TOTAL ASSETS		54,423,546	53,573,734	401,879,750	333,242,327	212,313,933	188,306,441	77,549,727	66,436,336	3,414,507,451	3,113,953,017
LIABILITIES											
Accounts payable on fund switching		20,142	77,052	910,116	739,390	305,201	67,420	78,254	367,643	7,516,338	4,027,313
Redemptions payable		12,374	568,115	110,410	167,243	139,935	180,877	52,363	412,359	2,652,896	3,684,450
Accounts payable and accruals		24,557	22,198	259,581	235,508	150,827	138,302	47,975	47,100	1,932,500	1,640,467
Amount due to broker		-	-	5,002,350	-	-	-	-	-	5,739,994	166,466
TOTAL LIABILITIES		57,073	667,365	6,282,457	1,142,141	595,963	386,599	178,592	827,102	17,841,728	9,518,696
NET ASSETS ATTRIBUTABLE TO MEMBERS		54,366,473	52,906,369	395,597,293	332,100,186	211,717,970	187,919,842	77,371,135	65,609,234	3,396,665,723	3,104,434,321
NUMBER OF UNITS IN ISSUE		5,040,710.2752	4,983,174.6760	36,161,420.4266	31,326,757.2258	13,726,776.6492	12,646,841.8588	6,698,273.3650	5,823,217.1718		
NET ASSET VALUE PER UNIT		10.7854	10.6170	10.9397	10.6011	15.4237	14.8590	11.5509	11.2668		

MY CHOICE MANDATORY PROVIDENT FUND SCHEME

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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS - CONSTITUENT FUNDS

For the year ended 31 March 2025

	<u>My Choice Growth Fund</u>		<u>My Choice Balanced Fund</u>		<u>My Choice Stable Fund</u>		<u>My Choice Global Equity Fund</u>		<u>My Choice Asia Equity Fund</u>	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
BALANCE BROUGHT FORWARD	368,451,041	355,251,020	216,828,395	211,016,231	226,366,914	219,344,460	461,726,147	355,434,836	193,217,946	172,290,841
UNITS ISSUED	27,964,770	32,874,195	16,591,755	20,426,700	20,865,196	22,366,616	41,942,483	39,267,628	14,897,711	15,547,022
UNITS REDEEMED	(35,998,397)	(26,838,263)	(22,727,929)	(16,277,700)	(26,308,836)	(15,034,873)	(53,290,630)	(34,642,994)	(15,129,050)	(14,918,025)
SWITCHING IN	23,210,314	15,820,259	10,279,037	6,105,811	17,349,177	7,717,871	81,662,342	60,248,550	22,831,661	12,509,961
SWITCHING OUT	(29,272,927)	(19,651,823)	(13,196,731)	(9,254,127)	(15,349,938)	(10,814,465)	(75,353,582)	(34,016,046)	(26,732,728)	(12,152,213)
	354,354,801	357,455,388	207,774,527	212,016,915	222,922,513	223,579,609	456,686,760	386,291,974	189,085,540	173,277,586
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO MEMBERS FROM OPERATIONS	34,705,276	10,995,653	16,287,754	4,811,480	11,656,529	2,787,305	19,295,364	75,434,173	1,483,147	19,940,360
BALANCE CARRIED FORWARD	389,060,077	368,451,041	224,062,281	216,828,395	234,579,042	226,366,914	475,982,124	461,726,147	190,568,687	193,217,946
NUMBER OF UNITS ISSUED	2,503,293.6901	2,673,117.0555	1,403,146.6090	1,506,595.1311	2,421,879.0056	2,028,090.4148	4,405,226.2016	4,165,767.6851	1,884,790.3315	1,631,617.5224
NUMBER OF UNITS REDEEMED	3,201,477.1761	2,549,488.4355	1,882,526.6808	1,447,590.3394	2,637,804.7184	1,746,469.4887	4,602,531.0006	2,883,412.4572	2,088,141.3841	1,575,172.1770

MY CHOICE MANDATORY PROVIDENT FUND SCHEME

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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS - CONSTITUENT FUNDS (continued)

For the year ended 31 March 2025

	<u>My Choice China Equity Fund</u>		<u>My Choice Hong Kong Equity Fund</u>		<u>My Choice Hong Kong Tracking Fund</u>		<u>My Choice Global Bond Fund</u>		<u>My Choice HKD Bond Fund</u>	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
BALANCE BROUGHT FORWARD	469,458,538	580,672,538	226,018,480	270,163,911	122,125,702	139,299,720	100,966,438	93,702,615	80,739,089	77,442,308
UNITS ISSUED	28,036,391	40,058,550	22,215,903	25,978,331	9,718,535	12,096,899	13,639,028	11,936,277	6,172,379	7,280,672
UNITS REDEEMED	(40,842,129)	(31,470,856)	(21,608,119)	(14,401,811)	(11,671,860)	(8,772,366)	(9,557,749)	(7,542,221)	(10,416,732)	(4,474,538)
SWITCHING IN	59,585,803	31,511,078	77,520,648	45,113,631	45,722,515	32,268,529	29,612,695	14,793,237	23,643,799	11,947,160
SWITCHING OUT	(93,822,161)	(54,516,479)	(95,322,381)	(42,485,214)	(61,140,090)	(29,333,762)	(21,924,502)	(10,964,146)	(24,440,689)	(13,516,028)
	422,416,442	566,254,831	208,824,531	284,368,848	104,754,802	145,559,020	112,735,910	101,925,762	75,697,846	78,679,574
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO MEMBERS FROM OPERATIONS	78,104,626	(96,796,293)	82,986,706	(58,350,368)	53,272,416	(23,433,318)	612,537	(959,324)	3,954,825	2,059,515
BALANCE CARRIED FORWARD	500,521,068	469,458,538	291,811,237	226,018,480	158,027,218	122,125,702	113,348,447	100,966,438	79,652,671	80,739,089
NUMBER OF UNITS ISSUED	4,102,021.2757	3,645,147.9352	7,311,755.0454	5,805,722.9301	4,270,043.5435	3,991,224.5390	4,822,904.1962	3,035,980.8474	2,418,749.1328	1,647,248.8635
NUMBER OF UNITS REDEEMED	6,378,793.3394	4,458,542.0183	8,443,572.5375	4,695,307.4433	5,522,882.9500	3,451,956.2640	3,512,973.6627	2,101,413.6273	2,833,263.6881	1,546,072.6566

MY CHOICE MANDATORY PROVIDENT FUND SCHEME

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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS - CONSTITUENT FUNDS (continued)

For the year ended 31 March 2025

	My Choice RMB & HKD Money Market Fund		My Choice MPF Conservative Fund		My Choice Core Accumulation Fund		My Choice Age 65 Plus Fund		Total	
	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$
BALANCE BROUGHT FORWARD	52,906,369	59,672,446	332,100,186	317,408,955	187,919,842	148,167,233	65,609,234	58,904,276	3,104,434,321	3,058,771,390
UNITS ISSUED	6,387,329	7,821,400	39,683,061	42,784,045	30,040,064	26,883,380	9,845,024	8,796,737	287,999,629	314,118,452
UNITS REDEEMED	(4,332,349)	(4,277,705)	(43,613,244)	(37,549,504)	(14,124,647)	(13,058,507)	(9,314,490)	(9,384,302)	(318,936,161)	(238,643,665)
SWITCHING IN	17,887,870	7,517,145	168,226,415	91,031,014	37,290,868	25,461,734	29,340,484	16,358,019	644,163,628	378,403,999
SWITCHING OUT	(19,320,715)	(16,808,749)	(111,787,164)	(92,256,873)	(36,705,031)	(20,700,865)	(19,794,989)	(11,933,209)	(644,163,628)	(378,403,999)
	53,528,504	53,924,537	384,609,254	321,417,637	204,421,096	166,752,975	75,685,263	62,741,521	3,073,497,789	3,134,246,177
(DECREASE)/INCREASE IN NET ASSETS ATTRIBUTABLE TO MEMBERS FROM OPERATIONS	837,969	(1,018,168)	10,988,039	10,682,549	7,296,874	21,166,867	1,685,872	2,867,713	323,167,934	(29,811,856)
BALANCE CARRIED FORWARD	54,366,473	52,906,369	395,597,293	332,100,186	211,717,970	187,919,842	77,371,135	65,609,234	3,396,665,723	3,104,434,321
NUMBER OF UNITS ISSUED	2,252,253.6842	1,449,714.8985	19,238,626.0799	12,847,552.5004	4,367,354.9723	3,825,374.9843	3,407,150.6754	2,319,744.7739		
NUMBER OF UNITS REDEEMED	2,194,718.0850	1,995,001.7459	14,403,962.8791	12,462,098.9833	3,287,420.1819	2,466,320.1603	2,532,094.4822	1,969,466.7010		

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. GENERAL

My Choice Mandatory Provident Fund Scheme (the "Scheme") is a mandatory provident fund scheme constituted by a master trust deed dated 7 April 2010 governed by the laws of the Hong Kong Special Administrative Region of the People's Republic of China. The Scheme is designed to provide retirement benefits to the members under the Scheme.

The Scheme consists of fourteen constituent funds, namely My Choice Growth Fund (the "Growth Fund"), My Choice Balanced Fund (the "Balanced Fund"), My Choice Stable Fund (the "Stable Fund"), My Choice Global Equity Fund (the "Global Equity Fund"), My Choice Asia Equity Fund (the "Asia Equity Fund"), My Choice China Equity Fund (the "China Equity Fund"), My Choice Hong Kong Equity Fund (the "Hong Kong Equity Fund"), My Choice Hong Kong Tracking Fund (the "Hong Kong Tracking Fund"), My Choice Global Bond Fund (the "Global Bond Fund"), My Choice HKD Bond Fund (the "HKD Bond Fund"), My Choice RMB & HKD Money Market Fund (the "RMB & HKD Money Market Fund"), My Choice MPF Conservative Fund (the "MPF Conservative Fund"), My Choice Core Accumulation Fund (the "Core Accumulation Fund") and My Choice Age 65 Plus Fund (the "Age 65 Plus Fund").

Core Accumulation Fund and Age 65 Plus Fund were newly offered constituent funds with effect from 1 April 2017 associated with the changes relating to Mandatory Provident Fund Schemes (Amendment) Ordinance 2016 – Default Investment Strategy ("DIS")

The financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Scheme.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The financial statements have been prepared on a historical cost basis, except for financial assets and liabilities at fair value through profit or loss ("FVTPL") that have been measured at fair value. The financial statements are presented in HK\$ and all values are rounded to the nearest HK\$, except where otherwise indicated.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Scheme has adopted the following revised HKFRS Accounting Standards for the first time in the current year's financial statements, which are applicable to the Scheme.

Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> (the “2020 Amendments”)
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i> (the “2022 Amendments”)

Amendments to HKAS 1 *Classification of Liabilities as Current or Non-current* and Amendments to HKAS 1 *Non-current Liabilities with Covenants*

The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Scheme has reassessed the terms and conditions of its liabilities as at 1 April 2024 and 2025 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Scheme.

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Scheme has not early applied any of the new or revised HKFRS Accounting Standards that have been issued but are not yet effective for the accounting year ended 31 March 2025 in these financial statements. Among these HKFRS Accounting Standards, the following are expected to be relevant to the Scheme's financial statements upon becoming effective:

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ²
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ¹
Annual Improvements to HKFRS Accounting Standards – Volume 11	<i>Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7</i> ¹

¹ Effective for annual periods beginning on or after 1 January 2026

² Effective for annual/reporting periods beginning on or after 1 January 2027

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Scheme is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Scheme's financial statements.

Amendments to HKFRS 9 and HKFRS 7 clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Scheme's financial statements.

Annual Improvements to HKFRS Accounting Standards – Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments that are expected to be applicable to the Scheme are as follows:

- *HKFRS 7 Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing HKFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing HKFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Scheme's financial statements.

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

- *HKFRS 9 Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Scheme's financial statements.
- *HKAS 7 Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Scheme's financial statements.

3. MATERIAL ACCOUNTING POLICIES

Fair value measurement

The Scheme and its underlying constituent funds measure its equity investments at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Trustee takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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For the year ended 31 March 2025

3. MATERIAL ACCOUNTING POLICIES (continued)

Revenue recognition

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Scheme and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income is recognised in the revenue statement - Constituent Funds when the rights to receive payment have been established, provided that it is probable that the economic benefits will flow to the Constituent Funds and the amount can be measured reliably.

Management fee rebate is recognised in the revenue statement - Constituent Funds when the rights to receive payment have been established, provided that it is probable that the economic benefits will flow to the Constituent Funds and the amount can be measured reliably.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of net assets available for benefits - Scheme and the statement of assets and liabilities - Constituent Funds, when the Scheme becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets or financial liabilities at FVTPL are recognised immediately in the statement of changes in net assets available for benefits - Scheme and the revenue statement - Constituent Funds. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and at FVTPL.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Scheme's business model for managing them. The Scheme initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

3. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Initial recognition and measurement (continued)

The Scheme's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Scheme commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest method (see accounting policy on the description for effective interest method at financial liabilities below) and are subject to impairment (see accounting policy on impairment of financial assets below). Gains and losses are recognised in the revenue statement - Constituent Funds when the asset is derecognised, modified or impaired. Interest revenue is recognised in the revenue statement - Constituent Funds for all interest-bearing financial instruments using the effective interest method.

Interest and other receivables, contributions receivable, contributions in transit, accounts receivable on fund switching, amount due from brokers, amount due from constituent funds, bank deposits and bank balances are classified as financial assets at amortised cost.

Financial assets at FVTPL

All investments in Constituent Funds by the Scheme and in approved pooled investment funds/approved index-tracking collective investment schemes and interest-bearing securities by the Constituent Funds are classified as financial assets at FVTPL. Investments are recognised on a trade date basis and are initially measured at fair value. At the end of the reporting period subsequent to initial recognition, investments at FVTPL are re-measured at fair value, with changes in fair value recognised directly in the statement of changes in net assets available for benefits - Scheme and the revenue statement - Constituent Funds in the year in which they arise. The fair values of investments are based on their quoted market prices at the reporting date without any deduction for estimated future selling costs.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

3. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities

Net assets attributable to scheme members

The Scheme provides the scheme members with the right to get their benefits for cash equal to their proportionate share of the net asset value of the Scheme through their interests in the Constituent Funds under certain circumstances, in accordance with the MPFSO. Accordingly, net assets attributable to scheme members are classified as financial liabilities.

The liabilities to scheme members are presented on the statement of net assets available for benefits - Scheme as "net assets attributable to scheme members" and are determined based on the aggregate of the residual assets of the Scheme after deducting the Scheme's other liabilities.

Net assets attributable to members

The units issued by the Constituent Funds provide the members with the right to redeem their units for cash equal to their proportionate share of the net asset value of the Constituent Funds.

The liabilities to members are presented on the statement of assets and liabilities as "net assets attributable to members" and are determined based on the residual assets of the Constituent Funds after deducting other liabilities of the Constituent Funds.

Other financial liabilities

Other financial liabilities, including amounts due to Constituent Funds, benefits payable and other payable of the Scheme; accounts payable on fund switching, redemptions payable, accounts payable and accruals and amount due to brokers of the Constituent Funds are subsequently measured at amortised cost, using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

3. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities (continued)

Derecognition

The Scheme derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Scheme neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Scheme continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Scheme retains substantially all the risks and rewards of ownership of a transferred financial asset, the Scheme continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of changes in net assets available for benefits – Scheme and the revenue statement – Constituent Funds.

The Scheme and the Constituent Funds use the weighted average cost method to determine realised gains and losses on derecognition.

The Scheme derecognises financial liabilities, when and only when, the Scheme's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of changes in net assets available for benefits - Scheme and the revenue statement - Constituent Funds.

Impairment of financial assets

The Scheme recognises an allowance for ECLs for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Scheme expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

3. MATERIAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

Simplified approach

Since the Scheme holds short-term receivables which do not contain a significant financing component or applies the practical expedient of not adjusting the effect of a significant financing component, the Scheme applies an approach similar to the simplified approach in calculating ECLs. Under the simplified approach, the Scheme does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Scheme has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Scheme contributions and benefits

Contributions are accounted for on an accrual basis. Benefits are accounted for on an accrual basis to the extent of benefits becoming payable prior to the financial year end. Benefits payments represent all valid claims paid or payable in respect of the year.

Issue and redemption of units in the Constituent Funds

Issue and redemption of units are accounted for on a transaction date basis.

Forfeitures

Forfeitures arise from the employers' additional voluntary contributions which are unvested and belong to the employers upon termination of employment. Forfeitures which have not been designated for the benefit of existing members and which have not been returned to the employers are treated as liabilities of the Scheme.

Foreign currencies

Transactions in currencies other than the functional currency of the Scheme (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the Scheme operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined.

Exchange differences arising from the settlement of monetary items, and on the retranslation of monetary items, are recognised in the statement of changes in net assets available for benefits - Scheme and the revenue statement - Constituent Funds in the period in which they arise. Exchange differences arising from the retranslation of non-monetary items carried at fair value are included in the statement of changes in net assets available for benefits - Scheme and the revenue statement - Constituent Funds for the period.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

3.1 SIGNIFICANT ACCOUNTING JUDGEMENT

Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes; (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Scheme and Constituent Funds consider all investments in approved pooled investment funds/approved index-tracking collective investment schemes (collectively the "Investee Funds") are unconsolidated structured entities. The Investee Funds apply various investment strategies to accomplish their respective investment objectives. The Investee Funds finance their operations by issuing redeemable units which are puttable at the holder's option and entitles the holder to a proportional stake in the respective funds' net assets. The Constituent Funds hold redeemable units in the Investee Funds.

The Constituent Funds' interest in its Investee Funds are the fair value of its investment in Investee Funds as at the year end date and the related net gains/(losses) recognised in profit or loss during the year.

4. FINANCIAL INSTRUMENTS

Categories of financial instruments of the Scheme

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	3,396,665,723	3,104,434,321
At amortised cost (including cash and cash equivalents)	<u>21,103,621</u>	<u>26,089,200</u>
Financial liabilities		
Other financial liabilities	4,730,531	7,925,663
Net assets attributable to scheme members	<u>3,413,038,813</u>	<u>3,122,597,858</u>

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Categories of financial instruments of the Constituent Funds

My Choice Growth Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	389,158,207	368,014,209
At amortised cost (including cash and cash equivalents)	970,047	977,942
Financial liabilities		
Other financial liabilities	1,039,572	515,593
Net assets attributable to members	389,060,077	368,451,041

My Choice Balanced Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	224,322,682	216,615,979
At amortised cost (including cash and cash equivalents)	459,630	598,027
Financial liabilities		
Other financial liabilities	703,649	370,237
Net assets attributable to members	224,062,281	216,828,395

My Choice Stable Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	234,486,091	226,251,735
At amortised cost (including cash and cash equivalents)	624,746	647,790
Financial liabilities		
Other financial liabilities	514,560	516,612
Net assets attributable to members	234,579,042	226,366,914

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Categories of financial instruments of the Constituent Funds (continued)

My Choice Global Equity Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	475,817,948	460,963,190
At amortised cost (including cash and cash equivalents)	<u>1,691,168</u>	<u>2,462,655</u>
Financial liabilities		
Other financial liabilities	1,490,553	1,670,870
Net assets attributable to members	<u>475,982,124</u>	<u>461,726,147</u>

My Choice Asia Equity Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	190,222,307	193,016,428
At amortised cost (including cash and cash equivalents)	<u>693,332</u>	<u>746,118</u>
Financial liabilities		
Other financial liabilities	331,873	531,763
Net assets attributable to members	<u>190,568,687</u>	<u>193,217,946</u>

My Choice China Equity Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	501,738,753	469,277,487
At amortised cost (including cash and cash equivalents)	<u>946,624</u>	<u>1,209,714</u>
Financial liabilities		
Other financial liabilities	2,126,985	991,977
Net assets attributable to members	<u>500,521,068</u>	<u>469,458,538</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Categories of financial instruments of the Constituent Funds (continued)

My Choice Hong Kong Equity Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	292,072,390	225,678,854
At amortised cost (including cash and cash equivalents)	<u>869,134</u>	<u>929,174</u>
Financial liabilities		
Other financial liabilities	1,110,731	572,000
Net assets attributable to members	<u>291,811,237</u>	<u>226,018,480</u>

My Choice Hong Kong Tracking Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	158,712,750	122,071,793
At amortised cost (including cash and cash equivalents)	<u>1,914,203</u>	<u>564,439</u>
Financial liabilities		
Other financial liabilities	2,599,735	510,530
Net assets attributable to members	<u>158,027,218</u>	<u>122,125,702</u>

My Choice Global Bond Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	113,459,085	100,902,565
At amortised cost (including cash and cash equivalents)	<u>260,523</u>	<u>549,946</u>
Financial liabilities		
Other financial liabilities	371,161	486,073
Net assets attributable to members	<u>113,348,447</u>	<u>100,966,438</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Categories of financial instruments of the Constituent Funds (continued)

My Choice HKD Bond Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	79,705,156	80,285,000
At amortised cost (including cash and cash equivalents)	<u>215,719</u>	<u>631,134</u>
Financial liabilities		
Other financial liabilities	268,204	177,045
Net assets attributable to members	<u>79,652,671</u>	<u>80,739,089</u>

My Choice RMB & HKD Money Market Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	54,071,953	53,491,654
At amortised cost (including cash and cash equivalents)	<u>351,593</u>	<u>82,080</u>
Financial liabilities		
Other financial liabilities	57,073	667,365
Net assets attributable to members	<u>54,366,473</u>	<u>52,906,369</u>

My Choice MPF Conservative Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	274,368,208	135,853,056
At amortised cost (including cash and cash equivalents)	<u>127,511,542</u>	<u>197,389,271</u>
Financial liabilities		
Other financial liabilities	6,256,245	1,118,358
Net assets attributable to members	<u>395,597,293</u>	<u>332,100,186</u>

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Categories of financial instruments of the Constituent Funds (continued)

My Choice Core Accumulation Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	211,658,885	187,916,097
At amortised cost (including cash and cash equivalents)	<u>655,048</u>	<u>390,344</u>
Financial liabilities		
Other financial liabilities	580,669	382,980
Net assets attributable to members	<u>211,717,970</u>	<u>187,919,842</u>

My Choice Age 65 Plus Fund

	2025 HK\$	2024 HK\$
Financial assets		
At FVTPL	77,090,540	65,560,345
At amortised cost (including cash and cash equivalents)	<u>459,187</u>	<u>875,991</u>
Financial liabilities		
Other financial liabilities	178,592	827,102
Net assets attributable to members	<u>77,371,135</u>	<u>65,609,234</u>

Financial risk management objectives and policies

The Scheme's objective is to provide retirement benefits to the members under the Scheme. The Scheme is exposed to a variety of financial risks. There has been no change in the objectives, policies and processes in managing the risks during the current and prior periods. The risk exposures inherent in the Scheme and the risk management policies employed by the Scheme are discussed below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: currency risk, price risk and interest rate risk.

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

At 31 March 2025 and 31 March 2024, the Constituent Funds were exposed to currency risk primarily from its investments in approved pooled investment funds/approved index-tracking collective investments scheme investing in various products denominated in different foreign currencies. Composition and foreign currency exposure of these constituent funds are outlined in the fact sheets which are available in the website of the respective investment managers.

Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Scheme is exposed to price risk, which is the price fluctuation on its Constituent Funds and the underlying investments of the Constituent Funds. The Scheme and the Constituent Funds manage this risk by holding investments with different risk profile through diversification of the investment portfolio.

At the end of the reporting period, if the dealing price of the Constituent Funds and the approved pooled investment funds/approved index-tracking collective investment scheme had been 10% higher or lower, with all other variables held constant, the net assets attributable to scheme members/members would increase/decrease as shown below. A 10% increase or decrease represents management's assessment of the reasonably possible change in market prices. The Trustee has used its view of what would be a "reasonable shift" in each key market to estimate the change for use in the market sensitivity analysis. However, this does not represent a prediction of the future movement of the Constituent Funds and the approved pooled investment funds/approved index-tracking collective investment scheme maintained by the Scheme/Constituent Funds.

The MPF Conservative Fund is exposed to a minimal price risk as it invests mainly in bank deposits. No sensitivity analysis has been presented accordingly.

31 March 2025

Scheme

	HK\$
Investment in constituent funds	3,396,665,723
Sensitivity analysis (+/- 10%)	<u>+/- 339,666,572</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

Price risk (continued)

31 March 2024

Scheme

HK\$

Investment in constituent funds	3,104,434,321
Sensitivity analysis (+/- 10%)	+/- 310,443,432

31 March 2025

Constituent Funds

	<u>Growth Fund</u> HK\$	<u>Balanced Fund</u> HK\$	<u>Stable Fund</u> HK\$	<u>Global Equity Fund</u> HK\$	<u>Asia Equity Fund</u> HK\$	<u>China Equity Fund</u> HK\$	<u>Hong Kong Equity Fund</u> HK\$
Investments in approved pooled investment funds/approved index-tracking collective investment scheme	389,158,207	224,322,682	234,486,091	475,817,948	190,222,307	501,738,753	292,072,390
Sensitivity analysis (+/- 10%)	+/- 38,915,821	+/- 22,432,268	+/- 23,448,609	+/- 47,581,795	+/- 19,022,231	+/- 50,173,875	+/- 29,207,239

	<u>Hong Kong Tracking Fund</u> HK\$	<u>Global Bond Fund</u> HK\$	<u>HKD Bond Fund</u> HK\$	<u>RMB & HKD Money Market Fund</u> HK\$	<u>Core Accumulation Fund</u> HK\$	<u>Age 65 Plus Fund</u> HK\$
Investments in approved pooled investment funds/approved index-tracking collective investment scheme	158,712,750	113,459,085	79,705,156	54,071,953	211,658,885	77,090,540
Sensitivity analysis (+/- 10%)	+/- 15,871,275	+/- 11,345,909	+/- 7,970,516	+/- 5,407,195	+/- 21,165,889	+/- 7,709,054

31 March 2024

Constituent Funds

	<u>Growth Fund</u> HK\$	<u>Balanced Fund</u> HK\$	<u>Stable Fund</u> HK\$	<u>Global Equity Fund</u> HK\$	<u>Asia Equity Fund</u> HK\$	<u>China Equity Fund</u> HK\$	<u>Hong Kong Equity Fund</u> HK\$
Investments in approved pooled investment funds/approved index-tracking collective investment scheme	368,014,209	216,615,979	226,251,735	460,963,190	193,016,428	469,277,487	225,678,854
Sensitivity analysis (+/- 10%)	+/- 36,801,421	+/- 21,661,598	+/- 22,625,174	+/- 46,096,319	+/- 19,301,643	+/- 46,927,749	+/- 22,567,885

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Market risk (continued)

31 March 2024 (continued)

Constituent Funds (continued)

	Hong Kong Tracking Fund HK\$	Global Bond Fund HK\$	HKD Bond Fund HK\$	RMB & HKD Money Market Fund HK\$	Core Accumulation Fund HK\$	Age 65 Plus Fund HK\$
Investments in approved pooled investment funds/approved index-tracking collective investment scheme	122,071,793	100,902,565	80,285,000	53,491,654	187,916,097	65,560,345
Sensitivity analysis (+/- 10%)	+/- 12,207,179	+/-10,090,257	+/- 8,028,500	+/- 5,349,165	+/- 18,791,610	+/- 6,556,035

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Scheme and its constituent funds are exposed to interest rate risk primarily from its debt securities and underlying approved pooled investment funds with their underlying investments which include debt securities in particular. Their values are driven significantly by changes in interest rate and accordingly are subject to interest rate risk. When interest rates rise, the value of previous issued debt securities will normally fall. In contrast, if interest rates fall, the value of the previously issued debt securities will normally rise.

The bank balances of the Scheme and its constituent funds which bear variable interest rates are exposed to interest rate risk. These are considered to be minimal and, accordingly, no sensitivity analysis has been prepared.

Majority of MPF Conservative Fund's bank balances, deposits and interest-bearing securities are bearing fixed interest rates and of short duration. The interest rate risk is considered to be minimal and, accordingly, no sensitivity analysis has been prepared.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a financial loss to the Scheme.

At the end of the reporting period, the Scheme's and the Constituent Funds' maximum exposure to credit risk was the carrying amounts of the respective financial assets as stated in the statement of net assets available for benefits – Scheme and statement of assets and liabilities - Constituent Funds.

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

Financial assets subject to HKFRS 9's impairment requirements

The Scheme and the Constituent Funds' financial assets subject to the expected credit loss model within HKFRS 9 are amount due from brokers, amounts due from constituent funds, accounts receivable on fund switching, contributions receivable, contributions in transit, bank deposits, bank balances and interest and other receivables. At 31 March 2025 and 2024, no loss allowance had been provided for amount due from brokers, amounts due from constituent funds, accounts receivable on fund switching, contributions receivable, contributions in transit, bank deposits, bank balances and interest and other receivables. There is not considered to be any concentration of credit risk within these assets. No assets are considered impaired and no amounts have been written off in the period.

As only amount due from brokers, accounts receivable on fund switching, contributions receivable, contribution in transit, bank deposit, bank balances and interest and other receivables are impacted by the HKFRS 9 ECL model, which the balances would be due within the next 12 months and do not contain a significant financing components, the Scheme and the Constituent Funds have adopted an approach similar to the simplified approach to ECLs. The loss allowance shown, if any, is therefore based on lifetime ECLs.

In calculating the loss allowance, a provision matrix has been used based on historical observed loss rates over the expected life of the receivables adjusted for forward-looking estimates.

Financial assets not subject to HKFRS 9's impairment requirements

Classes of financial assets, including debt securities, are not subject to HKFRS 9's impairment requirements as they are measured at FVTPL. The carrying value of these assets, under HKFRS 9 represents the Scheme and the Constituent Funds' maximum exposure to credit risk on financial instruments not subject to the HKFRS 9 impairment requirements on the respective reporting dates.

The Scheme and the Constituent Funds are exposed to risk arising from the creditworthiness of the issuers of the interest-bearing securities and/or the bankers. The Scheme and the Constituent Funds limit the credit risk by using reputable financial institutions with high credit ratings assigned by international credit rating agencies and investing in debt instruments that meet the credit rating requirements under the guidelines established by MPFA.

The investment manager has a documented policy in place of spreading the aggregate value of transactions concluded amongst approved counterparties with an appropriate credit quality. The Scheme's and the Constituent Funds' exposure to risk and the credit ratings of the counterparties are continuously monitored by management.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk (continued)

The following table details the aggregate investment grade of the debt instruments in the debt investments portfolios of MPF Conservative Fund as rated by S&P or equivalent ratings by other international credit rating agencies.

	2025 HK\$	2024 HK\$
<i>MPF Conservative Fund</i>		
Portfolio by rating category		
Rating		
AAA	11,311,291	-
AA+	29,589,631	16,169,765
AA	6,983,112	-
AA-	23,768,099	32,006,906
A+	74,698,545	57,951,380
A	106,940,764	26,738,134
A-	21,076,766	2,986,871
	<u>274,368,208</u>	<u>135,853,056</u>

Liquidity risk

Liquidity risk is the risk that the Scheme will encounter difficulty in meeting obligations associated with its financial liabilities.

The Scheme provides the scheme members with the right to get their benefits for cash equal to their proportionate share of the net asset value of the Scheme through their interests in the Constituent Funds under certain circumstances in accordance with the MPFSO. The Scheme is therefore potentially exposed to the request of benefit payments from the scheme members. As such, the Scheme and the Constituent Funds invest in underlying investments that are traded in active markets and can be readily disposed of in order to meet the benefit payments as needed.

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For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The following table analyses the Scheme's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts, as the impact of discounting is not significant.

Scheme

	Repayable on demand* HK\$	Less than 1 month HK\$
<u>31 March 2025</u>		
Amounts due to constituent funds	-	655,390
Benefits payable	-	4,075,141
Net assets attributable to scheme members	<u>3,413,038,813</u>	<u>-</u>
	<u>3,413,038,813</u>	<u>4,730,531</u>
<u>31 March 2024</u>		
Amounts due to constituent funds	-	3,009,215
Benefits payable	-	4,916,448
Net assets attributable to scheme members	<u>3,122,597,858</u>	<u>-</u>
	<u>3,122,597,858</u>	<u>7,925,663</u>

31 March 2025

	Growth Fund HK\$	Balanced Fund HK\$	Stable Fund HK\$	Global Equity Fund HK\$	Asia Equity Fund HK\$	China Equity Fund HK\$	Hong Kong Equity Fund HK\$
Non-derivative financial liabilities							
Less than 1 month							
Amount due to brokers	-	-	-	-	-	-	-
Amount payable on fund switching	437,605	397,054	187,013	648,646	203,846	1,805,857	918,527
Redemptions payable	418,263	200,737	217,230	616,114	38,413	77,034	53,609
Accounts payable and accruals	183,704	105,858	110,317	225,793	89,614	244,094	138,595
	<u>1,039,572</u>	<u>703,649</u>	<u>514,560</u>	<u>1,490,553</u>	<u>331,873</u>	<u>2,126,985</u>	<u>1,110,731</u>
Repayable on demand*							
Net assets attributable to members	<u>389,060,077</u>	<u>224,062,281</u>	<u>234,579,042</u>	<u>475,982,124</u>	<u>190,568,687</u>	<u>500,521,068</u>	<u>291,811,237</u>
	<u>390,099,649</u>	<u>224,765,930</u>	<u>235,093,602</u>	<u>477,472,677</u>	<u>190,900,560</u>	<u>502,648,053</u>	<u>292,921,968</u>

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For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Scheme (continued)

31 March 2025 (continued)

	Hong Kong Tracking Fund HK\$	Global Bond Fund HK\$	HKD Bond Fund HK\$	RMB & HKD Money Market Fund HK\$	MPF Conservative Fund HK\$	Core Accumulation Fund HK\$	Age 65 Plus Fund HK\$
Non-derivative financial liabilities							
Less than 1 month							
Amount due to brokers	737,644	-	-	-	5,002,350	-	-
Accounts payable on fund switching	1,158,208	267,352	178,517	20,142	910,116	305,201	78,254
Redemptions payable	611,495	51,821	53,098	12,374	110,410	139,935	52,363
Accounts payable and accruals	92,388	51,988	36,589	24,557	233,369	135,533	47,975
	<u>2,599,735</u>	<u>371,161</u>	<u>268,204</u>	<u>57,073</u>	<u>6,256,245</u>	<u>580,669</u>	<u>178,592</u>
Repayable on demand*							
Net assets attributable to members	<u>158,027,218</u>	<u>113,348,447</u>	<u>79,652,671</u>	<u>54,366,473</u>	<u>395,597,293</u>	<u>211,717,970</u>	<u>77,371,135</u>
	<u>160,626,953</u>	<u>113,719,608</u>	<u>79,920,875</u>	<u>54,423,546</u>	<u>401,853,538</u>	<u>212,298,639</u>	<u>77,549,727</u>

* Subject to redemption policy in the Scheme Brochure.

31 March 2024

	Growth Fund HK\$	Balanced Fund HK\$	Stable Fund HK\$	Global Equity Fund HK\$	Asia Equity Fund HK\$	China Equity Fund HK\$	Hong Kong Equity Fund HK\$
Non-derivative financial liabilities							
Less than 1 month							
Amount due to brokers	-	-	-	-	-	-	-
Amount payable on fund switching	189,552	81,717	323,098	448,270	193,513	726,085	407,070
Redemptions payable	173,849	197,858	99,068	1,033,346	258,455	68,313	70,230
Accounts payable and accruals	152,192	90,662	94,446	189,254	79,795	197,579	94,700
	<u>515,593</u>	<u>370,237</u>	<u>516,612</u>	<u>1,670,870</u>	<u>531,763</u>	<u>991,977</u>	<u>572,000</u>
Repayable on demand*							
Net assets attributable to members	<u>368,451,041</u>	<u>216,828,395</u>	<u>226,366,914</u>	<u>461,726,147</u>	<u>193,217,946</u>	<u>469,458,538</u>	<u>226,018,480</u>
	<u>368,966,634</u>	<u>217,198,632</u>	<u>226,883,526</u>	<u>463,397,017</u>	<u>193,749,709</u>	<u>470,450,515</u>	<u>226,590,480</u>

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For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Scheme (continued)

31 March 2024 (continued)

	Hong Kong Tracking Fund HK\$	Global Bond Fund HK\$	HKD Bond Fund HK\$	RMB & HKD Money Market Fund HK\$	MPF Conservative Fund HK\$	Core Accumulation Fund HK\$	Age 65 Plus Fund HK\$
Non-derivative financial liabilities							
Less than 1 month							
Amount due to brokers	166,466	-	-	-	-	-	-
Accounts payable on fund switching	186,348	207,109	13,046	77,052	739,390	67,420	367,643
Redemptions payable	86,354	237,266	131,117	568,115	167,243	180,877	412,359
Accounts payable and accruals	71,362	41,698	32,882	22,198	211,725	134,683	47,100
	510,530	486,073	177,045	667,365	1,118,358	382,980	827,102
Repayable on demand*							
Net assets attributable to members	122,125,702	100,966,438	80,739,089	52,906,369	332,100,186	187,919,842	65,609,234
	<u>122,636,232</u>	<u>101,452,511</u>	<u>80,916,134</u>	<u>53,573,734</u>	<u>333,218,544</u>	<u>188,302,822</u>	<u>66,436,336</u>

* Subject to redemption policy in the Scheme Brochure.

Fair values

The fair values of financial assets and financial liabilities are determined as follows:

- (i) The fair values of investments in Constituent Funds are based on the total net asset value of the Constituent Funds in which the Scheme invests;
- (ii) The fair values of investments in approved pooled investment funds, interest-bearing securities and approved index-tracking collective investment scheme are based on their last trade price at the end of the reporting period without any deduction for estimated future selling costs;
- (iii) Derivative financial instruments, which comprise forward foreign currency exchange contracts, are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts; and
- (iv) The fair values of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions.

The Trustee considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Fair values of the financial assets and financial liabilities of the Scheme and the Constituent Funds that are measured at fair value on a recurring basis

The financial assets and financial liabilities of the Scheme and the Constituent Funds are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Scheme/ Constituent Funds	Financial assets	Fair value as at		Fair value hierarchy	Valuation technique and key input
		31 March 2025	31 March 2024		
The Scheme	Investments in constituent funds	Quoted investments without active market: HK\$3,396,665,723	Quoted investments without active market: HK\$3,104,434,321	Level 2	Quoted prices from dealer for identical or similar instruments in markets that are not active
Constituent Funds (Note a)	At FVTPL	Quoted investments with active market: HK\$3,002,516,747	Quoted investments with active market: HK\$2,770,045,336	Level 1	Quoted prices in an active market
Constituent Funds (Note b)	At FVTPL	Quoted investments without active market: HK\$274,368,208	Quoted investments without active market: HK\$135,853,056	Level 2	Quoted prices from dealer for identical or similar instruments in markets that are not active

Note a:

Growth Fund

Balanced Fund

Stable Fund

Global Equity Fund

Asia Equity Fund

China Equity Fund

Hong Kong Equity Fund

Hong Kong Tracking Fund

Global Bond Fund

HKD Bond Fund

RMB & HKD Money Market Fund

Core Accumulation Fund

Age 65 Plus Fund

Note b:

MPF Conservative Fund

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/
statement of assets and liabilities - Constituent Funds

All fair value measurements disclosed are recurring fair value measurements.

Scheme

At 31 March 2025				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at FVTPL				
Investments in Constituent Funds	-	3,396,665,723	-	3,396,665,723
At 31 March 2024				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets at FVTPL				
Investments in Constituent Funds	-	3,104,434,321	-	3,104,434,321

There were no transfers between Level 1 and Level 2 in the current year.

Growth Fund

At 31 March 2025				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets				
At FVTPL	389,158,207	-	-	389,158,207
At 31 March 2024				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	HK\$	HK\$	HK\$	HK\$
Financial assets				
At FVTPL	368,014,209	-	-	368,014,209

There were no transfers between Level 1 and Level 2 in the current year.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/
statement of assets and liabilities - Constituent Funds (continued)

Balanced Fund

	At 31 March 2025			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>224,322,682</u>	<u>-</u>	<u>-</u>	<u>224,322,682</u>
	At 31 March 2024			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>216,615,979</u>	<u>-</u>	<u>-</u>	<u>216,615,979</u>

There were no transfers between Level 1 and Level 2 in the current year.

Stable Fund

	At 31 March 2025			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>234,486,091</u>	<u>-</u>	<u>-</u>	<u>234,486,091</u>
	At 31 March 2024			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>226,251,735</u>	<u>-</u>	<u>-</u>	<u>226,251,735</u>

There were no transfers between Level 1 and Level 2 in the current year.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/
statement of assets and liabilities - Constituent Funds (continued)

Global Equity Fund

	At 31 March 2025			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>475,817,948</u>	<u>-</u>	<u>-</u>	<u>475,817,948</u>
	At 31 March 2024			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>460,963,190</u>	<u>-</u>	<u>-</u>	<u>460,963,190</u>

There were no transfers between Level 1 and Level 2 in the current year.

Asia Equity Fund

	At 31 March 2025			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>190,222,307</u>	<u>-</u>	<u>-</u>	<u>190,222,307</u>
	At 31 March 2024			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>193,016,428</u>	<u>-</u>	<u>-</u>	<u>193,016,428</u>

There were no transfers between Level 1 and Level 2 in the current year.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/
statement of assets and liabilities - Constituent Funds (continued)

China Equity Fund

At 31 March 2025			
Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
Financial assets			
At FVTPL	<u>501,738,753</u>	<u>-</u>	<u>501,738,753</u>
At 31 March 2024			
Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
Financial assets			
At FVTPL	<u>469,277,487</u>	<u>-</u>	<u>469,277,487</u>

There were no transfers between Level 1 and Level 2 in the current year.

Hong Kong Equity Fund

At 31 March 2025			
Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
Financial assets			
At FVTPL	<u>292,072,390</u>	<u>-</u>	<u>292,072,390</u>
At 31 March 2024			
Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	Total HK\$
Financial assets			
At FVTPL	<u>225,678,854</u>	<u>-</u>	<u>225,678,854</u>

There were no transfers between Level 1 and Level 2 in the current year.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/
statement of assets and liabilities - Constituent Funds (continued)

Hong Kong Tracking Fund

	At 31 March 2025			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>158,712,750</u>	<u>-</u>	<u>-</u>	<u>158,712,750</u>
	At 31 March 2024			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>122,071,793</u>	<u>-</u>	<u>-</u>	<u>122,071,793</u>

There were no transfers between Level 1 and Level 2 in the current year.

Global Bond Fund

	At 31 March 2025			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>113,459,085</u>	<u>-</u>	<u>-</u>	<u>113,459,085</u>
	At 31 March 2024			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>100,902,565</u>	<u>-</u>	<u>-</u>	<u>100,902,565</u>

There were no transfers between Level 1 and Level 2 in the current year.

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For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/
statement of assets and liabilities - Constituent Funds (continued)

HKD Bond Fund

	At 31 March 2025			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>79,705,156</u>	<u>-</u>	<u>-</u>	<u>79,705,156</u>
	At 31 March 2024			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>80,285,000</u>	<u>-</u>	<u>-</u>	<u>80,285,000</u>

There were no transfers between Level 1 and Level 2 in the current year.

RMB & HKD Money Market Fund

	At 31 March 2025			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>54,071,953</u>	<u>-</u>	<u>-</u>	<u>54,071,953</u>
	At 31 March 2024			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>53,491,654</u>	<u>-</u>	<u>-</u>	<u>53,491,654</u>

There were no transfers between Level 1 and Level 2 in the current year.

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For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/
statement of assets and liabilities - Constituent Funds (continued)

MPF Conservative Fund

	At 31 March 2025			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	-	274,368,208	-	274,368,208
	At 31 March 2024			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	-	135,853,056	-	135,853,056

There were no transfers between Level 1 and Level 2 in the current year.

Core Accumulation Fund

	At 31 March 2025			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	211,658,885	-	-	211,658,885
	At 31 March 2024			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	187,916,097	-	-	187,916,097

There were no transfers between Level 1 and Level 2 in the current year.

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4. FINANCIAL INSTRUMENTS (continued)

Fair value measurements recognised in the statement of net assets available for benefits - Scheme/
statement of assets and liabilities - Constituent Funds (continued)

Age 65 Plus Fund

	At 31 March 2025			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>77,090,540</u>	<u>-</u>	<u>-</u>	<u>77,090,540</u>
	At 31 March 2024			Total HK\$
	Level 1 HK\$	Level 2 HK\$	Level 3 HK\$	
Financial assets				
At FVTPL	<u>65,560,345</u>	<u>-</u>	<u>-</u>	<u>65,560,345</u>

There were no transfers between Level 1 and Level 2 in the current year.

5. TAXATION

The Scheme is exempted from Hong Kong profits tax on income and capital gains under section 26A(1A) of the Inland Revenue Ordinance.

6. TRANSACTIONS WITH ASSOCIATES

- (a) Investment management fees rate per annum on the net asset value calculated on each dealing day and the respective investment managers were as follows:

	2025	2024
Hong Kong Tracking Fund		
<i>CSOP Asset Management Limited</i>	<u>0.06%</u>	<u>0.06%</u>

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

6. TRANSACTIONS WITH ASSOCIATES (continued)

(a) (continued)

	2025	2024
MPF Conservative Fund		
<i>Schroder Investment Management (Hong Kong) Limited</i>	<u>0.15%*</u>	<u>0.15%*</u>
Core Accumulation Fund		
<i>Schroder Investment Management (Hong Kong) Limited</i>	<u>0.20%</u>	<u>0.20%</u>
Age 65 Plus Fund		
<i>Schroder Investment Management (Hong Kong) Limited</i>	<u>0.20%</u>	<u>0.20%</u>

*Effective 1 January 2024, the Management Fee was changed from 0.25% p.a. to 0.15% p.a.

The investment management fees charged to the Constituent Funds were disclosed in their revenue statements - constituent funds and the investment management fees payables of the Constituent Funds as at the reporting dates were as follows:

	2025 HK\$	2024 HK\$
Hong Kong Tracking Fund	<u>8,274</u>	<u>5,606</u>
MPF Conservative Fund	<u>49,354</u>	<u>76,895</u>
Core Accumulation Fund	<u>36,286</u>	<u>56,883</u>
Age 65 Plus Fund	<u>12,942</u>	<u>20,064</u>

(b) Trustee fees of 0.54% (2024: 0.54%) per annum on the net asset value calculated on each dealing day are charged by the Trustee to all the Constituent Funds.

The trustee fees charged to the Constituent Funds were disclosure in their revenue statements - constituent funds and the trustee fees payables of the Constituent Funds as at the reporting dates were as follows:

	2025 HK\$	2024 HK\$
Growth Fund	<u>182,217</u>	<u>150,787</u>

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

6. TRANSACTIONS WITH ASSOCIATES (continued)

(b) (continued)

	2025 HK\$	2024 HK\$
Balanced Fund	<u>104,567</u>	<u>89,451</u>
Stable Fund	<u>109,015</u>	<u>93,223</u>
Global Equity Fund	<u>224,198</u>	<u>187,732</u>
Asia Equity Fund	<u>88,364</u>	<u>78,619</u>
China Equity Fund	<u>242,453</u>	<u>196,032</u>
Hong Kong Equity Fund	<u>137,222</u>	<u>93,477</u>
Hong Kong Tracking Fund	<u>74,467</u>	<u>50,451</u>
Global Bond Fund	<u>51,857</u>	<u>41,566</u>
HKD Bond Fund	<u>36,497</u>	<u>32,778</u>
RMB & HKD Money Market Fund	<u>24,495</u>	<u>22,128</u>
MPF Conservative Fund	<u>177,677</u>	<u>126,662</u>
Core Accumulation Fund	<u>97,972</u>	<u>76,630</u>
Age 65 Plus Fund	<u>34,945</u>	<u>26,951</u>

- (c) During the year, management fee rebates received from the investment managers of the unit trusts invested in by the Constituent Funds were shown in the revenue statement - constituent funds. The respective investment managers of the unit trusts invested in by the Constituent Funds will rebate any amount of the management fee exceeding the agreed scale.

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

6. TRANSACTIONS WITH ASSOCIATES (continued)

- (d) The Constituent Funds had the following bank balances placed with Bank of China (Hong Kong) Limited, an associate of the Trustee at 31 March 2025 and 2024. The interest income earned during the year on these bank balances and bank charges are set out below.

	<u>Bank balances</u>		<u>Interest income</u>		<u>Bank charges</u>	
	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$
<u>Bank of China (Hong Kong) Limited</u>						
Growth Fund	468,712	1,729	526	489	1,925	3,100
Balanced Fund	199,489	269,743	318	328	2,200	2,850
Stable Fund	148,577	77,574	330	328	2,200	3,425
Global Equity Fund	109,762	407,379	890	677	2,850	3,550
Asia Equity Fund	142,086	170,038	305	267	2,375	3,225
China Equity Fund	435,096	184,561	636	581	1,364	2,500
Hong Kong Equity Fund	220,276	1,198	440	419	2,400	3,150
Hong Kong Tracking Fund	1,155,387	440,505	612	609	-	-
Global Bond Fund	93,127	43,213	201	154	-	-
HKD Bond Fund	65,930	57,155	169	124	-	-
RMB & HKD Money Market Fund	35,081	43,046	106	147	-	-
MPF Conservative Fund	20,041,973	25,309,239	31,406	35,760	2,525	7,940
Core Accumulation Fund	305,130	8,485	420	338	3,225	200
Age 65 Plus Fund	125,651	175,630	181	177	-	-

- (e) Transaction fee, on a per receipt or per delivery basis, is applicable to all classes of units of the Constituent Funds, and is payable to Bank of China (Hong Kong) Limited, the sub-custodian bank, ranging from HK\$20 to HK\$140 (2024: HK\$20 to HK\$140) per transaction. The transaction fees charged to the Constituent Funds were disclosure in their revenue statements - constituent funds and the transaction fee payable of the Constituent Fund to Bank of China (Hong Kong) Limited as at the reporting date was as follow:

	2025 HK\$	2024 HK\$
MPF Conservative Fund	<u>1,880</u>	<u>1,900</u>

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6. TRANSACTIONS WITH ASSOCIATES (continued)

- (f) Sub-custodian fee is applicable to all classes of units of the Constituent Funds, and is payable to Bank of China (Hong Kong) Limited, the sub-custodian bank, as per its safe keeping fee rate. The sub-custodian fees charged to the Constituent Funds were disclosure in their revenue statements - constituent funds and the sub-custodian fee payables of the Constituent Funds to Bank of China (Hong Kong) Limited as at the reporting date were as follows:

	2025 HK\$	2024 HK\$
MPF Conservative Fund	<u>2,983</u>	<u>3,739</u>

- (g) The above transactions with associates have been entered into in the ordinary course of business and on normal commercial terms.
- (h) Except as disclosed above, all the Constituent Funds do not have any transactions with the associates of the Manager or any of its delegates.

7. BANK DEPOSITS

Bank deposits represent fixed-rate time deposits that mature within six months from the period end and bear interest at rates ranging from 2.7% to 3.6% (2024: 3.6% to 4.6%) per annum.

8. SOFT COMMISSION ARRANGEMENTS

The investment managers and any of their connected persons may effect transactions by or through the agency of another person with whom the investment managers or any of their connected persons have a soft commission arrangement. Under such arrangements, that party will from time to time provide to or procure for the investment managers or any of their connected persons goods, services or other benefits. The nature of their provision can reasonably be expected to benefit the Scheme and its Constituent Funds as a whole and may contribute to an improvement in the performance of the Scheme and its Constituent Funds. No direct payment is made for the provision of goods, services or other benefits to that party, but instead the investment managers or any of their connected persons undertake to place business with that party.

There were no soft commission arrangements relating to dealings in the assets of the Constituent Funds during the year.

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9. INTEREST-BEARING SECURITIES

	<u>MPF Conservative Fund</u>	
	2025	2024
	HK\$	HK\$
Interest-bearing securities		
- unlisted/quoted with fixed interest of 0.0% to 5.0% per annum and maturity date not exceeding one year	<u>274,368,208</u>	<u>135,853,056</u>
Market value of unlisted quoted securities	<u>274,368,208</u>	<u>135,853,056</u>

10. MARKETING EXPENSES

There were no advertising expenses, promotional expenses or commissions or brokerage fees payable to the MPF intermediaries of the Scheme deducted from the Constituent Funds during years ended 31 March 2025 and 31 March 2024.

11. BORROWINGS

There were no borrowings for the Scheme and the Constituent Funds as at 31 March 2025 and 31 March 2024.

12. CONTINGENT LIABILITIES AND COMMITMENTS

There were no contingent liabilities and commitments for the Scheme and the Constituent Funds as at 31 March 2025 and 31 March 2024.

13. ACCRUED BENEFITS

The total accrued benefits vested in the members' accounts amounted to HK\$3,389,304,054 as at 31 March 2025 (2024: HK\$3,098,783,076).

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14. PAYMENTS CHARGED TO DIS CONSTITUENT FUNDS OR SCHEME MEMBERS WHO INVEST IN THE FUND

In accordance with the Mandatory Provident Fund legislation, the aggregate of the payments for services of MPF Core Accumulation Fund and Age 65 Plus Fund (collectively "DIS Funds") must not, in a single day, exceed a daily rate of 0.75% (2024: 0.75%) per annum of the net asset value of each of the DIS Funds divided by the number of days in the year.

The above aggregate payments for services include, but are not limited to, the fees paid or payable for the services provided by the Trustee, the Administrator, the Investment Manager and the Sponsor and/or the promoter of the Scheme and the underlying investment fund(s) of the DIS Funds, and any of the delegates from these parties and such fees are calculated as a percentage of the net asset value of each of the DIS Funds and its underlying investment fund(s), but does not include any out-of-pocket expenses incurred by each of the DIS Funds and its underlying investment fund(s).

In accordance with the Mandatory Provident Fund legislation, the total amount of all payments that are charged to or imposed on the DIS Funds or members who invest in the DIS Funds, for out-of-pocket expenses incurred by the Trustee on a recurrent basis in the discharge of the Trustee's duties to provide services in relation to the DIS Funds, shall not in a single year exceed 0.2% (2024: 0.2%) of the net asset value of each of the DIS Funds.

For this purpose, out-of-pocket expenses include, for example, annual audit expenses, printing or postage expenses relating to recurrent activities (such as issuing annual benefit statements), recurrent legal and professional expenses, safe custody charges which are customarily not calculated as a percentage of net asset value and transaction costs incurred by a DIS Fund in connection with recurrent acquisition of investments for the DIS Fund (including, for example, costs incurred in acquiring underlying funds), fund price publication expenses, bank charges, governmental fees and charges (including but not limited to stamp duty and licence fee), annual statutory expenses (such as compensation fund levy where relevant) of the DIS Fund.

Out-of-pocket expenses that are not incurred on a recurrent basis may still be charged to or imposed on the DIS Funds and such out-of-pocket expenses are not subject to the above statutory limit.

Payment for services, out-of-pocket expenses and other payment charged to MPF Core Accumulation Fund and Age 65 Plus Fund are disclosed below.

	Notes	Core			
		<u>Accumulation Fund</u>		<u>Age 65 Plus Fund</u>	
		2025	2024	2025	2024
		HK\$	HK\$	HK\$	HK\$
Payments for services ("PFS")					
- Investment management fees	6(a)	413,245	322,249	144,433	120,165
- Trustee fees	6(b)	1,118,155	867,678	389,967	324,444
		<u>1,531,400</u>	<u>1,189,927</u>	<u>534,400</u>	<u>444,609</u>

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For the year ended 31 March 2025

14. PAYMENTS CHARGED TO DIS CONSTITUENT FUNDS OR SCHEME MEMBERS WHO INVEST IN THE FUND (continued)

	Core Accumulation Fund		Age 65 Plus Fund	
	2025	2024	2025	2024
	HK\$	HK\$	HK\$	HK\$
Out-of-pocket expenses ("OPE")				
- Sub-custodian fee	-	-	-	-
- Transaction fee	-	-	-	-
- Index licence fee	-	-	-	-
- Professional indemnity insurance	3,163	2,956	1,105	1,104
- Auditor's fee	15,417	3,619	-	-
- Bank charges	5,012	1,089	-	-
- Printing and postage expenses	16,038	2,669	-	-
- Legal and professional fee	16,729	15,961	-	-
- Fund price publication expense	12,425	2,982	-	-
- Miscellaneous expense	150	-	-	-
	<u>68,934</u>	<u>29,276</u>	<u>1,105</u>	<u>1,104</u>
Payments other than PFS and OPE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total payments for the year	<u>1,600,334</u>	<u>1,219,203</u>	<u>535,505</u>	<u>445,713</u>
OPE as a % of average net asset value (rounded to 2 decimal places)	<u>0.03%</u>	<u>0.02%</u>	<u>0.00%</u>	<u>0.00%</u>

MY CHOICE MANDATORY PROVIDENT FUND SCHEME

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For the year ended 31 March 2025

OVERVIEW

My Choice Mandatory Provident Fund Scheme (the "Scheme") commenced operations on 1 July 2010. It offers fourteen constituent funds for its members to invest their respective contributions during the year ended 31 March 2025. They are:

1. My Choice Growth Fund (the "Growth Fund")
2. My Choice Balanced Fund (the "Balanced Fund")
3. My Choice Stable Fund (the "Stable Fund")
4. My Choice Global Equity Fund (the "Global Equity Fund")
5. My Choice Asia Equity Fund (the "Asia Equity Fund")
6. My Choice China Equity Fund (the "China Equity Fund")
7. My Choice Hong Kong Equity Fund (the "Hong Kong Equity Fund")
8. My Choice Hong Kong Tracking Fund (the "Hong Kong Tracking Fund")
9. My Choice Global Bond Fund (the "Global Bond Fund")
10. My Choice HKD Bond Fund (the "HKD Bond Fund")
11. My Choice RMB & HKD Money Market Fund (the "RMB & HKD Money Market Fund")
12. My Choice MPF Conservative Fund (the "MPF Conservative Fund")
13. My Choice Core Accumulation Fund (the "Core Accumulation Fund")
14. My Choice Age 65 Plus Fund (the "Age 65 Plus Fund") (collectively the "Constituent Funds")

Amongst the above Constituent Funds, only the MPF Conservative Fund will directly invest in permissible investments. The Hong Kong Tracking Fund will invest in an Index-tracking Collective Investment Scheme approved by the MPFA ("approved ITCIS"). The remaining constituent funds will invest in the approved pooled investment funds ("APIF").

Each APIF and approved ITCIS has been approved by the MPFA and the SFC.

INVESTMENT POLICY

The investment policy of each Constituent Fund has been detailed in the Scheme Brochure of the Scheme. They are summarised as follows:

1. Growth Fund

The My Choice Growth Fund is a mixed assets fund and seeks to build real wealth over the long term, but at the same time manage the volatility of returns in the short term. The My Choice Growth Fund seeks to achieve its investment objective by investing into the Growth Fund of the Fidelity Global Investment Fund, an APIF managed by FIL Investment Management (Hong Kong) Limited.

The risk profile of the My Choice Growth Fund is generally regarded as medium to high.

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For the year ended 31 March 2025

INVESTMENT POLICY (continued)

2. Balanced Fund

The My Choice Balanced Fund is a mixed assets fund and seeks to achieve long-term return in excess of salary inflation in Hong Kong (as indicated by the Hong Kong Monthly Digest of Statistics as published by the Census and Statistics Department of the Government of Hong Kong) by investing into the Schroder MPF Balanced Investment Fund of the Schroder MPF Umbrella Fund, an APIF managed by Schroder Investment Management (Hong Kong) Limited.

The risk profile of the My Choice Balanced Fund is generally regarded as medium to high.

3. Stable Fund

The My Choice Stable Fund is a mixed assets fund and seeks to achieve a long-term return in excess of Hong Kong price inflation (as measured by the Consumer Price Index Type A) by investing into the Schroder MPF Stable Growth Fund of the Schroder MPF Umbrella Fund, an APIF managed by Schroder Investment Management (Hong Kong) Limited.

The risk profile of the My Choice Stable Fund is generally regarded as medium.

4. Global Equity Fund

The My Choice Global Equity Fund is an equity fund and seeks to achieve long term capital growth by investing into the Schroder MPF International Fund of Schroder MPF Umbrella Fund, an APIF managed by Schroder Investment Management (Hong Kong) Limited. The long term return is expected to be modestly in excess of Hong Kong price inflation (as measured by the Consumer Price Index Type A).

The risk profile of the My Choice Global Equity Fund is generally regarded as high.

5. Asia Equity Fund

The My Choice Asia Equity Fund is an equity fund and seeks to produce returns that are related to those achieved on the major stock market indices of Asia Pacific, but at the same time manage the volatility of returns in the short term. The My Choice Asia Equity Fund seeks to achieve its investment objective by investing into the Asia Pacific Equity Fund (MPF) of the Fidelity Global Investment Fund, an APIF managed by FIL Investment Management (Hong Kong) Limited.

The risk profile of the My Choice Asia Equity Fund is generally regarded as high.

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INVESTMENT POLICY (continued)

6. China Equity Fund

The My Choice China Equity Fund is an equity fund and seeks to provide investors with long-term capital growth by investing in the JPMorgan SAR Greater China Fund, an APIF managed by JPMorgan Asset Management (Asia Pacific) Limited.

The risk profile of the My Choice China Equity Fund is generally regarded as high.

7. Hong Kong Equity Fund

The My Choice Hong Kong Equity Fund is an equity fund and seeks to produce returns that are related to those achieved on the major stock market indices of Hong Kong, by investing into the Hong Kong Equity Fund of the Fidelity Global Investment Fund, an APIF managed by FIL Investment Management (Hong Kong) Limited.

The risk profile of the My Choice Hong Kong Equity Fund is generally regarded as high.

8. Hong Kong Tracking Fund

The My Choice Hong Kong Tracking Fund is an equity fund and seeks to track the performance of the Hang Seng Index of Hong Kong by investing into CSOP Hang Seng Index ETF, a sub fund of CSOP ETF Series III, an ITCIS managed by CSOP Asset Management Limited.

The risk profile of the My Choice Hong Kong Tracking Fund is generally regarded as high.

9. Global Bond Fund

The My Choice Global Bond Fund is a bond fund and seeks to produce returns that are related to those achieved on the major bond market indices while limit the volatility of returns in the short term by investing into the World Bond Fund of the Fidelity Global Investment Fund, an APIF managed by FIL Investment Management (Hong Kong) Limited.

The risk profile of the My Choice Global Bond Fund is generally regarded as low to medium.

10. HKD Bond Fund

The My Choice HKD Bond Fund is a bond fund and seeks to provide investors with long-term capital growth by investing into the JPMorgan SAR HK\$ Bond Fund, an APIF managed by JPMorgan Asset Management (Asia Pacific) Limited.

The risk profile of the My Choice HKD Bond Fund is generally regarded as low to medium.

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For the year ended 31 March 2025

INVESTMENT POLICY (continued)

11. RMB & HKD Money Market Fund

The My Choice RMB & HKD Money Market Fund is a money market fund and seeks to achieve income and capital gains over the long run by investing in two APIFs, the Allianz Choice RMB Money Market Fund and the Allianz Choice HK\$ Cash Fund, sub-funds of the Allianz Global Investors Choice Fund.

The risk profile of the My Choice RMB & HKD Money Market Fund is generally regarded as low to medium.

12. MPF Conservative Fund

The My Choice MPF Conservative Fund seeks to achieve a return higher than the interest rate in a Hong Kong dollar savings account.

The risk profile of the My Choice MPF Conservative Fund is generally regarded as low.

13. Core Accumulation Fund

The My Choice Core Accumulation Fund seeks to provide capital growth to members by investing in a globally diversified manner.

The Reference Portfolio is adopted for the purpose of the DIS to provide reference for performance and asset allocation of the My Choice Core Accumulation Fund. The return of the My Choice Core Accumulation Fund over the long term is expected to be similar to the return of the Reference Portfolio.

The risk profile of the My Choice Core Accumulation Fund is medium and, as such, the My Choice Core Accumulation Fund is designed for investors with more than 10 years before retirement.

14. Age 65 Plus Fund

The My Choice Age 65 Plus Fund seeks to provide stable growth to members by investing in a globally diversified manner.

The Reference Portfolio is adopted for the purpose of the DIS to provide reference for performance and asset allocation of the My Choice Age 65 Plus Fund. The return of the My Choice Age 65 Plus Fund over the long term is expected to be similar to the return of the Reference Portfolio.

The risk profile of the My Choice Age 65 Plus Fund is low to medium and, as such, the My Choice Age 65 Plus Fund is designed for investors with 15 or less years before retirement.

CHANGES TO THE INVESTMENT POLICY OF THE SCHEME

During this financial year, there was no change in the statement of investment policy that would materially affect the risk attached to the investment of the Scheme. In details, please refer to scheme brochure.

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INVESTMENT REPORT

For the year ended 31 March 2025

TRUSTEE COMMENTARY

A. Trustee's commentary on analysis of the investments held by the scheme and supporting information of its commentary

1. My Choice Growth Fund <i>Launch date: 28/07/2010</i>	Annualized return (in terms of %) ^{Note 1}			
	1 year	5 years	10 years	Since Launch
	9.58	6.10	3.80	5.20
FER Adjusted Benchmark Willis Towers Watson Composite Benchmark (>80% - 100% Equity) ^{Note 11, 12}	12.07	8.59	4.76	N/A
Deviation from the benchmark	Underperformed	Underperformed	Underperformed	N/A
Trustee's commentary	<p>The Fund underperformed benchmark in 1 year, 5 years and 10 years.</p> <p>The Fund generated positive returns over the year, due to the increased exposure to equities and the bias toward developed markets. US equities led gains, supported by resilient economic data and the US Federal Reserve's dovish stance. While the allocation to Japan and Europe added value, the exposure to Hong Kong offset some gains amid concerns around China's economic recovery. Meanwhile, the holding in bonds and cash generated muted returns.</p> <p>The Investment Manager has been actively managing the asset allocation. Towards the second half of the review period, the Investment Manager reduced the overall allocation to bonds and cash, and rotated the proceeds into equities, particularly developed market equities, as investor sentiment towards risk assets improved, while economic data was resilient.</p> <p>Other enhancement implemented by Investment Manager includes diversifying portfolio and capturing investment opportunities with the tactical use of index funds and ETFs and broadening investment opportunity set for more asset allocation flexibility.</p>			

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TRUSTEE COMMENTARY (continued)

2. My Choice Balanced Fund [#] <i>Launch date: 28/07/2010</i>	Annualized return (in terms of %) ^{Note 1}			
	1 year	5 years	10 years	Since Launch
	7.70	6.04	3.75	4.73
Benchmark HK Salary Inflation (%) ^{Note 4,12}	3.56	2.56	3.13	N/A
Deviation from the benchmark	Outperformed	Outperformed	Outperformed	N/A
Trustee's commentary	<p>The Fund outperformed benchmark in 1 year, 5 years and 10 years.</p> <p>The outperformance in the past 12 months was supported by the overweight in equities. Hong Kong and Chinese equities contributed strongly driven by improved sentiment against stimulus measures by the Chinese government in the 2nd and 3rd quarter of 2024 as well as optimism in China's Artificial Intelligence ("AI") capabilities in the 1st quarter of 2025. US equities contributed positively during the period supported by ongoing enthusiasm around AI amid strong earnings and outlook statements by related companies in 2024.</p> <p>US President Donald Trump's victory in the presidential election, and the expectations that his policy programme will lift growth also supported US equity performance in the 4th quarter of 2024, before moving lower in the 1st quarter of 2025 when market began to worry over tariff impacts. Eurozone shares were another contributor. Despite fears of weaker growth in 2024, the region benefited in 2025 from a broadening performance linked to US mega-cap equities and expectations of a pro-growth agenda following the German elections. Japan equities contributed driven by strong corporate fundamentals and tailwinds from corporate governance reforms.</p> <p>Fixed income also contributed positive return during the period. US Treasury yields moved lower in the 2nd and 3rd quarter of 2024 driven by rate cut expectations, as a combination of weak payroll data, higher unemployment rate and cooling inflation spurred the Federal Reserve to begin its long-awaited cutting cycle with a 50-bps cut in September 2024. US yields moved higher in 4th quarter of 2024 amid concerns over potential inflationary policies following the presidential election but moved lower in 1st quarter of 2025 in response to weaker economic activity data. Fixed income in the portfolio contributed as global yields moved slightly lower over the period.</p> <p>The Fund's performance continues to outperform benchmark across periods. The Investment Manager would continue to focus on the risk management and tactical implementations in the current market environment and believe that the Fund could continue to perform well over the long term.</p>			

Effective 29 September 2023, Effective Trustee Fee of the underlying APIF was changed to 0.085% p.a.
Effective 1 January 2024, Effective Investment Management Fee of the underlying APIF was changed to 0.30% p.a..

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TRUSTEE COMMENTARY (continued)

3. My Choice Stable Fund [#] <i>Launch date: 28/07/2010</i>	Annualized return (in terms of %) ^{Note 1}			
	1 year	5 years	10 years	Since Launch
	5.16	3.29	2.38	3.28
Benchmark CPI Index Type A (%) ^{Note 5, 6, 12}	1.69	1.75	2.16	3.03
Deviation from the benchmark	Outperformed	Outperformed	Outperformed	Outperformed
Trustee's commentary	<p>The Fund outperformed benchmark in 1 year, 5 years, 10 years and since launch.</p> <p>The outperformance in the past 12 months was supported by the overweight in equities. Hong Kong and Chinese equities performed strongly, bolstered by improved sentiment following the Chinese government's stimulus measures in the 2nd and 3rd quarter of 2024, as well as optimism regarding China's advancements in Artificial Intelligence ("AI") during the 1st quarter of 2025. US equities also contributed positively during this period, driven by on-going enthusiasm around AI, alongside strong earnings and optimistic outlook statements from related companies. The victory of US President Donald Trump in the presidential election further supported US equity performance in the 4th quarter of 2024, as expectations grew that his policy programme would stimulate economic growth. However, US markets began to pull back in the 1st quarter of 2025 due to concerns over potential tariff impacts. Eurozone shares were another contributor. Despite fears of weaker growth in 2024, the region benefited in 2025 from a broadening performance linked to US mega-cap equities and expectations of a pro-growth agenda following the German elections. Japanese equities also showed strength, driven by robust corporate fundamentals and supportive corporate governance reforms.</p> <p>Fixed income also contributed positively during the period. US Treasury yields declined in the 2nd and 3rd quarter of 2024, driven by expectations of interest rate cuts. A combination of weak payroll data, a rising unemployment rate, and cooling inflation prompted the Federal Reserve to initiate its long-awaited cutting cycle with a 50-bps cut in September 2024. In the 4th quarter of 2024, US yields rose amid concerns regarding potential inflationary policies following the presidential election, but they subsequently declined in the 1st quarter of 2025 in response to weaker economic activity data. Overall, fixed income in the portfolio contributed positively as global yields slightly decreased over the period.</p> <p>The Investment Manager would continue to prioritize risk management and tactical implementations in the current market environment and believe that the Fund could sustain strong performance over the long term.</p>			

[#] Effective 29 September 2023, Effective Trustee Fee of the underlying APIF was changed to 0.085% p.a..
Effective 1 January 2024, Effective Investment Management Fee of the underlying APIF was changed to 0.30% p.a..

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For the year ended 31 March 2025

TRUSTEE COMMENTARY (continued)

4. My Choice Global Equity Fund** <i>Launch date: 28/07/2010</i>	Annualized return (in terms of %) ^{Note 1}			
	1 year	5 years	10 years	Since Launch
	4.28	12.99	5.07	7.21
Benchmark CPI Index Type A (%) ^{Note 5, 6, 12}	1.69	1.75	2.16	3.03
Deviation from the benchmark	Outperformed	Outperformed	Outperformed	Outperformed
Trustee's commentary	<p>The Fund outperformed benchmark in 1 year, 5 years, 10 years and since launch.</p> <p>Over the past 12 months, major equity indices generally moved higher. US equities were the largest contributors positively during the period, driven by ongoing enthusiasm around Artificial Intelligence (“AI”), alongside strong earnings and optimistic outlook statements from related companies in 2024. The victory of US President Donald Trump in the presidential election further supported US equity performance in the 4th quarter of 2024, as expectations grew that his policy programme would stimulate economic growth. However, US markets pulled back slightly in the 1st quarter of 2025 due to concerns over potential tariff impacts.</p> <p>Eurozone shares were another contributor. Despite fears of weaker growth in 2024, the region in beginning of 2025 was supported by a broadening performance from US mega-cap equities and expectations of a pro-growth agenda following the German elections. Asia and EM equities performance was mixed, as some countries were affected by potential tariff impacts.</p> <p>Hong Kong and Chinese equities contributed during the period, as the market was bolstered by improved sentiment following the Chinese government's stimulus measures in the 2nd to 3rd quarter of 2024, as well as optimism regarding China's advancements in artificial intelligence during the 1st quarter of 2025. Japanese equities also showed strength, driven by robust corporate fundamentals and supportive corporate governance reforms.</p> <p>Looking forward, while the tariff de-escalation between US and China reduces risk of recession in the short term, the disruption caused by the Trump administration still casts a shadow over the narrative of US exceptionalism. Against this backdrop, the Fund would maintain a geographically diversified exposure.</p>			

* Schroder Investment Management (Hong Kong) Limited replaced Franklin Templeton Investments (Asia) Limited as Investment Manager of the new underlying APIF effective 19 June 2020. The My Choice Global Equity Fund is an equity fund and seeks to achieve long term capital growth by investing into the Schroder MPF International Fund of Schroder MPF Umbrella Fund. The long-term return of is expected to be modestly in excess of Hong Kong price inflation (as measured by the Consumer Price Index Type A). Therefore, the benchmark was adjusted to CPI Index Type A accordingly.

Effective 29 September 2023, Effective Trustee Fee of the underlying APIF was changed to 0.085% p.a.
Effective 1 January 2024, Effective Investment Management Fee of the underlying APIF was changed to 0.30% p.a.

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TRUSTEE COMMENTARY (continued)

5. My Choice Asia Equity Fund <i>Launch date: 28/07/2010</i>	Annualized return (in terms of %) ^{Note 1}			
	1 year	5 years	10 years	Since Launch
	0.63	5.62	3.56	4.49
FER Adjusted Benchmark FTSE MPF Asia Pacific ex Japan ex Hong Kong ex China A Net Index (Hedged to HKD) [^] ^{Note 10, 11, 12}	(1.44)	8.52	3.87	N/A
Deviation from the benchmark	Outperformed	Underperformed	Underperformed	N/A
Trustee's commentary	<p>The Fund outperformed benchmark in 1 year, underperformed benchmark in 5 years and 10 years.</p> <p>Australian stocks declined amid elevated interest rates and an uncertain demand outlook for basic resources, given the country has significant exposure to these resources. South Korean equities faced selling pressure from foreign investors amid disappointing earnings results by major technology firms and domestic political uncertainty. In contrast, Taiwanese equities ended the period higher, supported by a rally in technology stocks amid a positive outlook for Artificial Intelligence (“AI”) related demand.</p> <p>Over the past 12 months, the Investment Manager has been actively searching for new opportunities and increase exposure in companies with healthy outlook and attractive valuations.</p>			

[^] Effective 1 April 2024, the benchmark changed from FTSE MPF Asia Pacific ex Japan ex Hong Kong to FTSE MPF Asia Pacific ex Japan ex Hong Kong ex China A Net Index (Hedged to HKD). This fund aims to provide a diverse selection of regional equities across the Asia Pacific. As Hong Kong/China equity funds are commonly offered within schemes, and considering the high correlation between the Hong Kong and China A equities markets, adopting the FTSE MPF Asia Pacific ex Japan ex Hong Kong ex China A Net Index (Hedged to HKD) as its benchmark allows the fund to offer members with distinctive investment choice and diversified exposure to the development of Chinese economy.

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TRUSTEE COMMENTARY (continued)

6. My Choice China Equity Fund ^{Note 11} <i>Launch date: 28/07/2010</i>	Annualized return (in terms of %) ^{Note 1}			
	1 year	5 years	10 years	Since Launch
	17.20	3.63	4.46	5.46
FER Adjusted Benchmark FTSE MPF Greater China Index ^{Note 11, 12}	26.08	5.27	3.78	4.64
Deviation from the benchmark	Underperformed	Underperformed	Outperformed	Outperformed
Trustee's commentary	<p>The Fund underperformed benchmark in 1 year and 5 years, outperformed benchmark in 10 years and since launch.</p> <p>After a period of strong performance, particularly in the years of 2019 to 2020, the Fund has encountered challenging periods since 2022 due to several key factors:</p> <ul style="list-style-type: none"> a) Extended Style Cycle: Initially, the fund quality growth strategies, including the SAR Greater China Fund, benefited from near-zero interest rates and a pandemic-driven shift towards online leaders. However, as valuations became elevated, the fund's underweight position in value styles posed challenges. b) Stock Selection in China: A paradigm shift in China's macroeconomic environment and regulatory landscape affected the fund's stock selection. Investment Manager underestimated the macro sensitivity on corporate fundamentals and valuations, and fund's research signals were slower to adapt to these changes. c) Portfolio Construction: With the benefit of hindsight, the fund could have been more aggressive in adjusting the portfolio's style tilts, responding more nimbly to changes in market style headwinds. <p>With recent adjustments to the portfolio, such as adding growth stocks with dividends and reducing high-risk yields, the Investment Manager has positioned the portfolio to be more resilient against style headwinds, should they persist. The Fund remains overweight in Technology, followed by Communication Services, while maintaining an underweight position in Financials and Materials.</p> <p>The Investment Manager remains absolutely committed to turning around the Fund's performance and the Trustee will continue to monitor the performance and the progress of improvement plan.</p>			

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TRUSTEE COMMENTARY (continued)

7. My Choice Hong Kong Equity Fund <i>Launch date: 28/07/2010</i>	Annualized return (in terms of %) ^{Note 1}			
	1 year	5 years	10 years	Since Launch
	36.84	1.02	1.75	3.00
FER Adjusted Benchmark FTSE MPF Hong Kong Index ^{Note 11, 12}	41.81	1.92	1.48	N/A
Deviation from the benchmark	Underperformed	Underperformed	Outperformed	N/A
Trustee's commentary	<p>The Fund underperformed benchmark in 1 year and 5 years, outperformed benchmark in 10 years.</p> <p>The Fund performed strongly and generated positive returns over the year. At a sector level, security selection in industrials and real estate contributed positively to returns. Meanwhile, allocations to information technology and consumer discretionary sectors weighed on relative performance. Elsewhere in China, the People's Bank of China (PBOC) signaled intentions to cut interest rates and adjust reserve requirements over 2025, aiming to stabilize the financial system and enhance lending capacity. This strategic shift, coupled with a gradual recovery in consumer demand and improved asset quality over the period, contributed to the positive outlook for Chinese banks.</p> <p>Notably, the performance gap between the Fund and the benchmark has narrowed. The Trustee will continue to monitor the performance.</p>			

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TRUSTEE COMMENTARY (continued)

8. My Choice Hong Kong Tracking Fund* <i>Launch date: 28/7/2010</i>	Annualized return (in terms of %) ^{Note 1}			
	1 year	5 years	10 years	Since Launch
	44.79	2.22	1.74	2.80
FER Adjusted Benchmark Hang Seng Total Return Index ^{Note 7,11,12}	45.35	2.24	1.98	3.34
Deviation from the benchmark	Underperformed	Underperformed	Underperformed	Underperformed
Trustee's commentary	<p>The Fund underperformed benchmark in 1 year, 5 years, 10 years and since launch.</p> <p>Various factors like cash drag, transaction costs, cumulative security mis-weights, compounding effect and dividend withholding tax subtracted the value.</p> <p>The Hang Seng Index has demonstrated remarkable performance over the past year, rebounding from a previous downward trend. The Hong Kong equity market has received substantial support from the Chinese government's stimulus package, attractive valuations, and the emergence of innovative Artificial Intelligence (“AI”) technologies, leading to increase capital inflows.</p> <p>Looking ahead, it is anticipated that Chinese authorities will introduce further supportive measures to bolster market confidence and strengthen economic fundamentals in the face of trade war challenges, ultimately attracting capital inflows into the market.</p> <p>The Investment Manager would continue to minimize tracking error by keeping low cash exposure at fund level and attempting to minimize transaction costs. A series of controls exist to help limit any deviations in strategies, including daily tracking assessments, ex-post performance analysis, and annual portfolio evaluations.</p>			

* CSOP Asset Management Limited replaced State Street Global Advisors Asia Limited as Investment Manager of the new underlying APIF effective 20 September 2021. The My Choice Hong Kong Tracking Fund is an equity fund and seeks to track the performance of the Hang Seng Index of Hong Kong by investing into CSOP Hang Seng Index ETF, a sub fund of CSOP ETF Series III, an ITCIS managed by CSOP Asset Management Limited.

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TRUSTEE COMMENTARY (continued)

9. My Choice Global Bond Fund* <i>Launch date: 28/07/2010</i>	Annualized return (in terms of %) ^{Note 2}			
	1 year	5 years	10 years	Since Launch
	0.64	(3.19)	(2.01)	(0.74)
FER Adjusted Benchmark FTSE World Government Bond Index (35% Hedged to HKD) ^{Note 11, 12}	1.23	(3.18)	(0.66)	N/A
Deviation from the benchmark	Underperformed	Underperformed	Underperformed	N/A
Trustee's commentary	<p>The Fund underperformed benchmark in 1 year, 5 years and 10 years.</p> <p>The Fund posted positive returns over the period, primarily driven by stable contributions from coupon income. The credit strategy also supported performance as credit spreads in Europe narrowed sharply, boosting gains in Euro Investment Grade credit positions. On the flip side, the Fund's duration strategy, particularly allocations to euro and sterling duration, weighed on returns as sovereign bond yields generally rose across regions during the period. Exceptionally, holdings in Chinese and Canadian government bonds enhanced gains and limited losses as yields in both countries fell. Furthermore, positions in peripheral eurozone government bonds held back gains.</p> <p>The Investment Manager would maintain a long position in US duration, as well as in other major developed markets like the UK, Germany, and Australia, amid increasing possibilities of a US recession given the current policy path, with a growth slowdown being almost certain. The manager maintains its credit exposure at a historically low level.</p>			

* FIL Investment Management (Hong Kong) Limited replaced Franklin Templeton Investments (Asia) Limited as Investment Manager of the new underlying APIF effective 19 June 2020. The My Choice Global Bond Fund is a bond fund and seeks to produce returns that are related to those achieved on the major bond market indices while limit the volatility of returns in the short term by investing into the World Bond Fund of the Fidelity Global Investment Fund, an APIF managed by FIL Investment Management (Hong Kong) Limited.

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TRUSTEE COMMENTARY (continued)

10. My Choice HKD Bond Fund <i>Launch date: 28/07/2010</i>	Annualized return (in terms of %) ^{Note 1}			
	1 year	5 years	10 years	Since Launch
	5.09	0.36	1.20	1.56
FER Adjusted Benchmark Markit iBoxx ALBI Hong Kong (Total Return) ^{Note 11,12}	5.29	(0.01)	1.01	1.34
Deviation from the benchmark	Underperformed	Outperformed	Outperformed	Outperformed
Trustee's commentary	<p>The Fund underperformed benchmark in 1 year, outperformed benchmark in 5 years, 10 years and since launch.</p> <p>For the 1 year period, carry and spread contributed positively to the performance, partially offset by the Fund's curve positioning which detracted from the performance. The Fund's overweight allocation in Corporate credits was the key contributor to the performance, partially offset by the fund's underweight exposure in Non-corporate credits which have detracted from the performance.</p> <p>The Investment Manager adjusted the scenario expectations in the June 2024 Investment Quarterly meeting to reflect the current economic uncertainties. This shift acknowledges the potential impact of U.S. policy changes on the global economy and expectations of dampening US consumerism in later half of the year, fiscal policies outside the U.S. become more expansionary, contributing to global growth stability.</p> <p>While significant progress has been made towards Fed's 2% inflation target, the extent to which tariffs will temporarily reverse the progress remains uncertain. The economic landscape is marked by volatility, with the Federal Reserve maintaining a cautious stance amidst the chaotic policy environment from the Trump administration. While the U.S. economy is operating at close to 2% GDP growth, the escalating global trade war poses a risk of stagflation. However, businesses and households remain relatively well-positioned to absorb the shock, with the Fed prepared to support demand through potential rate cuts.</p> <p>The Fund would maintain a focus on higher quality assets and moderately overweight in duration. The Investment Manager would continue to remain defensive while maintaining decent carry.</p>			

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TRUSTEE COMMENTARY (continued)

11. My Choice RMB & HKD Money Market Fund <i>Launch date: 06/10/2014</i>	Annualized return (in terms of %) ^{Note 2}			
	1 year	5 years	10 years	Since Launch
	1.59	1.25	0.73	0.72
Benchmark 70% 3M CNH HIBOR + 30% MPFA Prescribed Saving Rate <small>Note 8, 12</small>	1.67	1.87	N/A	N/A
Deviation from the benchmark	Underperformed	Underperformed	N/A	N/A
Trustee's commentary	<p>The Fund outperformed the benchmark in 1 year and 5 years.</p> <p>The Fund delivered a positive return but underperformed the benchmark. The Fund's positive return was due to interest earned from deposits placed with banks. Underperformance versus the benchmark was mainly because RMB deposit rates are typically lower than CNH HIBOR (the benchmark). CNH HIBOR reflects the rate at which banks lend to each other, while deposit rates pay to retail or corporate customers are typically more stable and less risk, hence at a lower rate. The Fund continues to compare RMB and HKD money market rates actively to achieve the best return.</p> <p>The Trustee will continue to monitor the performance.</p>			

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TRUSTEE COMMENTARY (continued)

12. My Choice MPF Conservative Fund <i>Launch date: 28/07/2010</i>	Annualized return (in terms of %) ^{Note 1}			
	1 year	5 years	10 years	Since Launch
	3.19	1.51	0.88	0.61
Benchmark MPFA Prescribed Savings Rate <small>Note 8,12</small>	0.61	0.33	0.18	0.13
Deviation from the benchmark	Outperformed	Outperformed	Outperformed	Outperformed
Trustee's commentary	<p>The Fund outperformed benchmark in 1 year, 5 years, 10 years and since launch.</p> <p>Over the year, the Fund returned outperforming its benchmark. Key return contributors included short-dated corporate credits (from Hong Kong, Australia, Singapore, China, and Korea), certificates of deposit (from China), and time deposits (from Hong Kong, Japan, and Singapore).</p>			

~ Effective 1 January 2024, the Management Fee was changed to 0.15% p.a.

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TRUSTEE COMMENTARY (continued)

13. My Choice Core Accumulation Fund <i>Launch date: 01/04/2017</i>	Annualized return (in terms of %) ^{Note 3}			
	1 year	5 years	10 years	Since Launch
	3.80	8.27	N/A	5.57
Benchmark Willis Towers Watson MPF DIS Reference Portfolios - Core Accumulation Fund ^{Note 9,12}	4.36	7.68	N/A	5.58
Deviation from the benchmark	Underperformed	Outperformed	N/A	Underperformed
Trustee's commentary	<p>The Fund underperformed benchmark in 1 year and since launch outperformed benchmark in 5 years.</p> <p>The main contributor came from equity allocations, as Investment Manager overweighed equities to capture market growth over the past 12 months.</p> <p>The Investment Manager continues to dynamically allocate equity via style rotation. In 2024, the Fund has gradually rotated towards Growth strategy, based on Investment Manager view of a positive backdrop of a resilient US economy, robust corporate earnings and rate cut expectations. Meanwhile, Core strategy has been a key component to the Fund's performance stability, and Value strategy was underweight given Investment Manager preference in Growth. While fund performance was dragged by investor fears over trade tariffs in the 1st quarter of 2025, the strategy rotation contributed to the positive performance over the period.</p> <p>The disruption caused by the Trump administration still casts a shadow over the narrative of US exceptionalism, leading Investment Manager to maintain a geographically diverse exposure. The Investment Manager would continue to monitor tariff developments and seize market opportunities through strategic rotation. The Trustee will continue to monitor the performance and the progress of improvement plan.</p>			

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TRUSTEE COMMENTARY (continued)

14. My Choice Age 65 Plus Fund <i>Launch date: 01/04/2017</i>	Annualized return (in terms of %) ^{Note 3}			
	1 year	5 years	10 years	Since Launch
	2.52	1.19	N/A	1.82
Benchmark Willis Towers Watson MPF DIS Reference Portfolios - Age 65 Plus Fund ^{Note 9,12}	2.74	0.85	N/A	1.80
Deviation from the benchmark	Underperformed	Outperformed	N/A	Outperformed
Trustee's commentary	<p>The Fund underperformed benchmark in 1 year, outperformed benchmark in 5 years and since launch.</p> <p>The overweight in equities contributed against strong equity performance notably in 2024.</p> <p>The Investment Manager continues to dynamically manage equity exposure through style rotation. In 2024, Investment Manager has gradually rotated towards Growth strategy based on the view of a positive backdrop of a resilient US economy, robust corporate earnings and rate cut expectations. Meanwhile, Core strategy has been a key component to the Fund's performance stability, and Value strategy was underweight given the Investment Manager's preference in Growth. While the fund performance was impacted by investor fears over trade tariffs in the 1st quarter of 2025, the strategy rotation contributed to the positive performance over the period.</p> <p>Looking forward, considering the disruption caused by the Trump administration still casts a shadow over the narrative of US exceptionalism, the Investment Manager would maintain a geographically diverse exposure and continue to monitor the market environment and capture market opportunities via strategy rotation. The Trustee will continue to monitor the performance and the progress of improvement plan.</p>			

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TRUSTEE COMMENTARY (continued)

Notes:

1. The annualized returns on net of fees basis and the benchmark data for 1 year, 5 years, 10 years and Since Launch, where applicable, were obtained from Willis Towers Watson or the investment manager.
2. The annualized returns on net of fees basis for 1 year and 5 years were obtained from Willis Towers Watson or the investment manager, but no benchmark data were provided, so a customizing benchmark was used.
3. The annualized returns on net of fees basis and the benchmark data for 1 year, 5 years and Since Launch, where applicable, were as of the last dealing date of each financial year.
4. The Hong Kong Salary Inflation data is as of 31 December 2024. So the performance of Hong Kong Inflation is for reference only.
5. The CPI Index Type A is indicated by the Hong Kong Monthly Digest of Statistics as published by the Census and Statistics Department of the Government of Hong Kong Special Administrative Region.
6. As CPI Index is published on monthly basis, return of performance benchmark will be calculated starting from 1 July 2020.
7. With a view to facilitating scheme members to assess the fund performance for comparison with the benchmark on a like-to-like basis, the benchmark is changed from the Hang Seng Index (Total Return) to the Hang Seng Index Net (Total Return) since the financial year ended 31 March 2025. The Hang Seng Index Net (Total Return) is published and compiled according to the “Total Return Index” by Hang Seng Indexes Company Limited pursuant to a licence from Hang Seng Data Services Limited. The Index will take account of both price changes and dividend payments.
8. MPFA Prescribed Saving Rate is published monthly by the Mandatory Provident Fund Scheme Authority. It is determined by a simple average of the interest rates offered by three note-issuing banks in Hong Kong for the time being payable in respect of a Hong Kong dollar savings account with deposit amount of HK\$ 120,000.
9. Reference Portfolio means, in respect of the My Choice Core Accumulation Fund and My Choice Age 65 Plus Fund, the MPF industry developed reference portfolio published by Hong Kong Investment Fund Association adopted for the purpose of DIS to provide a common reference point for the performance and asset allocation of the My Choice Core Accumulation Fund and My Choice Age 65 Plus Fund.
10. Effective 1 April 2024, the benchmark changed from FTSE MPF Asia Pacific ex Japan ex Hong Kong to FTSE MPF Asia Pacific ex Japan ex Hong Kong ex China A Net Index (Hedged to HKD). Prior to 1 December 2022, the index was FTSE AW Asia Pacific ex Japan ex Hong Kong.

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TRUSTEE COMMENTARY (continued)

Notes: (continued)

11. With a view to facilitating scheme members to assess the fund performance for comparison with the benchmark on a like-to-like basis, the benchmark is adjusted with the Fund Expense Ratio (“FER”) from the financial year ended 31 March 2025. FER adjusted benchmark performance is an annualized figure of the benchmark performance deducted by the FER applicable to the relevant Constituent Fund (“CF”) based on the Trustee’s record in the captioned period. For example, the FER adjusted Benchmark for the 5 years and 10 years is the annualized benchmark performance deducted by the simple average of the FER for the years of 2021 to 2025 and 2016 to 2025 respectively. Due to data availability of FER prior to 2016, FER adjusted benchmark for Since Launch is the annualized benchmark performance deducted by the simple average of the FER for the years of 2016 to 2025.
12. The benchmark return figures are sourced from either WTW or the Investment Manager based on the last available data for March 2025.

B. Supporting information in relation to trustee's assessment framework for deriving its commentary and trustee's action, if any, to address its concerns raised in its commentary in Section A

The performance of each Constituent Fund is monitored by the Trustee on an on-going basis with reporting made to the Investment Committee on a quarterly basis. The Investment Committee is supported by the senior management team (the “Team”) of the Trustee who take directions from the Committee and carry out actions when necessary. In the event of underperformance of fund(s) in the Scheme, the Team would communicate with the investment manager to seek explanation and, if necessary, remedial actions to address the underperformance issues; the progress of improvement in investment returns will be continuously monitored. All actions taken and progress thereof will be reported to the Investment Committee for further discussion. If necessary, the Investment Committee will further escalate issues to the Board of the Trustee for guidance and further actions.

The Trustee employs a monitoring mechanism to monitor the underperformance of a fund over a given horizon based on the short-term (1 year) and medium-term performance (3 years) against benchmark or peer group median return performance* to see whether underperformance persists. If a fund underperformed either the benchmark or peers persistently, the Trustee will meet with the investment manager to review and discuss the existing investment strategy and put forward an immediate action plan. The Investment Committee will monitor the progress of actions put forward by the investment manager until the fund’s performance is improved or if any further enhancement or action is required.

The performance of the constituent funds in the Scheme varied for the year ended 31 March 2025 as noted in previous section for each constituent fund. The Trustee will continue to monitor the performance of these funds with the investment manager and any necessary actions would be taken if required.

The constituent fund invested in accordance with the respective investment policy and the requirements under the MPFSO in all material respects during the year.

* The peer group median return performance was divided into 4 quartiles: the 1st, 2nd, 3rd and 4th quartiles. The peer group was determined by Willis Towers Watson.

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TRANSACTION COSTS

The transaction costs of the Constituent Funds are shown as follows:

	2025 HK\$	2024 HK\$
Growth Fund	-	-
Balanced Fund	-	-
Stable Fund	-	-
Global Equity Fund	-	-
Asia Equity Fund	-	-
China Equity Fund	-	-
Hong Kong Equity Fund	-	-
Hong Kong Tracking Fund	-	-
Global Bond Fund	-	-
HKD Bond Fund	-	-
RMB & HKD Money Market Fund	-	-
MPF Conservative Fund	-	-
Core Accumulation Fund	-	-
Age 65 Plus Fund	-	-

FUND EXPENSE RATIOS

The annual fund expense ratios ("FER") of the constituent funds are shown as follows:
(rounded to 5 decimal places)

	2025	2024
Growth Fund	1.02738%	1.06413%
Balanced Fund	1.04376%	1.04717%
Stable Fund	1.03342%	1.03714%
Global Equity Fund	1.04250%	1.04974%
Asia Equity Fund	1.09501%	1.08875%
China Equity Fund	1.06687%	1.07493%
Hong Kong Equity Fund	1.06799%	1.06062%
Hong Kong Tracking Fund	0.73161%	0.72203%
Global Bond Fund	0.99802%	0.98600%
HKD Bond Fund	1.03782%	1.02949%
RMB & HKD Money Market Fund	0.93056%	0.93596%
MPF Conservative Fund	0.74161%	0.80556%
Core Accumulation Fund	0.80511%	0.76914%
Age 65 Plus Fund	0.76940%	0.74511%

Note: Considering the nature of Real Estate Investment Trust ("REIT") that is more akin to a listed company than a traditional Collective Investment Scheme ("CIS"), for the purposes of calculating FER, an investment in a listed REIT is treated in the same way as an investment in shares of a listed company, and the fees and charges of such a REIT will no longer be included as "underlying fund costs" of a constituent fund or an approved pooled investment fund from financial year ended 31 March 2025.

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INVESTMENT INCOME AND PERFORMANCE

1. Net income/(loss)

The amount of net income/(loss) (excluding appreciation or depreciation on investments) derived from the Constituent Funds of the Scheme during the financial year is as follows:

	2025 HK\$	2024 HK\$	2023 HK\$
Growth Fund	(740,308)	(679,800)	(646,903)
Balanced Fund	(551,949)	(561,548)	(542,334)
Stable Fund	(580,827)	(584,156)	(577,276)
Global Equity Fund	(1,206,394)	(1,061,893)	(923,719)
Asia Equity Fund	(357,913)	(314,628)	(298,259)
China Equity Fund	43,360	22,811	40,844
Hong Kong Equity Fund	(456,267)	(427,581)	(427,228)
Hong Kong Tracking Fund	4,628,207	4,112,273	3,545,321
Global Bond Fund	(134,980)	(113,988)	(108,822)
HKD Bond Fund	(132,331)	(125,374)	(124,403)
RMB & HKD Money Market Fund	(257,329)	(259,459)	(278,869)
MPF Conservative Fund	8,777,762	8,765,653	2,697,982
Core Accumulation Fund	(1,599,914)	(1,218,865)	(1,032,318)
Age 65 Plus Fund	(535,324)	(445,536)	(421,786)
	<u>6,895,793</u>	<u>7,107,909</u>	<u>902,230</u>

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INVESTMENT INCOME AND PERFORMANCE (continued)

2. Appreciation or depreciation on investments

The amount by which the value of each Constituent Fund has appreciated/(depreciated) during the financial year is as follows:

	2025 HK\$	2024 HK\$	2023 HK\$
Growth Fund	35,445,584	11,675,453	(27,846,091)
Balanced Fund	16,839,703	5,373,028	(11,058,878)
Stable Fund	12,237,356	3,371,461	(14,406,164)
Global Equity Fund	20,501,758	76,496,066	(24,082,990)
Asia Equity Fund	1,841,060	20,254,988	(22,871,590)
China Equity Fund	78,061,266	(96,819,104)	(52,794,530)
Hong Kong Equity Fund	83,442,973	(57,922,787)	(11,290,452)
Hong Kong Tracking Fund	48,644,209	(27,545,591)	(8,991,366)
Global Bond Fund	747,517	(845,336)	(8,860,903)
HKD Bond Fund	4,087,156	2,184,889	(1,820,727)
RMB & HKD Money Market Fund	1,095,298	(758,709)	(2,219,431)
MPF Conservative Fund	2,210,277	1,916,896	294,932
Core Accumulation Fund	8,896,788	22,385,732	(8,176,250)
Age 65 Plus Fund	2,221,196	3,313,249	(3,908,943)
	<u>316,272,141</u>	<u>(36,919,765)</u>	<u>(198,033,383)</u>

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INVESTMENT INCOME AND PERFORMANCE (continued)

3. Value of scheme assets

The value of scheme assets in respect of each Constituent Fund derived from the investment of the funds of the Scheme as ascertained in accordance with the applicable accounting principles at the end of the financial year is as follows:

	2025 HK\$	2024 HK\$	2023 HK\$
Growth Fund	389,060,077	368,451,041	355,251,020
Balanced Fund	224,062,281	216,828,395	211,016,231
Stable Fund	234,579,042	226,366,914	219,344,460
Global Equity Fund	475,982,124	461,726,147	355,434,836
Asia Equity Fund	190,568,687	193,217,946	172,290,841
China Equity Fund	500,521,068	469,458,538	580,672,538
Hong Kong Equity Fund	291,811,237	226,018,480	270,163,911
Hong Kong Tracking Fund	158,027,218	122,125,702	139,299,720
Global Bond Fund	113,348,447	100,966,438	93,702,615
HKD Bond Fund	79,652,671	80,739,089	77,442,308
RMB & HKD Money Market Fund	54,366,473	52,906,369	59,672,446
MPF Conservative Fund	395,597,293	332,100,186	317,408,955
Core Accumulation Fund	211,717,970	187,919,842	148,167,233
Age 65 Plus Fund	77,371,135	65,609,234	58,904,276
	<u>3,396,665,723</u>	<u>3,104,434,321</u>	<u>3,058,771,390</u>

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INVESTMENT INCOME AND PERFORMANCE (continued)

4. Performance table

i) Comprehensive table

	Total net asset value at 31 March		
	2025 HK\$	2024 HK\$	2023 HK\$
Growth Fund	389,060,077	368,451,041	355,251,020
Balanced Fund	224,062,281	216,828,395	211,016,231
Stable Fund	234,579,042	226,366,914	219,344,460
Global Equity Fund	475,982,124	461,726,147	355,434,836
Asia Equity Fund	190,568,687	193,217,946	172,290,841
China Equity Fund	500,521,068	469,458,538	580,672,538
Hong Kong Equity Fund	291,811,237	226,018,480	270,163,911
Hong Kong Tracking Fund	158,027,218	122,125,702	139,299,720
Global Bond Fund	113,348,447	100,966,438	93,702,615
HKD Bond Fund	79,652,671	80,739,089	77,442,308
RMB & HKD Money Market Fund	54,366,473	52,906,369	59,672,446
MPF Conservative Fund	395,597,293	332,100,186	317,408,955
Core Accumulation Fund	211,717,970	187,919,842	148,167,233
Age 65 Plus Fund	77,371,135	65,609,234	58,904,276

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INVESTMENT INCOME AND PERFORMANCE (continued)

4. Performance table (continued)

i) Comprehensive table (continued)

	Net asset value per unit at 31 March		
	2025 HK\$	2024 HK\$	2023 HK\$
Growth Fund	21.0401	19.2006	18.6328
Balanced Fund	19.7193	18.3102	17.9086
Stable Fund	16.0681	15.2796	15.0924
Global Equity Fund	27.7969	26.6572	22.1613
Asia Equity Fund	19.0480	18.9281	16.9719
China Equity Fund	21.8251	18.6218	22.3134
Hong Kong Equity Fund	15.4396	11.2828	14.2780
Hong Kong Tracking Fund	15.0062	10.3640	12.3884
Global Bond Fund	8.9604	8.9036	9.0052
HKD Bond Fund	12.5454	11.9372	11.6237
RMB & HKD Money Market Fund	10.7854	10.6170	10.7936
MPF Conservative Fund	10.9397	10.6011	10.2584
Core Accumulation Fund	15.4237	14.8590	13.1263
Age 65 Plus Fund	11.5509	11.2668	10.7628

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INVESTMENT INCOME AND PERFORMANCE (continued)

4. Performance table (continued)

ii) Performance record

	Growth Fund	Balanced Fund	Stable Fund	Global Equity Fund	Asia Equity Fund	China Equity Fund	Hong Kong Equity Fund	Hong Kong Tracking Fund	Global Bond Fund	HKD Bond Fund	RMB & HKD Money Market Fund	MPF Conservative Fund	Core Accumulation Fund	Age 65 Plus Fund
<i>For the year ended 31 March 2025</i>														
Highest issue price (HK\$)	22.3851	20.4108	16.5699	30.0011	21.3390	24.0808	16.4621	16.0749	9.3105	12.5671	10.9662	10.9397	16.1088	11.7550
Lowest redemption price (HK\$)	18.4732	17.6522	14.7820	25.3491	18.2223	17.7777	11.0375	10.1689	8.6368	11.8406	10.6254	10.6058	14.3317	11.0057
Net annualised investment return*	9.58%	7.70%	5.16%	4.28%	0.63%	17.20%	36.84%	44.79%	0.64%	5.09%	1.59%	3.19%	3.80%	2.52%
<i>For the year ended 31 March 2024</i>														
Highest issue price (HK\$)	19.2890	18.3808	15.3307	26.6587	18.9348	22.3615	14.3801	12.6189	9.1468	11.9721	10.7946	10.6011	14.8590	11.2670
Lowest redemption price (HK\$)	16.7265	16.5315	13.9591	21.6038	15.7216	16.9886	10.1965	9.3458	8.3342	11.3171	10.4032	10.2604	12.7125	10.3275
Net annualised investment return*	3.05%	2.24%	1.24%	20.29%	11.53%	-16.54%	-20.98%	-16.34%	-1.13%	2.70%	-1.64%	3.34%	13.20%	4.68%
<i>For the year ended 31 March 2023</i>														
Highest issue price (HK\$)	20.4393	19.0551	16.1925	24.0854	19.6248	24.5063	16.0073	13.7483	9.8861	11.8597	11.1789	10.2584	14.1022	11.5817
Lowest redemption price (HK\$)	15.6238	15.3172	13.3361	19.1636	14.8238	15.9320	10.0246	8.9185	8.2875	10.9745	10.3068	10.1598	11.7169	10.1169
Net annualised investment return*	-7.81%	-5.21%	-6.33%	-6.97%	-12.38%	-8.71%	-5.60%	-4.98%	-9.13%	-2.43%	-3.51%	0.96%	-6.48%	-7.00%
<i>For the year ended 31 March 2022</i>														
Highest issue price (HK\$)	23.4163	21.4472	18.0865	25.6546	22.8264	34.5501	21.7024	17.2179	10.9133	12.6361	11.2080	10.1604	14.7106	12.2557
Lowest redemption price (HK\$)	18.5336	17.6024	15.3530	22.0150	17.7652	21.2878	12.6829	10.9311	9.8009	11.7907	10.7873	10.1588	13.4850	11.4718
Net annualised investment return*	-9.08%	-7.70%	-7.52%	4.99%	-11.57%	-23.90%	-26.59%	-21.06%	-5.91%	-3.04%	3.52%	0.00%	3.53%	-2.04%

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INVESTMENT INCOME AND PERFORMANCE (continued)

4. Performance table (continued)

ii) Performance record (continued)

	Growth Fund	Balanced Fund	Stable Fund	Global Equity Fund	Asia Equity Fund	China Equity Fund	Hong Kong Equity Fund	Hong Kong Tracking Fund	Global Bond Fund	HKD Bond Fund	RMB & HKD Money Market Fund	MPF Conservative Fund	Core Accumulation Fund	Age 65 Plus Fund
<i>For the year ended 31 March 2021</i>														
Highest issue price (HK\$)	23.7492	21.7208	18.2555	22.9470	23.8605	37.8618	24.2309	18.0144	11.0868	12.5663	10.9216	10.1604	13.7345	12.0608
Lowest redemption price (HK\$)	15.2753	14.4035	13.4696	14.6812	14.3076	18.0986	14.4183	13.0925	10.4707	12.1813	10.0749	10.1510	10.1623	10.8355
Net annualised investment return*	42.04%	39.18%	27.44%	50.35%	51.15%	75.93%	40.37%	22.85%	-0.05%	-0.27%	6.58%	0.09%	30.78%	8.53%
<i>For the year ended 31 March 2020</i>														
Highest issue price (HK\$)	19.2426	17.3608	15.3043	20.0216	18.4520	21.5067	17.6284	16.7020	10.8800	12.4035	10.4358	10.1508	11.9301	11.2832
Lowest redemption price (HK\$)	14.0631	13.5218	12.8185	13.6147	13.0656	16.2849	13.3464	12.4133	10.3327	11.5977	10.0256	10.0674	9.5651	10.4628
Net annualised investment return*	-10.13%	-7.78%	-4.35%	-18.48%	-14.03%	1.64%	-12.32%	-16.51%	-1.06%	5.49%	-2.46%	0.83%	-5.50%	3.72%
<i>For the year ended 31 March 2019</i>														
Highest issue price (HK\$)	18.3857	16.7534	14.7440	20.0246	17.9297	20.3638	18.2552	16.4895	10.7927	11.7213	10.6310	10.0670	11.0621	10.4953
Lowest redemption price (HK\$)	15.3486	14.5239	13.2780	16.4164	14.6334	14.4702	14.0575	13.6769	10.3150	11.1082	10.0127	10.0268	9.9811	10.0053
Net annualised investment return*	-1.70%	-2.59%	-2.02%	-4.32%	-1.97%	-7.13%	-1.70%	6.02%	-1.04%	3.62%	-1.95%	0.40%	1.47%	2.32%
<i>For the year ended 31 March 2018</i>														
Highest issue price (HK\$)	19.1713	17.4746	15.2902	21.1074	18.4221	20.7359	18.6754	16.6523	10.7805	11.6032	10.6248	10.0268	11.2784	10.3436
Lowest redemption price (HK\$)	14.7266	14.1619	13.0059	17.5215	14.0058	14.2648	13.0118	11.7485	10.4657	11.2126	9.7549	10.0262	9.9562	9.9749
Net annualised investment return*	19.27%	14.87%	11.97%	8.31%	21.16%	34.76%	29.96%	27.65%	2.52%	0.16%	8.43%	0.01%	8.11%^	2.57%^

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INVESTMENT INCOME AND PERFORMANCE (continued)

4. Performance table (continued)

ii) Performance record (continued)

	Growth Fund	Balanced Fund	Stable Fund	Global Equity Fund	Asia Equity Fund	China Equity Fund	Hong Kong Equity Fund	Hong Kong Tracking Fund	Global Bond Fund	HKD Bond Fund	RMB & HKD Money Market Fund	MPF Conservative Fund	Core Accumulation Fund	Age 65 Plus Fund
For the year ended 31 March 2017														
Highest issue price (HK\$)	14.9654	14.3224	13.0835	17.9381	14.3018	14.6403	13.3842	12.0954	10.6566	11.5718	9.9600	10.0262	-	-
Lowest redemption price (HK\$)	12.7535	12.6524	12.1316	14.0315	11.7244	11.3467	10.4399	9.7410	10.2071	10.9476	9.6094	10.0254	-	-
Net annualised investment return*	12.13%	9.66%	5.68%	18.41%	16.67%	18.06%	17.90%	15.48%	-1.17%	-0.71%	-1.90%	0.01%	-	-
For the year ended 31 March 2016														
Highest issue price (HK\$)	15.6553	14.3483	13.1854	17.8109	14.4688	16.0763	14.9641	14.3579	11.0959	11.3333	10.0882	10.0254	-	-
Lowest redemption price (HK\$)	11.8403	11.9763	11.6171	13.2341	10.6045	10.4513	9.6452	9.1754	10.3694	11.0019	9.6738	10.0247	-	-
Net annualised investment return*	-8.61%	-4.74%	-2.90%	-11.03%	-9.41%	-13.82%	-14.37%	-18.38%	-3.21%	1.80%	-0.62%	0.01%	-	-

* The net annualized investment return is expressed as a percentage change in net asset value per unit between the year-end date and the beginning of the financial year except for the first year where the initial issue price of HK\$10.00 for My Choice Core Accumulation Fund and My Choice Age 65 Plus Fund on 1 April 2017 is used.

Note: Past performance is not necessarily a guide to future performance. Investors are reminded that the price of units and the income from them are not guaranteed and may go down as well as up.

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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS

		% of net asset value at	
		<u>31 March 2025</u>	<u>31 March 2024</u>
1.	Growth Fund		
	<i>Hong Kong - Approved Pooled Investment Fund</i>		
	Fidelity Global Investment Fund - Growth Fund Class A	<u>100.03</u>	<u>99.88</u>
	Total investments	<u><u>100.03</u></u>	<u><u>99.88</u></u>
2.	Balanced Fund		
	<i>Hong Kong - Approved Pooled Investment Fund</i>		
	Schroder MPF Balanced Investment Fund - Class A units	<u>100.12</u>	<u>99.90</u>
	Total investments	<u><u>100.12</u></u>	<u><u>99.90</u></u>
3.	Stable Fund		
	<i>Hong Kong - Approved Pooled Investment Fund</i>		
	Schroder MPF Stable Growth Fund - Class A units	<u>99.96</u>	<u>99.95</u>
	Total investments	<u><u>99.96</u></u>	<u><u>99.95</u></u>
4.	Global Equity Fund		
	<i>Hong Kong - Approved Pooled Investment Fund</i>		
	Schroder MPF International Fund – Class A	<u>99.97</u>	<u>99.83</u>
	Total investments	<u><u>99.97</u></u>	<u><u>99.83</u></u>
5.	Asia Equity Fund		
	<i>Hong Kong - Approved Pooled Investment Fund</i>		
	Fidelity Global Investment Fund - Asia Pacific Equity Fund (MPF) Class A	<u>99.82</u>	<u>99.90</u>
	Total investments	<u><u>99.82</u></u>	<u><u>99.90</u></u>

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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (continued)

		% of net asset value at	
		<u>31 March 2025</u>	<u>31 March 2024</u>
6.	China Equity Fund		
	<i>Hong Kong - Approved Pooled Investment Fund</i>		
	JPMorgan SAR Greater China Fund - Class A	<u>100.24</u>	<u>99.96</u>
	Total investments	<u>100.24</u>	<u>99.96</u>
7.	Hong Kong Equity Fund		
	<i>Hong Kong - Approved Pooled Investment Fund</i>		
	Fidelity Global Investment Fund - Hong Kong Equity Fund Class A	<u>100.09</u>	<u>99.85</u>
	Total investments	<u>100.09</u>	<u>99.85</u>
8.	Hong Kong Tracking Fund		
	<i>Hong Kong - Approved Index - Tracking Collective Investment Scheme</i>		
	CSOP Hang Seng Index ETF	<u>100.43</u>	<u>99.96</u>
	Total investments	<u>100.43</u>	<u>99.96</u>
9.	Global Bond Fund		
	<i>Hong Kong - Approved Pooled Investment Fund</i>		
	Fidelity Global Investment Fund - World Bond Fund – Class A	<u>100.10</u>	<u>99.94</u>
	Total investments	<u>100.10</u>	<u>99.94</u>
10.	HKD Bond Fund		
	<i>Hong Kong - Approved Pooled Investment Fund</i>		
	JPMorgan SAR HK\$ Bond Fund - Class A	<u>100.07</u>	<u>99.44</u>
	Total investments	<u>100.07</u>	<u>99.44</u>

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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (continued)

	% of net asset value at	
	<u>31 March 2025</u>	<u>31 March 2024</u>
11. RMB & HKD Money Market Fund		
<i>Hong Kong - Approved Pooled Investment Fund</i>		
Allianz Global Investors Choice Fund – Allianz Choice HK\$ Cash Fund - Ordinary Class	36.22	36.17
Allianz Global Investors Choice Fund – Allianz Choice RMB Money Market Fund – Ordinary Class (HKD)	<u>63.23</u>	<u>64.94</u>
Total investments	<u>99.45</u>	<u>101.11</u>
12. MPF Conservative Fund		
<i>Denominated in HKD</i>		
Fixed deposits	26.19	51.26
Certificate of deposits	-	-
Debt securities	<u>69.34</u>	<u>40.92</u>
Total investments	<u>95.53</u>	<u>92.18</u>
13. Core Accumulation Fund		
<i>Hong Kong - Approved Pooled Investment Fund</i>		
Schroder MPF Core 60/40 Fund – Class B	<u>99.97</u>	<u>100.00</u>
Total investments	<u>99.97</u>	<u>100.00</u>
14. Age 65 Plus Fund		
<i>Hong Kong - Approved Pooled Investment Fund</i>		
Schroder MPF Core 20/80 Fund – Class B	<u>99.64</u>	<u>99.93</u>
Total investments	<u>99.64</u>	<u>99.93</u>

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INVESTMENT PORTFOLIO AT 31 MARCH 2025

	<u>Holding</u>	Market <u>value</u> HK\$	% of net asset <u>value</u>
1. Growth Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
Fidelity Global Investment Fund - Growth Fund Class A	1,337,313	<u>389,158,207</u>	<u>100.03</u>
Total investments		<u>389,158,207</u>	<u>100.03</u>
Total investments, at cost		<u>298,189,674</u>	
2. Balanced Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
Schroder MPF Balanced Investment Fund - Class A units	7,085,366	<u>224,322,682</u>	<u>100.12</u>
Total investments		<u>224,322,682</u>	<u>100.12</u>
Total investments, at cost		<u>172,507,780</u>	
3. Stable Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
Schroder MPF Stable Growth Fund - Class A units	9,022,166	<u>234,486,091</u>	<u>99.96</u>
Total investments		<u>234,486,091</u>	<u>99.96</u>
Total investments, at cost		<u>200,158,081</u>	

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INVESTMENT PORTFOLIO AT 31 MARCH 2025 (continued)

	<u>Holding</u>	Market <u>value</u> HK\$	% of net asset <u>value</u>
4. Global Equity Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
Schroder MPF International Fund - Class A	14,031,788	<u>475,817,948</u>	<u>99.97</u>
Total investments		<u>475,817,948</u>	<u>99.97</u>
Total investments, at cost		<u>343,162,474</u>	
5. Asia Equity Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
Fidelity Global Investment Fund - Asia Pacific Equity Fund (MPF) Class A	6,061,896	<u>190,222,307</u>	<u>99.82</u>
Total investments		<u>190,222,307</u>	<u>99.82</u>
Total investments, at cost		<u>153,563,095</u>	
6. China Equity Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
JPMorgan SAR Greater China Fund - Class A	2,701,005	<u>501,738,753</u>	<u>100.24</u>
Total investments		<u>501,738,753</u>	<u>100.24</u>
Total investments, at cost		<u>492,689,429</u>	

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INVESTMENT PORTFOLIO AT 31 MARCH 2025 (continued)

	<u>Holding</u>	<u>Market value HK\$</u>	<u>% of net asset value</u>
7. Hong Kong Equity Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
Fidelity Global Investment Fund - Hong Kong Equity Fund Class A	992,465	<u>292,072,390</u>	<u>100.09</u>
Total investments		<u>292,072,390</u>	<u>100.09</u>
Total investments, at cost		<u>284,498,655</u>	
8. Hong Kong Tracking Fund			
<i>Hong Kong - Approved Index - Tracking Collective Investment Scheme</i>			
CSOP Hang Seng Index ETF	6,750,000	<u>158,712,750</u>	<u>100.43</u>
Total investments		<u>158,712,750</u>	<u>100.43</u>
Total investments, at cost		<u>149,227,918</u>	
9. Global Bond Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
Fidelity Global Investment Fund - World Bond Fund - Class A	978,855	<u>113,459,085</u>	<u>100.10</u>
Total investments		<u>113,459,085</u>	<u>100.10</u>
Total investments, at cost		<u>126,064,736</u>	

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INVESTMENT PORTFOLIO AT 31 MARCH 2025 (continued)

	<u>Holding</u>	<u>Market value HK\$</u>	<u>% of net asset value</u>
10. HKD Bond Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
JPMorgan SAR HK\$ Bond Fund - Class A	3,354,594	<u>79,705,156</u>	<u>100.07</u>
Total investments		<u>79,705,156</u>	<u>100.07</u>
Total investments, at cost		<u>75,041,085</u>	
11. RMB & HKD Money Market Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
Allianz Global Investors Choice Fund - Allianz Choice HK\$ Cash Fund - Ordinary Class	1,404,725	19,694,250	36.22
Allianz Global Investors Choice Fund - Allianz Choice RMB Money Market Fund - Ordinary Class (HKD)	3,085,970	<u>34,377,703</u>	<u>63.23</u>
Total investments		<u>54,071,953</u>	<u>99.45</u>
Total investments, at cost		<u>53,083,175</u>	

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INVESTMENT PORTFOLIO AT 31 MARCH 2025 (continued)

	<u>Holding</u>	<u>Market value HK\$</u>	<u>% of net asset value</u>
12. MPF Conservative Fund			
<i>Fixed deposits</i>			
Denominated in HKD			
Australia and New Zealand Banking Group Ltd 3.51% 03 April 2025	10,000,000	10,000,000	2.53
Australia and New Zealand Banking Group Ltd 3.57% 07 April 2025	5,000,000	5,000,000	1.26
BNP Paribas 3% 07 April 2025	15,065,255	15,065,255	3.81
Dah Sing Bank Limited 3.5% 10 April 2025	5,000,000	5,000,000	1.26
China Construction Bank (Asia) Corporation Limited 3.03% 03 April 2025	6,022,591	6,022,591	1.52
Overseas-chinese banking corporation 3% 01 April 2025	16,558,967	16,558,966	4.19
BNP Paribas 3.3% 02 April 2025	5,134,817	5,134,817	1.30
Dah Sing Bank Limited 3.4% 28 April 2025	7,135,733	7,135,732	1.80
Australia and New Zealand Banking Group Ltd 3.19% 02 May 2025	20,045,863	20,045,863	5.07
Industrial and Commercial Bank of China 2.95% 14 April 2025	7,036,171	7,036,171	1.78
Overseas-chinese banking corporation 2.7% 07 April 2025	6,626,169	6,626,169	1.67
		<u>103,625,564</u>	<u>26.19</u>

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INVESTMENT PORTFOLIO AT 31 MARCH 2025 (continued)

	<u>Holding</u>	<u>Market value HK\$</u>	<u>% of net asset value</u>
12. MPF Conservative Fund (continued)			
<i>Debt Securities</i>			
Denominated in HKD			
EMIRATES NBD BANK PJSC 4.2% A 19SEP2025	5,000,000	5,002,100	1.26
HONG KONG MORTGAGE CORP LTD 4.68% A 12SEP2025	4,500,000	4,632,759	1.17
WELLS FARGO BANK NA 3.05% Q 03APR2025	10,000,000	10,073,534	2.55
FIRST ABU DHABI BANK PJSC 2.17% A 11JUN 2025	1,000,000	1,013,979	0.26
AGRICULTURAL BANK OF CHINA LTD/MACAO 4% S/A 16APR2025 FXCD	4,000,000	4,151,826	1.05
SWIRE PACIFIC MTN FINANCING HK LTD 3.75% Q 21APR2025	3,000,000	3,020,855	0.76
ICBC/DUBAI 0% 22APR2025	17,000,000	16,964,470	4.29
INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/ DUBAI 0% 30APR2025	7,000,000	6,966,540	1.76
SUMITOMO MITSUI BANKING CORP SYD 0% A 02MAY2025	13,000,000	12,961,260	3.28
MTR CORP LTD 4.95% A 07MAY2025	2,000,000	2,025,010	0.51
CMT MTN PTE LTD 3.25% Q 12MAY2025	14,000,000	14,044,716	3.55
SWIRE PACIFIC MTN FINANCING HK LTD 3.75% Q 12MAY2025	1,000,000	1,004,822	0.25
COOPERATIEVE RABOBANK UA 4.69% A 23MAY2025	11,000,000	11,451,862	2.89
DZ BANK HONG KONG 4.8% A 28MAY2025	10,000,000	10,429,318	2.64
HONG KONG T-BILLS 0% A 28MAY2025	15,000,000	14,930,985	3.77
WESTPAC BANKING CORP 4.83% 28MAY2025	13,000,000	13,543,624	3.42
CHINA DEVELOPMENT BANK/HK 0% 02JUN2025	10,000,000	9,939,900	2.51
MTR CORP LTD 4.05% A 02JUN2025	1,000,000	1,033,060	0.26
COMMONWEALTH BANK OF AUSTRALIA 2.75% S/A 09JUN2025	6,000,000	6,118,564	1.55

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我的強積金計劃

INVESTMENT REPORT

For the year ended 31 March 2025

INVESTMENT PORTFOLIO AT 31 March 2025 (continued)

	<u>Holding</u>	<u>Market value HK\$</u>	<u>% of net asset value</u>
12. MPF Conservative Fund (continued)			
<i>Debt Securities (continued)</i>			
Denominated in HKD			
AIRPORT AUTHORITY HONG KONG 1.62% Q 26JUN2025	5,000,000	4,975,382	1.26
AGRICULTURAL BANK OF CHINA LTD/HK 0% A 27JUN2025 CD	4,000,000	3,963,280	1.00
CHINA CONSTRUCTION BANK CORP/TOKYO 0% A 29JUL2025	8,000,000	7,890,400	1.99
HONG KONG MORTGAGE CORP LTD 0.9% A 04AUG2025	2,000,000	1,992,436	0.50
AGRICULTURAL BANK OF CHINA LTD/HK 4% A 11AUG2025 FXCD	16,000,000	16,414,795	4.15
INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/ DUBAI DIFC 0% A 11AUG2025 FXCD	4,000,000	3,944,840	1.00
WESTPAC BANKING CORP 5% A 11AUG2025	2,000,000	2,071,062	0.52
ASIAN DEV BANK 4.395% A 24AUG2025	11,000,000	11,311,290	2.86
JPMORGAN CHASE FINANCIAL 4.1% S/A 25AUG2025	2,000,000	2,048,720	0.52
HKCG FINANCE LTD 3.825% Q 06SEP2025	3,000,000	3,006,374	0.76
CITIGROUP GLOBAL MARKETS HLDGS INC 1% A 07SEP2025	12,000,000	11,904,709	3.01
CHINA CONSTRUCTION BANK CORP/TOKYO 0% A 09SEP2025	15,000,000	14,734,050	3.72
KOREA DEVELOPMENT BANK 0.74% A 12SEP2025	2,000,000	1,981,010	0.50
DZ BANK HONG KONG 3.75% A 17SEP2025 FXCD	12,000,000	12,022,693	3.04
AIA GROUP LTD 5.04% A 17OCT2025 REGS	5,000,000	5,143,158	1.30
SWIRE PROPERTIES MTN FINANCING LTD 3% Q 06NOV2025	3,000,000	2,997,835	0.76
SWIRE PROPERTIES MTN FINANCING LTD 3.2% Q 17NOV2025	2,000,000	1,998,040	0.51
CANADIAN IMPERIAL BANK OF COMMERCE/ HONG KONG CD 0% 21NOV2025	16,000,000	15,638,080	3.95
EXPORT-IMPORT BANK OF KOREA 2.22% A 14APR2025	1,000,000	1,020,870	0.26
		<u>274,368,208</u>	<u>69.34</u>
Total investments		<u>377,993,772</u>	<u>95.53</u>

MY CHOICE MANDATORY PROVIDENT FUND SCHEME
我的強積金計劃

INVESTMENT REPORT

For the year ended 31 March 2025

INVESTMENT PORTFOLIO AT 31 MARCH 2025 (continued)

	<u>Holding</u>	<u>Market value HK\$</u>	<u>% of net asset value</u>
12. MPF Conservative Fund (continued)			
Total investments, at cost		<u>374,323,941</u>	
13. Core Accumulation Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
Schroder MPF Core 60/40 Fund - Class B	12,898,165	<u>211,658,885</u>	<u>99.97</u>
Total investments		<u>211,658,885</u>	<u>99.97</u>
Total investments, at cost		<u>170,862,621</u>	
14. Age 65 Plus Fund			
<i>Hong Kong - Approved Pooled Investment Fund</i>			
Schroder MPF Core 20/80 Fund - Class B	6,257,349	<u>77,090,540</u>	<u>99.64</u>
Total investments		<u>77,090,540</u>	<u>99.64</u>
Total investments, at cost		<u>73,309,944</u>	

Notes:

- Investments are accounted for on a trade-date basis.
- The underlying approved pooled investment funds and approved index-tracking collective investment scheme as listed above had been approved by MPFA and the SFC as at 31 March 2025.
- Although the Scheme has been approved by the MPFA and the SFC, such authorisation or approval does not constitute official recommendation of the Scheme by the MPFA or the SFC.



中銀國際
BOC INTERNATIONAL



PRUDENTIAL
保誠集團

BOCI-Prudential Trustee Limited



**My Choice Mandatory Provident Fund Scheme
Governance Report
For the Year ended 31 March 2025**

我的 MY CHOICE
強積金計劃
MANDATORY PROVIDENT FUND SCHEME

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Section 1: Trustee's Governance Framework

1.1 Overview

BOCI-Prudential Trustee Limited ("BOCPT"), as the Trustee of My Choice Mandatory Provident Fund Scheme (the "Scheme"), has established a robust governance framework to ensure the effective running of its business and the prudent oversight of the management and operations. The Board of Directors of BOCPT ("the Board") is ultimately responsible for the overall business including the compliance of the Scheme as well as ensuring the interest of its members is safeguarded in accordance with the governing trust documents. The Board delegates its day-to-day responsibility to the Sub-ordinate Committees and the management team of BOCPT ("the Management"). The governance framework and its mechanism for reporting findings and assessment outcomes to the Board are described hereinafter.

1.2 Board of Directors ("the Board")

The Board of Directors of BOCPT comprises 8 (eight) executive and non-executive directors. 4 (four) directors are nominated by BOC Group Trustee Company Limited including the Chief Executive Officer ("CEO"). 2 (two) directors are nominated by Prudential Corporation Holdings Limited ("Prudential") and the remaining 2 (two) are independent directors. The Board, working with the Management set direction and strategy of the Company, and it meets at least quarterly to discuss and make decision on matters relating to the running of business and any significant issues reported by the Management. The roles, authorities and responsibilities of the Board are delineated in the approved Terms of Reference of the Board. The Board provides leadership and direction to the Management and has overall responsibility for the business and management of the Company.

The Board is committed to continuous improvement in corporate governance, conducting annual self-evaluation questionnaires to identify areas for enhancement. These evaluations cover a comprehensive range of topics, including Board composition, the quality of information submitted to the Board, the Board review process, the clarity of accountability, CEO evaluation, and standards of conduct. Directors' potential conflicts of interests are cleared and directors continuously receive trainings relevant to the Company's business.

The Board has delegated its day-to-day management of the Company to the Management. The Management including the CEO and various heads of department regularly attend the Board and sub-ordinate committee meetings to provide updates. To enable the Company operates in an effective and efficient manner, the CEO directly leads the Management at any time to execute the Company's strategy and to resolve any matters and issues arising from the management of business.

In relation to the circular letter from the MPFA issued on 4 July 2024 on the Enhancement of Governance of Trustees' Boards in Mandatory Provident (MPF) Industry; BOCPT has reviewed and aligned our enhanced governance measures in accordance with the MPFA's expectations, including the tenure, number of independent non-executive directors (INEDs) on the Board and the appropriateness of their skills and backgrounds.

There are two sub-ordinate Committees namely Investment Committee and Audit Committee which reports to the Board.

Investment Committee

The Investment Committee consists of 3 (three) members and meets on a quarterly basis. The members include the CEO and 2 (two) members nominated by the shareholders and approved by the Board. The Committee is accountable to the Board in meeting its responsibilities for the monitoring of the investment performance of the Scheme and ensuring the effectiveness of the investment management through a well-defined performance review mechanism and processes. The Management of the Company meets the investment manager regularly and report performance matters and enhancements of the Scheme to the Investment Committee.

Audit Committee

The Audit Committee is established by the Board to make recommendations to the Board and oversee the Management on issues regarding risk management, governance framework and internal control. It consists of 4 (four) members. The members include 1 (one) independent non-executive director from the Board and 3 (three) members nominated by the shareholders and approved by the Board. The Audit Committee meets quarterly to monitor and assess pertinent matters and issues from the first and second lines of defense through various risk and internal control reports from the Management as well as including, but not limited to, the quarterly key risk reports and annual internal control report. The Audit Committee will further report and escalate any significant issue to the Board if it deems necessary.

Fiduciary Services

Fiduciary Services Department is established in BOCPT to ensure matters subject to fiduciary duties are reviewed and resolved with independency. BOCPT observes fiduciary principles, conduct regular due diligent reviews and monitors investment restrictions of invested assets and Conflicts of Interest (“Col”) in all aspects of business. Fiduciary Services Department monitors Investment restrictions of CFs and APIFs in according to MPF Regulations and their disclosed fund documents.

All departments in BOCPT are responsible for identifying Col (whether actual or potential) in its day to day business. When there is any new or change in circumstances in the business, which may give rise to a Col situation, each department should report these changes and the potential impact to the Risk Management Committee for review. The Management of BOCPT would review the Col situation with the scheme members’ interest in mind when reviewing the Col and in accordance with applicable regulatory requirements and code of conduct standards. All Col issues arisen during each month will be reported to the Risk Management Committee for reporting and management purpose. A Col register is maintained by the Risk, Compliance and Legal Department and is reviewed by the Management Committee at least annually. Any closure of Col item should be signed off by the Head of Risk, Compliance and Legal Department and the CEO jointly.

1.3 Management Level Committees

There are 4 (four) other committees established by the CEO to manage the day-to-day business and operations including: the Management Committee, Risk Management Committee, New Business Acceptance Committee and IT & Project Steering Committee. The department heads provide regular reports and escalate key or emergency matters to these committees; the Management in turn reports relevant updates and escalates significant matters to the Board accordingly. These committees meet monthly or regularly as predetermined.

Section 2: Assessment Areas

2.1 Value for Money Assessment

BOCPT strives to deliver good “Value for Money” propositions underpinned by a proven governance framework that assists members to achieve their retirement savings goals. BOCPT conducts on-going assessments throughout the year to review whether the Scheme would continuously deliver good Value for Money. This includes evaluating investment choices, product suitability, fund performance, level of fees and charges, and service quality.

Moreover, BOCPT establishes best practices for the selection, appointment, ongoing review and monitoring of the Scheme’s investment managers. BOCPT also conducts its business in full conformity with its fiduciary obligations, including but not limited to monitoring matters that could give rise to the conflict of interest. Any identified issues are reported and reviewed by the Management Committee, with further escalation to the Board whenever required. Key criteria referenced in the evaluation of investment manager candidates include the reputation of the organizations, suitability for the Scheme members, investment process, fees and performances, and its approach to ESG integration.

Table 1 – Summary of Value for Money Assessment

Assessment Criteria		Assessment Results	Follow-up actions / plans
1	Fund performance	Refer to Table 2 below	Refer to Table 3 below
2	Fee level	Refer to Table 5 below	On-going review
3	Services to scheme members	Refer to the section "Services provided to MPF scheme members" in Governance Report	On-going review
4	Range of funds	A broad range of 14 CFs covering different types of funds with different investment objectives and risk profile to suit members	On-going review

Range of Funds

The Scheme is a mandatory provident fund scheme governed by a master trust deed dated 7 April 2010 and its subsequent deeds of amendment, and it subjects to the laws of the Hong Kong Special Administrative Region of the People's Republic of China. A well-rounded MPF scheme would feature a broad selection and wide range of fund choices to cater for the needs of Scheme members based on their individual risk profile and their investment objectives. The Management is responsible for selecting investment managers of the CFs and their respective underlying funds.



The Scheme consists of 14 constituent funds (collectively the "CFs") during the year ended 31 March 2025. Each constituent fund is managed by renowned international investment managers with diverse investment objectives and risk profiles, in order to ensure choices of CFs are suitable for different age groups and risk appetites.

Assessment Items	Range of MPF Funds & Suitability
Number of Fund Choices	14
Availability of Mixed Asset Funds	✓
Choice of Global/Asian Equity Funds	✓
Active & Passive HK/China Equity Funds	✓
Choice of Global/HKD Bond Funds	✓
Choice of Money Market Funds	✓
Availability of Default Investment Strategy Funds	✓
Open Architecture Allowing Timely Addition of Popular/New Funds	✓
Use of Multiple External Fund Managers	✓ all constituent funds are managed by competent external fund managers

In order to provide value-for-money investment solutions for MPF scheme members, BOCPT regularly considers value for money performances of the constituent funds with the objective to provide a more diverse choice of CFs available under the Scheme thereby enhancing its overall value to Scheme members.

We have submitted application and obtained the approval of 3 (three) new CFs from the MPFA. The target launch date of new CFs would be by 2nd quarter of 2026 tentatively.

The Scheme adopts an "open architecture" in investment management, i.e. the underlying investments are managed by external investment managers. The 14 CFs under the Scheme are directly feeding into corresponding APIFs, with the exception of My Choice Hong Kong Tracking Fund (feeds into an ITCIS managed by CSOP Asset Management Limited ("CSOP")) and My Choice MPF Conservative Fund (segregated mandate managed by Schroder Investment Management (Hong Kong) Limited). The other 12 CFs feed into respective APIFs are managed by 4 investment managers, namely Allianz Global Investors Asia Pacific Limited ("AllianzGI"), FIL Investment Management (Hong Kong) Limited ("FIL"), JPMorgan Asset Management (Asia Pacific) Limited, ("JPMAM") and Schroder Investment Management (Hong Kong) Limited ("SIM").

Overall Performance

The performance of the CFs is a core pillar for assessing the Scheme's value to any members.

BOCPT has established a regular review mechanism to determine funds' relative performance over different time horizons.

- The fund performance review is conducted on a pre-determined period or whenever necessary, with consideration of market best practices and feedbacks from stakeholders.
- The benchmarks used to assess each CF's performance are also regularly reviewed before they are applied in the fund performance review.
- Other performance monitoring mechanisms include quarterly reviews, due diligence meetings, and other ad-hoc meetings or assessments with the appointed investment managers. Key findings are reported to both the Management Committee and the Investment Committee. The Investment Committee will escalate the findings to the Board if deemed necessary.
- In addition, as part of the ongoing monitoring process, investment managers are required to formally complete an annual due diligence.

The Management will also work with the Investment Committee on an ongoing basis for any change in investment managers and/or fund choice recommendations for further approval by the Board.

Please refer to the section "*Investment Report - Trustee Commentary*" in the Scheme's *Annual Reports and Audited Financial Statements* for the year ended 31 March 2025 for the investment analysis of 1-year, 5-year, 10-year, and Since Launch of individual CFs under the Scheme or Table 2 – Assessment on Fund Performance below.

Table 2 – Assessment on Fund Performance

Name of constituent fund (CF)	Name of benchmark / performance target	Annualized net return (% per annum)							
		1 year		5 years		10 years		Since launch	
		CF	Benchmark / performance target	CF	Benchmark / performance target	CF	Benchmark / performance target	CF	Benchmark / performance target
My Choice Growth Fund	Willis Towers Watson Composite Benchmark (>80% - 100% Equity)*	9.58	12.07	6.10	8.59	3.80	4.76	5.20	N/A
My Choice Balanced Fund	HK Salary Inflation (%)	7.70	3.56	6.04	2.56	3.75	3.13	4.73	N/A
My Choice Stable Fund	CPI Index Type A (%)	5.16	1.69	3.29	1.75	2.38	2.16	3.28	3.03
My Choice Global Equity Fund	CPI Index Type A (%)	4.28	1.69	12.99	1.75	5.07	2.16	7.21	3.03
My Choice Asia Equity Fund	FTSE MPF Asia Pacific ex Japan ex Hong Kong Index (35% HK\$ hedged)*	0.63	(1.44)	5.62	8.52	3.56	3.87	4.49	N/A
My Choice China Equity Fund	FTSE MPF Greater China Index*	17.20	26.08	3.63	5.27	4.46	3.78	5.46	4.64
My Choice Hong Kong Equity Fund	FTSE MPF Hong Kong Index*	36.84	41.81	1.02	1.92	1.75	1.48	3.00	N/A
My Choice Hong Kong Tracking Fund	Hang Seng Total Return Index*	44.79	45.35	2.22	2.24	1.74	1.98	2.80	3.34
My Choice Global Bond Fund	FTSE World Government Bond Index (35% Hedged to HKD)*	0.64	1.23	(3.19)	(3.18)	(2.01)	(0.66)	(0.74)	N/A
My Choice HKD Bond Fund	Markit iBoxx ALBI Hong Kong (Total Return)*	5.09	5.29	0.36	(0.01)	1.20	1.01	1.56	1.34
My Choice RMB & HKD Money Market Fund	70% x 3M CNH HIBOR + 30% MPFA Prescribed Saving Rate	1.59	1.67	1.25	1.87	0.73	0.00	0.72	0.00
My Choice MPF Conservative Fund	MPFA Prescribed Savings Rate	3.19	0.61	1.51	0.33	0.88	0.18	0.61	0.13
My Choice Core Accumulation Fund	Willis Towers Watson MPF DIS Reference Portfolios - Core Accumulation Fund	3.80	4.36	8.27	7.68	N/A	N/A	5.57	5.58
My Choice Age 65 Plus Fund	Willis Towers Watson MPF DIS Reference Portfolios - Age 65 Plus Fund	2.52	2.74	1.19	0.85	N/A	N/A	1.82	1.80

Remark: Annualized net returns of the CFs that underperformed the respective benchmarks are highlighted in grey.

* With a view to facilitating scheme members to assess the fund performance for comparison with the benchmark on a like-to-like basis, the benchmark is adjusted with the Fund Expense Ratio ("FER") from the financial year ended 31 March 2025. FER adjusted benchmark performance is an annualized figure of the benchmark performance deducted by the FER applicable to the relevant Constituent Fund ("CF") based on the Trustee's record in the captioned period. For example, the FER adjusted Benchmark for the 5 years and 10 years is the annualized benchmark performance deducted by the simple average of the FER for the years of 2021 to 2025 and 2016 to 2025 respectively. Due to data availability of FER prior to 2016, FER adjusted benchmark for Since Launch is the annualized benchmark performance deducted by the simple average of the FER for the years of 2016 to 2025.

Table 3 - Follow-up Actions / Plans to Improve Value for Scheme Members

Name of Constituent Fund (CF)	Investment Manager at Constituent/Underlying Funds	Follow-up action / plan
My Choice Growth Fund	FIL Investment Management (HK) Limited	The Trustee continuously monitors the fund performance on the Growth Fund and the Global Bond Fund in June 2024 including regular reviews and requisitions on the Manager's performance.
My Choice Asia Equity Fund		<p>For the Growth Fund, the Manager has instituted a series of enhancement measures including the introduction of ITCIS to diversify stock selection risks and an enhancement of bottom-up research. Furthermore, the Manager aims to maximize value addition from asset allocation by utilizing ITCIS to improve dynamic asset allocation efficiency and to access niche market exposure through tactical asset allocation opportunities.</p> <p>For the Bond Fund, the Manager has been actively monitoring credit dislocations with a view of adding alpha from a bottom-up perspective and continued to add credit risk in the portfolio when they feel valuations reach a more attractive level. They will continue to search for tactical asset allocation opportunities across regions and asset classes and work on these principles in regular discussions with underlying managers.</p>
My Choice Hong Kong Equity Fund		
My Choice Global Bond Fund		
My Choice Balanced Fund	Schroder Investment Management (HK) Limited	The Trustee had regular performance reviews with the Manager to discuss the performance issue and improvement plan.
My Choice Stable Fund		<p>For the Balanced Fund and the Stable Fund, the Manager reported that they have diversified some of active manager via ITCIS as tactical measures and added US and European corporate credit exposure to further enhance returns. To address the peer group ranking of DIS funds, BOCPT suggested the Manager to review the investment strategy to enhance alpha generation. For the Conservative Fund, the Manager increased the investment focus on short term corporate bonds with high quality and yield and addition of Japanese mega banks for deposit placing in order to boost up the return.</p>
My Choice Global Equity Fund		
My Choice MPF Conservative Fund		<p>To address the performance issue in the Hong Kong equity strategy, the Manager has launched the new IPF Hong Kong and China equity strategy. The fund has combined fundamental with quantitative security selection capabilities from a bottom-up perspective, in additional to asset allocation capability by the Multi-Asset team from a top-down approach.</p>
My Choice Core Accumulation Fund		
My Choice Age 65 Plus Fund		The Trustee had issued a formal letter to Schroders in relation to concern on underperformance of the Balanced Fund, the Stable Fund and the Global Equity Fund in March 2025.
My Choice Growth Fund	JPMorgan Asset Management (Asia Pacific) Limited	The Trustee had regular performance reviews and requisition on the Manager's performance during April 2024 and March 2025.
My Choice Asia Equity Fund		The Trustee had inquired on the performance of the China Equity Fund in March 2025 and requested measures on strengthening performance. The Manager agreed to enhance the investment process in the area of research, portfolio construction and investment team development.
My Choice Hong Kong Equity Fund	CSOP Asset Management Limited	The Trustee inquired on treatment of tracking error and the Manager paid attention to cash drag and dividend receivables impact on the return deviation.
My Choice RMB & HKD Money Market Fund	Allianz Global Investors Asia Pacific Limited	The Trustee continuously review the performance of the sub-Fund.

Investment manager selection, ongoing review and monitoring

As an approved MPF trustee, BOCPT has duties to make selection, appointment, ongoing review and monitor the performance of investment managers. On top of Morningstar's 5-Ps qualitative fund selection criteria, namely, People (resources/ number of professionals & their experience and proficiency), Process (investment & risk management process), Parent (institutional capability at asset management company level), Performance (historical track record & future outlook), Price (value for money & cost efficiency), BOCPT also takes into consideration prevailing quantitative analysis based on their back-testing results including asset allocation, risks, returns, volatility, maximum drawdown, Sharpe ratio, alpha, beta, R-squared, up/down-market capture ratios, ESG rating (if any), and total expense ratio, etc. In addition, BOCPT evaluates other self-defined factors, for instance, ongoing support and professional advice from respective fund managers and professional consultancy.

To facilitate the effectiveness of identifying and monitoring fund performance issues, the MPF Fund Performance Review Team (the "Review Team") is established to govern the review process and methodologies relating to the monitoring of the fund performance. The Review Team is responsible to identify a fund performance or investment managers' issues within the Scheme and escalate to the Investment Committee and the Board when required.

The performances of each CF and the Investment Managers are monitored by the Trustee on an on-going basis with reporting made to the Investment Committee on a quarterly basis. The Investment Committee is supported by the Review Team who takes directions from the Committee and carry out actions when necessary. In the event of underperformance of fund(s) in the Scheme, the Review Team would communicate with the investment manager(s) to seek explanation and, if necessary, remedial actions to address the underperformance issues; the progress of improvement in investment returns will be continuously monitored. All actions taken and progress thereof will be reported to the Investment Committee for further discussion. If necessary, the Investment Committee will further escalate issues to the Board for guidance and further actions.

The Trustee employs a monitoring mechanism to monitor the underperformance of a fund over a given horizon based on the short-term (1 year) and medium-term performance (3 years) against benchmark or peer group median return performance* to see whether underperformance persists. If a fund underperformed either the benchmark or peers persistently, the Trustee will meet with the investment manager to review and discuss the existing investment strategy and put forward an immediate action plan.

The Review Team facilitates quarterly meetings with the investment manager of each CF to review fund performance and discuss remediation on any performance issues. The Investment Committee monitors the progress of actions put forward by the investment manager until the underperforming fund's performance is improved and/or further enhancement action is required. The Trustee will continue to monitor the performance of these funds with the Investment Managers and any necessary actions would be taken if required. Another major function of the Review Team is to facilitate quarterly meetings with investment consultant Goji, and when required, together with respective investment manager(s) to review fund performance and discuss remediation on any performance issues. The Review Team tracks improvement initiatives to mitigate underperformance risk and monitor the progress as well as the outcomes of actions taken by the investment managers, and report overall improvement plan to the Investment Committee accordingly.

* The peer group median return performance was divided into 4 quartiles: the 1st, 2nd, 3rd and 4th quartiles. The peer group was determined by Willis Towers Watson.

Table 4 - Assessment on Performance of Investment Manager(s)

Name of Constituent Fund	Investment Manager of Constituent Fund	Investment Vehicle	Year of Last Due Diligent on Investment Manager of Constituent Fund	Year of Last Review on Choice of Underlying Fund(s)
My Choice Growth Fund	FIL Investment Management (HK) Limited	Single APIF	2024	2025
My Choice Balanced Fund	Schroder Investment Management (Hong Kong) Limited	Single APIF	2024	2025
My Choice Stable Fund	Schroder Investment Management (Hong Kong) Limited	Single APIF	2024	2025
My Choice Global Equity Fund	Schroder Investment Management (Hong Kong) Limited	Single APIF	2024	2025
My Choice Asia Equity Fund	FIL Investment Management (HK) Limited	Single APIF	2024	2025
My Choice China Equity Fund	JPMorgan Asset Management (Asia Pacific) Limited	Single APIF	2024	2025
My Choice Hong Kong Equity Fund	FIL Investment Management (HK) Limited	Single APIF	2024	2025
My Choice Hong Kong Tracking Fund	CSOP Asset Management Limited	Single ITCISs	2024	2025
My Choice Global Bond Fund	FIL Investment Management (HK) Limited	Single APIF	2024	2025
My Choice HKD Bond Fund	JPMorgan Asset Management (Asia Pacific) Limited	Single APIF	2024	2025
My Choice RMB & HKD Money Market Fund	Allianz Global Investors Asia Pacific Limited	Two or more APIFs	2024	2025
My Choice MPF Conservative Fund	Schroder Investment Management (Hong Kong) Limited	Direct Investment	2024	2025
My Choice Core Accumulation Fund	Schroder Investment Management (Hong Kong) Limited	Single APIF	2024	2025
My Choice Age 65 Plus Fund	Schroder Investment Management (Hong Kong) Limited	Single APIF	2024	2025

Fees and Charges

The expenses and fees charged to members are another important metric in assessing whether the Scheme is offering Value for Money propositions.

- BOCPT annually monitors the fund expense ratios ("FER") of the CFs against the relevant industry information.
- Comparisons between the performance and FER of the Scheme's CFs against their peers are regularly reviewed by the Management and presented in the Board meetings.

The FER of the Scheme are highly competitive within the industry; fees are charged lower or equal to the industry average for most asset classes.

Table 5 - Assessment on Fee Level

Name of Constituent Fund (CF)	Launch Date	Net Asset Value (Million HK\$)	Fund Expense Ratio (FER) (expressed as a percentage per annum)	Fund Category	Industry Average FER
My Choice Growth Fund	28/07/2010	389.27	1.02738	Mixed Assets Fund - 81% to 100% Equity	1.52
My Choice Balanced Fund	28/07/2010	224.45	1.04376	Mixed Assets Fund - 61% to 80% Equity	1.38
My Choice Stable Fund	28/07/2010	234.58	1.03342	Mixed Assets Fund - 41% to 60% Equity	1.38
My Choice Global Equity Fund	28/07/2010	476.14	1.04250	Equity Fund - Global Equity Fund	1.38
My Choice Asia Equity Fund	28/07/2010	190.28	1.09501	Equity Fund - Asia Equity Fund	1.50
My Choice China Equity Fund	28/07/2010	501.97	1.06687	Equity Fund - Greater China Equity Fund	1.47
My Choice Hong Kong Equity Fund	28/07/2010	292.16	1.06799	Equity Fund - Hong Kong Equity Fund	1.44
My Choice Hong Kong Tracking Fund	28/07/2010	158.96	0.73161	Equity Fund - Hong Kong Equity Fund (Index Tracking)	0.83
My Choice Global Bond Fund	28/07/2010	113.53	0.99802	Bond Fund - Global Bond Fund	1.31
My Choice HKD Bond Fund	28/07/2010	79.73	1.03782	Bond Fund - Hong Kong Dollar Bond Fund	1.29
My Choice RMB & HKD Money Market Fund	06/10/2014	54.07	0.93056	Money Market Fund - Other than MPF Conservative Fund	0.99
My Choice MPF Conservative Fund	28/07/2010	393.13	0.74161	Money Market Fund - MPF Conservative Fund	0.90
My Choice Core Accumulation Fund	01/04/2017	211.76	0.80511	Mixed Assets Fund - Default Investment Strategy - Core Accumulation Fund	0.80
My Choice Age 65 Plus Fund	01/04/2017	77.31	0.76940	Mixed Assets Fund - Default Investment Strategy - Age 65 Plus Fund	0.80

Data as of 31 March 2025

Source of industry FER: MPF Fund Platform. The industry average FER is the average of the FERs of CFs under the same fund category as of 31 March 2025

Remark: For those CF's FERs above the respective industry average is highlighted in grey.

Services provided to MPF scheme members

BOCPT believes service quality to Scheme members is another top priority on Value for Money proposition in addition to the fund performance and fees charged. BOCPT has been proactively engaging employers and Scheme members to take advantage of the e-services and upgraded call center services comprising digital functionalities of account opening, contributions, managing accounts, transfer and withdrawal of Scheme benefits.

BOCPT views employers' and employees' feedback with utmost importance. Metrics and complaint review mechanism are well in place and closely monitored by the Management. Observations and suggestions for better quality of services are regular agenda items at various Committee and Board meetings. Key areas of the Scheme's Employer and Member's enhancing user experience are highlighted hereunder:

Service Categories	Services Provided
Employer Services	
Multiple Pre-Contribution Reminder Methods	Yes
Multiple Contribution Payment Methods	Yes
Multiple Contribution Data Submission Methods	Yes
Provision of HR & Payroll Software to Employers	Yes
Provision of payroll integration program S2C*	New function available in 2025
Provision of Online information & functionality on employer website	Yes
Contribution reminders and alerts	Yes
Employer Communication & Reporting	Yes

*An user friendly tool to facilitate employers to online submit their contribution files which is compatible with requirements under eMPF Platform

Service Categories	Services Provided
Member Services	
Online Investment Rebalancing & Switching	Yes
Member Hotline Service	Yes
Self-Service Online Personal Account Opening	Yes
Self-Service Online TVC Account Opening	Yes
Self-Service Online SVC Account Opening	Yes
Self-Service Online MPF Transfers	Yes
Self-Service Online MPF Withdrawals	Yes
Desktop Functionality	Yes
Mobile App Functionality	Yes
Employer Contribution Alert	Yes
Newly registered e-member can obtain the last 2 scheme years' electronic Annual Benefit Statements	Yes

Service Categories	Services Provided
Member Communication & Education	
Website Education Content	Yes
Member Communication Strategy	Yes
Member Newsletter	Yes
Social Media Use	Yes
Complaints Policy Visibility	Available on scheme's public website
Dedicated Complaint Channel	Publicly published and dedicated complaint hotline / email available

BOCPT leverages various social media platforms to enhance the communication and MPF education to wider audience in the market. BOCPT continues to promote e-services which result in a steady increase of employer and member's digital take-up rate.

BOCPT has been scheduled to be onboarded into eMPF Platform in June 2025. To get well-prepared for the onboarding to the eMPF Platform, BOCPT has reinforced the relevant communication and education to employers and scheme members through:

- collaboration with eMPF Platform for online seminars and outreach services for employers introducing the new digital eMPF journey and preparation for the registration to the eMPF Platform
- a dedicated eMPF webpage highlighting the latest eMPF updates (including the seminar schedule) from time to time
- a tailor-made leaflet outlining the key features and key points to note, assisting employers and scheme members to get familiar with the eMPF Platform
- correspondence letters to customers updating specified arrangement of MPF account for the transition to the eMPF Platform (where applicable)

The eMPF platform will serve as a one-stop shop creating a standardized digital platform which can drive efficiency and cost saving for managing MPF accounts. BOCPT anticipates that both the employers and scheme members enjoy a user-friendly experience through a new digital platform that enables full automation of administration processes.

2.2 Sustainable Investing Strategy and Implementation Progress

With increasing awareness and international focus on Environmental, Social and Governance (ESG), more and more organizations have plans of ESG integration and made their efforts in creating shared values among its customers, shareholders and the society.

BOCI-Prudential Trustee Limited, being an ESG committed company, strive to make a positive impact to the world around us, has established a solid governance structure on ESG matters.

BOCPT acknowledges that adopting sustainable investing strategy becomes indispensable in the investment and risk management processes of the Scheme assets. Given the long-term nature of MPF funds, factors relating to environmental, social, and governance (“ESG”) are increasingly relevant and become important considerations to investments. As the Trustee we have fiduciary duties to act in the interest of members to ensure the investment managers take into account necessary ESG risks which are financially material in the investment decision and risk management process.

The Board sets direction and has oversight of the integration of ESG factors and has assigned the Investment Committee to review and monitor ESG matters for Scheme’s investment and the management for all ESG. Fiduciary Services Department and Risk, Compliance, and Legal Department within the Management assist the oversight of the compliance on ESG matters and update the Board on ESG integration through the Investment Committee on a regular basis.

ESG Focus Group is established to assist the Management in defining the Company’s strategy relating to ESG matters and in reviewing the practices and initiatives of the Company relating to ESG matters ensuring that they remain effective and up to date. The ESG Champion and members of the ESG Focus Group with representatives from various departments shall be appointed by the Management Committee for a period of up to 1 year, which may be extended for two further 1-year periods. The membership of the ESG Focus Group shall be reviewed by the Management Committee and updated to the Board on an annual basis. The ESG Focus Group provides updates on the ESG matters to the Management Committee on a quarterly basis. The Management Committee shall further report formally to the Board where appropriate.

By making reference to the Sustainability Policy of BOC Hong Kong (Holdings) Limited and the relevant sustainable development principles under the laws and regulations where applicable, BOCPT has formulated the ‘Environmental, Social and Governance Policy’ (“ESG Policy”). The ESG policy is updated with reference to internal and external requirement / development where applicable, and managed and reviewed by the Management Committee on an annual basis. BOCPT provides training and communication to raise ESG awareness within BOCPT and to the Scheme members. Our ESG Policy is posted in the Company’s website and available for Scheme members for download.

ESG Integration

For My Choice Hong Kong Tracking Fund feeding into an ITCIS managed by CSOP, BOCPT noted the investment manager has developed a sophisticated climate risk assessment methodology for both physical risks and transition risks. In addition, CSOP adopts a forward-looking perspective by incorporating climate scenario analysis based on mainstream international models. When exercising voting authority on behalf of clients, CSOP will apply a sufficient duty of care and act in the best interests of clients. Generally, CSOP engages through the investor relations department of the investee companies and strives to utilize the most effective and convenient method of engagement based on the importance level or the nature of particular issues. In 2024, CSOP achieved a five-star rating in six modules¹ in the UN Principles for Responsible Investment's assessment of signatories, with two modules achieving full marks².

For the My Choice RMB & HKD Money Market Fund managed by AllianzGI, although the Fund does not have an official ESG designation, ESG risks are considered within the investment process. Specifically, for the Fund's exposure to short-dated bonds, the Fixed Income credit research team integrates Environment, Social, and Governance criteria in its analysis as they seek to evaluate any material risk which could result from those areas. In the 2024 assessment (Reporting year 2023), Allianz Global Investors has been awarded the highest possible score of 5 stars in seven modules, including Policy, Governance and Strategy, Direct Equity, Direct Fixed Income and Direct Infrastructure.³

JPMAM defines ESG integration as the systematic inclusion of financially material ESG factors (alongside other relevant factors) in investment analysis and investment decisions. By integrating ESG they can both mitigate risk and unlock opportunities in an investment portfolio. Each stock's financially material ESG characteristics are considered at every stage of the decision-making process, including research, company engagement and portfolio construction. In 2023 Principles for Responsible Investment (PRI) Assessment, JPMAM got a four-star rating in Policy, Governance and Strategy module.⁴

FIL's ESG Integration is carried out at the fundamental research analyst within the investment teams, primarily through the implementation of Fidelity's proprietary ESG Rating which is designed to generate a forward-looking and holistic assessment of a company's exposure to sustainability risks and principal adverse impacts, including to what extent the issuers of these securities deliver on FIL's expectations for best practices outlined in our Sustainable Investing Principles. In 2023, Fidelity International achieved a five-star rating in the Policy Governance and Strategy module in the UN Principles for Responsible Investment's assessment of signatories.⁵

¹ The PRI assessment is only for each reporting module and does not score the entire institution. For PRI assessment methodology, please refer to the relevant website for details.

² Sourced from CSOP website. <https://www.csopasset.com/assets/pdf/esg-disclosure2024-en.pdf>

³ Sourced from AllianzGI website. The latest PRI Transparency report can be found on ESG webpage: <https://www.allianzgi.com/en/sustainability/policies-and-reporting#keypolicydocumentsandreports>

⁴ Sourced from JPMorgan website.

<https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/communications/lux-communication/jpm-pri-scorecard-pe-r-ce-en.pdf>

⁵ Sourced from Fidelity International PRI Assessment Report 2023

SIM incorporates sustainability into the portfolio risk management. Sustainability risk is treated as a core risk lens in the same way as other core risk measures such as liquidity, exposure concentration, active risk and performance. ESG discussions cover both high level views at the portfolio level, along with review and challenge on individual holdings. Schroders became a signatory to the UNPRI on 29 October 2007. In 2024 reporting cycle reflective of activity in 2023, Schroders achieved a five-star rating in the Policy Governance and Strategy module in the UN Principles for Responsible Investment's assessment of signatories.⁶

BOCPT has fiduciary obligations to monitor the ESG Integration of investment manager of CFs. BOCPT has reviewed their latest sustainability reports and policies to ensure they have robust mechanism to integrate ESG risks and opportunities into their investment approach. For those are PRI signatories, BOCPT reviewed their latest PRI Assessment Report to understand their responsible investment practices comparing across asset classes and with peers at a local and global level.

In accordance with the SFC Climate Risk Circular, the investment managers are required to report the carbon footprint for relevant collective investment schemes. The following tables provide scheme members at a glance carbon emission data of APIF / underlying investment fund under CF.

Carbon Footprint of APIF / Underlying Investment Fund

Name of Constituent Fund	Name of APIF / Underlying Investment Fund	Carbon Footprint tCO ₂ e/USDm invested	Coverage % in terms of Net Asset Value	Data As Of
My Choice RMB & HKD Money Market Fund	Allianz Choice RMB Money Market Fund ¹	2.18	30	30-Sep-24
	Allianz Choice HK\$ Cash Fund ¹	0.67	24	30-Sep-24
My Choice China Equity Fund	JPMorgan SAR Greater China Fund ²	32.39	99.19	30-Jun-24
My Choice HKD Bond Fund	JPMorgan SAR HKD Bond Fund ²	80.45	60.58	30-Jun-24
My Choice Growth Fund	Fidelity Global Investment Fund - Growth Fund ³	76.78	45.49	31-Mar-25
My Choice Asia Equity Fund	Fidelity Global Investment Fund - Asia Pacific Equity Fund	139.50	99.39	31-Mar-25
My Choice Hong Kong Equity Fund	Fidelity Global Investment Fund - Hong Kong Equity Fund ³	132.30	99.55	31-Mar-25
My Choice Global Bond Fund	Fidelity Global Investment Fund - World Bond Fund ^{3^}	249.14	2.46	31-Mar-25

* Carbon Footprint (tons of carbon dioxide equivalents (tCO₂e), per million USD invested) is based on the Scope 1 and Scope 2 GHG emissions associated with each Fund's underlying investments

1. Sourced from Allianz Global Investors Asia Pacific Limited. <https://hk.allianzgi.com/en/retirement/downloads/fund-literature>

2. Sourced from JPMAM.

<https://am.jpmorgan.com/content/dam/jpm-am-aem/asiapacific/hk/en/esg-information/tcfd-addendum-en.pdf>

Highlighted funds are flagged for low data availability. This may result in a Carbon Footprint being displayed that may not be representative of the entire portfolio.

3. Carbon footprint is primarily sourced from an external data service vendor, Institutional Shareholder Services Inc. and its affiliates (ISS). Sourced from FIL Investment Management (Hong Kong) Limited

^ Highlighted funds are flagged for low data availability. This may result in a Carbon Footprint being displayed that may not be representative of the entire portfolio.

⁶ Sourced from Schroders. UNPRI scores for the 2024 reporting cycle reflective of activity in 2023.

Name of Constituent Fund	Name of APIF	Measure	Units	As of 30 Sep 2024
My Choice Balanced Portfolio	Schroder MPF Balanced Investment Fund	Carbon footprint (Scope 1 & 2)	(tCO2e/\$m invested)	24.82
		Coverage of eligible securities	Percentage	62.19%
		Carbon footprint (Scope 3)	(tCO2e/\$m invested)	191.41
		Coverage of eligible securities	Percentage	62.10%
My Choice Stable Portfolio	Schroder MPF Stable Growth Fund	Carbon footprint (Scope 1 & 2)	(tCO2e/\$m invested)	21.32
		Coverage of eligible securities	Percentage	54.54%
		Carbon footprint (Scope 3)	(tCO2e/\$m invested)	158.77
		Coverage of eligible securities	Percentage	54.36%
My Choice Global Equity Portfolio	Schroder MPF International Fund	Carbon footprint (Scope 1 & 2)	(tCO2e/\$m invested)	14.76
		Coverage of eligible securities	Percentage	70.37%
		Carbon footprint (Scope 3)	(tCO2e/\$m invested)	164.7
		Coverage of eligible securities	Percentage	70.37%
My Choice Core Accumulation Fund	Schroder MPF Core 60/40 Fund	Carbon footprint (Scope 1 & 2)	(tCO2e/\$m invested)	31.56
		Coverage of eligible securities	Percentage	98.89%
		Carbon footprint (Scope 3)	(tCO2e/\$m invested)	287.44
		Coverage of eligible securities	Percentage	98.85%
My Choice Age 65 Plus Fund	Schroder MPF Core 20/80 Fund	Carbon footprint (Scope 1 & 2)	(tCO2e/\$m invested)	31.56
		Coverage of eligible securities	Percentage	98.89%
		Carbon footprint (Scope 3)	(tCO2e/\$m invested)	287.44
		Coverage of eligible securities	Percentage	98.85%

* The carbon footprint (Scope 1 & 2) captures the sum of Scope 1 emissions (direct emission from sources that are controlled or owned by an organization) & Scope 2 emissions (indirect emissions from the generation of purchased or acquired energy consumed by the organization) attributable to a fund's underlying investments. The carbon footprint (Scope 3) captures the sum of Scope 3 emissions (indirect emissions from an organization's value chain, both upstream and downstream) attributable to a fund's underlying investments. It is important to note that the availability of Scope 3 data remains a challenge and a larger portion of the data is based on estimated data relative to Scope 1 and 2 emissions. Disclosure of carbon footprint (Scope 3) is on a voluntary basis. Carbon data is provided by MSCI. The footprint is expressed in tons of CO2 equivalent per year and per million dollars invested (in USD). The coverage represents the weighted percentage of eligible securities within the portfolio that have carbon footprint data available. Eligible securities include listed equity (specifically common stock and preferred stock), corporate bond, Exchange Traded Fund (ETF) and Real Estate Investment Trust (REIT) exposure, and excludes cash and cash equivalents. Sovereigns and quasi-sovereigns and related securities are also excluded, as the Partnership for Carbon Accounting Standards (PCAF) has only recently published its calculation methodology for these securities. Sourced from Schroder Investment Management (Hong Kong) Limited

2.3 Summary

BOCPT continues to demonstrate strong corporate governance practices in the oversight and management of the MPF scheme. The organization remains committed to delivering good Value for Money to members and continue to further enhanced its review processes to ensure the Scheme's offerings remain suitable and cost-effective. BOCPT takes improving Scheme's Value for Money very seriously and works with the investment managers and other stakeholders to make continuous improvement. It continues to develop suitable and appropriate investment solutions to optimize the fund platform for scheme members.

Comprehensive fund performance review mechanisms have allowed BOCPT to closely monitor the investment activities and returns across the scheme. BOCPT is working closely with the respective investment managers to implement action plans for improvement. Additionally, BOCPT is collaborating with all managers to integrate ESG factors more firmly into their investment and risk management practices.

Fund performance review is regularly conducted to monitor and drives improvement on fund return. CFs exhibited with performance below expectation are registered under the monitoring mechanism for further engagement with affected investment manager(s) to better understand their plans and seek update of actions thereof to improve the fund performance of the impacted funds. As investment horizon of MPF funds stretches over a long period of time, BOCPT is satisfied that the appointed investment managers of the CFs have performed to reasonable expectation while review and seeking improvement actions are a continuous undertaken.

BOCPT continues to work with the investment managers of CFs to have made solid integration of ESG factors in the investment and risk management processes and will continue to monitor and update members with progress. BOCPT strives to improve and make enhancement of customer services through continuously promoting online services and collecting feedback from Scheme participants to enhance overall customer journey. BOCPT will continue to work with eMPF Platform to achieve continuous improvement of overall services.

Section 3: Endorsement Statement

The Scheme's Governance Report was endorsed by the Board of Directors on 26 September 2025.

