



Hang Seng Mandatory Provident Fund – SuperTrust Plus

30 June 2024

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Directory of parties

Sponsor

Hang Seng Bank Limited
83 Des Voeux Road Central
Hong Kong

Trustee and Custodian

HSBC Provident Fund Trustee (Hong Kong) Limited
HSBC Main Building
1 Queen's Road Central
Hong Kong

Investment Managers

HSBC Investment Funds (Hong Kong) Limited
(for the approved pooled investment funds (except the MPF Guaranteed Fund) directly or indirectly invested by the constituent funds)
HSBC Main Building
1 Queen's Road Central
Hong Kong

Hang Seng Investment Management Limited
(for the respective approved Index-Tracking Collective Investment Schemes invested by the Hang Seng Index Tracking Fund or the Hang Seng China Enterprises Index Tracking Fund)
83 Des Voeux Road Central
Hong Kong

HSBC Global Asset Management (Hong Kong) Limited
(for the insurance policy-based approved pooled investment fund of the Guaranteed Fund only)
HSBC Main Building
1 Queen's Road Central
Hong Kong

Investment Adviser

HSBC Global Asset Management (Hong Kong) Limited
(for the approved pooled investment funds (except for the MPF Guaranteed Fund) directly or indirectly invested by the constituent funds)
HSBC Main Building
1 Queen's Road Central
Hong Kong

Directory of parties (continued)

Administrator

The Hongkong and Shanghai Banking Corporation Limited
HSBC Main Building
1 Queen's Road Central
Central, Hong Kong

Investment Agent

Hang Seng Investment Management Limited
(for the Hang Seng Index Tracking Fund and the Hang Seng China Enterprises Index Tracking Fund only)
83 Des Voeux Road Central
Hong Kong

Insurer

HSBC Life (International) Limited
(for the insurance policy-based approved pooled investment fund of the Guaranteed Fund only)
18th Floor, Tower 1, HSBC Centre
1 Sham Mong Road, Kowloon
Hong Kong

Legal Adviser

Baker & McKenzie
14th Floor, One Taikoo Place
979 King's Road, Quarry Bay
Hong Kong

Auditor

KPMG
8th Floor, Prince's Building
10 Chater Road, Central
Hong Kong

Scheme report

The Trustee has pleasure in submitting the scheme report together with the audited financial statements of Hang Seng Mandatory Provident Fund – SuperTrust Plus (“the Scheme”) for the year ended 30 June 2024.

1. The Scheme

The Scheme is a master trust scheme set up for the purpose of providing benefits to members in accordance with the Hong Kong Mandatory Provident Fund Schemes Ordinance (“the MPF Ordinance”). The Scheme was established under a trust deed dated 31 January 2000 between Hang Seng Bank Limited as the Sponsor and HSBC Provident Fund Trustee (Hong Kong) Limited as the Trustee. The Scheme is registered under section 21 of the MPF Ordinance.

There has been no change to the governing rules of the Scheme during the financial year ended 30 June 2024.

On 12 August 2024, the First Supplement to the MPF Scheme Brochure of the Scheme (dated May 2023) was issued to reflect the changes made to the statement of investment policy (“SIPO”) of the following constituent funds of the Schemes with respect to the use of financial futures contracts and financial option contracts by their respective approved pooled investment funds (“APIFs”) with effect from 12 August 2024:

- (a) Global Equity Fund;
- (b) Age 65 Plus Fund;
- (c) Core Accumulation Fund;
- (d) North American Equity Fund;
- (e) ValueChoice North America Equity Tracker Fund;
- (f) European Equity Fund; and
- (g) ValueChoice Europe Equity Tracker Fund

Scheme report (continued)

2. Financial development

(Expressed in Hong Kong dollars)

	<i>Total subscriptions for the year ended 30 June 2024 \$'000</i>	<i>Total subscriptions for the year ended 30 June 2023 \$'000</i>	<i>Net assets as at 30 June 2024 \$'000</i>	<i>Net assets as at 30 June 2023 \$'000</i>
MPF Conservative Fund	6,679,900	6,823,108	10,208,181	9,637,905
Guaranteed Fund	886,889	976,911	2,996,016	3,005,518
Core Accumulation Fund	1,411,598	1,013,988	5,681,341	4,664,937
Balanced Fund	429,807	459,103	5,556,608	5,510,401
Growth Fund	661,882	698,456	8,267,446	7,985,655
Hang Seng Index Tracking Fund	4,116,641	4,449,201	10,128,230	10,550,357
North American Equity Fund	2,247,272	1,412,663	5,455,677	3,934,545
European Equity Fund	566,930	429,712	1,460,108	1,255,538
Asia Pacific Equity Fund	613,792	691,234	3,844,725	3,434,511
Hong Kong and Chinese Equity Fund	851,447	1,064,981	3,474,272	3,610,485
Global Bond Fund	742,392	470,433	1,365,111	1,211,039
Age 65 Plus Fund	661,529	500,928	1,407,397	1,204,498
Stable Fund	252,761	274,561	983,834	945,700
Chinese Equity Fund	875,785	1,084,796	2,901,685	2,995,242
Global Equity Fund	840,321	270,589	1,357,581	716,144
Hang Seng China Enterprises Index Tracking Fund	733,052	636,722	469,945	388,011
ValueChoice Asia Pacific Equity Tracker Fund	457,981	306,219	390,811	292,454
ValueChoice Balanced Fund	102,057	78,465	237,430	201,707
ValueChoice Europe Equity Tracker Fund	566,346	451,657	649,452	497,644
ValueChoice North America Equity Tracker Fund	2,678,470	978,633	3,322,372	1,767,319

Scheme report (continued)

3. Directory of parties

Details of those parties engaged by the Trustee for the purposes of the Scheme for the year ended 30 June 2024 are set out on pages 1 to 2.

4. Directors

The directors of HSBC Provident Fund Trustee (Hong Kong) Limited during the year and up to the date of this report are as follows:

Sau Ling TSE	
Horace Kwan Hor CHAU	(resigned on 30 September 2024)
Johnny Kok Chung CHAN	
Paul Chuen Yan TAN	(appointed on 1 August 2023)
Omar Aleksander MALIK	(appointed on 11 August 2023)
Marina Wing Yan TONG	(appointed on 5 October 2023)
Elaine Yuen Man LO	(resigned on 28 July 2023)

The business address of these directors is:

HSBC Main Building
1 Queen's Road Central
Hong Kong

5. Particulars of parties associated with the Trustee

HSBC Life (International) Limited

The directors of HSBC Life (International) Limited during the financial year are as follows:

Edward Charles Lawrence MONCREIFFE	
Babak NIKZAD ABBASABADI	
Chi Fai YAM	
Ming Man LAU	
Yuk Yu YEUNG	
Xiao FANG	
Hong Mei KNIGHT	
Gregory Thomas HINGSTON	(resigned on 10 April 2024)
Stavros KATSAITIS	(resigned on 6 May 2024)

Scheme report (continued)

5. Particulars of parties associated with the Trustee (continued)

The Hongkong and Shanghai Banking Corporation Limited

The directors of The Hongkong and Shanghai Banking Corporation Limited during the financial year are as follows:

Peter Tung Shun WONG	
Irene Yun-lien LEE	
Yiu Kwan CHOI	
Beau Khoon Chen KUOK	
Sonia Chi Man CHENG	
David Gordon ELDON	
David Yi Chien LIAO	
Surendranath Ravi ROSHA	
Rajnish KUMAR	
Andrea Lisa DELLA MATTEA	
Annabelle Yu LONG	
Edward Wai Sun CHENG	
Paul Jeremy BROUGH	
Pam KAUR	(appointed on 23 November 2023)
Judy Lai Kun CHAU	(appointed on 5 April 2024)
Kevin Anthony WESTLEY	(resigned on 20 May 2024)

Hang Seng Bank Limited

The directors of Hang Seng Bank Limited during the financial year are as follows:

Irene Yun Lien LEE	
Kenneth Sing Yip NG	(resigned on 8 May 2024)
Kathleen Chieh Huey GAN	
Clement King Man KWOK	
David Yi Chien LIAO	
Diana Ferreira CESAR	
Cordelia CHUNG	
Xiao Bin WANG	
Patricia Sze Wan LAM	
Huey Ru LIN	
Say Pin SAW	

Scheme report (continued)

5. Particulars of parties associated with the Trustee (continued)

HSBC Global Asset Management (Hong Kong) Limited

The directors of HSBC Global Asset Management (Hong Kong) Limited during the financial year are as follows:

Stephen Chun Pong TAM
Wai Fun HO
Nicolas Jean Marie Denis MOREAU
Kok Wing TO

HSBC Investment Funds (Hong Kong) Limited

The directors of HSBC Investment Funds (Hong Kong) Limited during the financial year are as follows:

Joanne Ka Yin LAU	
Stephen Chun Pong TAM	
Wai Fun HO	
Edgar GEHRINGER	(appointed on 1 November 2023)
Michael CROSS	(appointed on 7 February 2024)
Cecilia Po Chi CHAN	(resigned on 30 November 2023)

Hang Seng Investment Management Limited

The directors of Hang Seng Investment Management Limited during the financial year are as follows:

Pui Shan LEE	
Wilfred Wing Fai SIT	
Vivien Wai Man CHIU	
Rannie Wah Lun LEE	
Kathy Ka Wai CHEUNG	
Say Pin SAW	
Dominic Adam SKEVINGTON	(appointed on 27 May 2024)
Stuart Kingsley WHITE	(resigned on 27 May 2024)

Scheme report (continued)

6. Further information

Members can obtain further information about the Scheme and its operation from the Scheme's member hotline at 2213 2213 or website at <https://www.hangseng.com/en-hk/e-services/e-mpf/>.

On behalf of the Trustee



Hong Kong,
3 December 2024

Investment report for the year ended 30 June 2024

1. Statement of investment objective and policies

As at 30 June 2024 and during the year, Hang Seng Mandatory Provident Fund – SuperTrust Plus (the “Scheme”) is a master trust scheme and offering the following constituent funds:

1. MPF Conservative Fund
2. Guaranteed Fund
3. Core Accumulation Fund
4. Balanced Fund
5. Growth Fund
6. Hang Seng Index Tracking Fund
7. North American Equity Fund
8. European Equity Fund
9. Asia Pacific Equity Fund
10. Hong Kong and Chinese Equity Fund
11. Global Bond Fund
12. Age 65 Plus Fund
13. Stable Fund
14. Chinese Equity Fund
15. Global Equity Fund
16. Hang Seng China Enterprises Index Tracking Fund
17. ValueChoice Asia Pacific Equity Tracker Fund
18. ValueChoice Balanced Fund
19. ValueChoice Europe Equity Tracker Fund
20. ValueChoice North America Equity Tracker Fund

Each of the constituent funds has different investment objectives and policies, achieved through investing its assets into an approved pooled investment fund.

1.1 *MPF Conservative Fund*

The MPF Conservative Fund is established to comply with section 37 of the General Regulation. The purchase of a unit in the MPF Conservative Fund is not the same as placing funds on deposit with a bank or deposit-taking company. There is no obligation to redeem units at the offer value. The MPF Conservative Fund (or the approved pooled investment fund (“APIF”) in which it invests) is not subject to the supervision of the Hong Kong Monetary Authority.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.1 MPF Conservative Fund (continued)

(a) Investment objective

The investment objective of the MPF Conservative Fund is to achieve a rate of return higher than that available for savings deposits.

(b) Balance of investments

The MPF Conservative Fund shall be invested in an APIF (HSBC MPF “A” – MPF Conservative Fund) comprising entirely of high grade HKD denominated monetary instruments. Examples include treasury bills, bills of exchange, commercial paper, certificates of deposit or interbank deposits, and other ancillary investments allowed under the General Regulation. Such investments will have an average portfolio remaining maturity of not more than 90 days.

(c) Securities lending and repurchase agreements

The APIF held by the MPF Conservative Fund may not engage in securities lending nor enter into repurchase agreements as defined in the General Regulation.

(d) Futures and options

The APIF held by the MPF Conservative Fund may not acquire financial futures contracts and financial option contracts as defined in the General Regulation.

(e) Risks

Investments in the MPF Conservative Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risk, the details of which are in section 4 ‘Risks’:

- General risk factors

The MPF Conservative Fund does not guarantee the repayment of capital.

Fees and charges of an MPF Conservative Fund can be deducted from either (i) the assets of the fund or (ii) members’ account by way of unit deduction. This fund uses method (i) and, therefore, its unit prices, net asset value (NAV) or fund performance quoted have reflected the impact of fees and charges.

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.2 Guaranteed Fund

(a) Investment objective

The investment objective of the Guaranteed Fund is to achieve long-term capital growth with low volatility whilst ensuring that the Guarantee as defined in subsection (f) 'Guarantee features' below is met.

(b) Balance of investments

The Guaranteed Fund shall be invested in an insurance policy-based APIF (MPF Guaranteed Fund) issued by the Insurer, HSBC Life (International) Limited. The insurance policy-based APIF in turn invests in a unit trust-based APIF (HSBC MPF "A" – Mixed Asset Fund). Through such underlying investments, the Guaranteed Fund invests in a diversified portfolio that normally comprises global bonds, equities and cash. The investments shall be heavily weighted in cash and/or short-term bank deposits from time to time, if the Investment Manager considers it prudent to do so. The insurance policy-based APIF provides a guarantee, as more particularly described in subsection (f) 'Guarantee features' below.

Of the assets of the Guaranteed Fund, around zero per cent to 50 per cent will be indirectly invested in equities, around 20 per cent to 100 per cent will be indirectly invested in bonds and around zero per cent to 80 per cent will be indirectly held in cash. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

For efficient portfolio management, the portfolio of the APIF held by the Guaranteed Fund may invest in other investments as allowed under the applicable laws and regulations. Investments in the insurance policy-based APIF are held as the assets of the Insurer. Where the Insurer is liquidated, you may not have access to your investments temporarily or their value may be reduced. In this case, the Guarantee may not be available.

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the Guaranteed Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the Guaranteed Fund may acquire financial futures contracts and financial option contracts.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.2 Guaranteed Fund (continued)

(e) Investment restrictions

The investment held by the Guaranteed Fund (directly or indirectly) is subject to the applicable investment restrictions from time to time. The restrictions include, but is not limited to, the relevant investment and borrowing restrictions as described in Schedule 1 to the General Regulation.

(f) Guarantee features

There is a dilution of performance due to the guarantee structure of the Guaranteed Fund and its insurance policy, and a guarantee fee is payable to the Insurer.

Members investing in the Guaranteed Fund who do not hold their investments until the date or events where one of the Guarantee Conditions set out in this MPF Scheme Brochure is met are subject to market fluctuations and investment risks.

Details of the terms and conditions of the guarantee are set out in the Principal Brochure.

(g) Risks

Investments in the Guaranteed Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 'Risks':

- General risk factors
- Currency risk
- Risk on hedging transactions
- Interest rate risk
- Credit risk
- Financial derivatives risk
- Counterparty risk
- Risk of repurchase agreements and securities lending

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.3 Core Accumulation Fund

(a) Investment objective

The investment objective of the Core Accumulation Fund is to provide capital growth for the Members by investing in a globally diversified manner.

(b) Balance of investments

The Core Accumulation Fund shall invest in an APIF (HSBC MPF “A” – Core Accumulation Fund), which in turn invests in two or more underlying APIF(s) and/or Index-Tracking Collective Investment Scheme(s) (“ITCIS(s)”) as allowed under the General Regulation. The Core Accumulation Fund, through its underlying investments, will hold 60 per cent of its net assets in Higher Risk Assets, with the remainder investing in Lower Risk Assets. The asset allocation to Higher Risk Assets may vary between 55 per cent and 65 per cent due to differing price movements of various equity and bond markets. There is no prescribed allocation for investments in any specific countries or currencies.

The HSBC MPF “A” – Core Accumulation Fund adopts an active investment strategy. The Investment Adviser may, subject to the limits as set out above, allocate the assets among different underlying APIF(s) and/or ITCIS(s). The Investment Adviser may do so in such proportions as it shall, at its discretion, determine in response to various factors within the market environment for the best interest of the unitholders of the HSBC MPF “A” – Core Accumulation Fund. The underlying APIF(s) and/or ITCIS(s) may be actively managed or may adopt a passive management style against an index. There is no constraint restricting the Investment Adviser from investing in underlying collective investment schemes with any particular investment strategy. The Investment Adviser(s) of the underlying APIF(s) and/or ITCIS(s) in which the HSBC MPF “A” – Core Accumulation Fund invests may appoint one or more investment sub-advisers to manage the investment of the underlying APIF(s), and such investment sub-advisers may include members of the HSBC Group as well as non-HSBC Group entities.

For efficient portfolio management, the portfolio of the APIF held by the Core Accumulation Fund may invest in other investments as allowed under the applicable laws and regulations.

The Core Accumulation Fund will, through the investment of the HSBC MPF “A” – Core Accumulation Fund, maintain a minimum Hong Kong currency exposure of 30 per cent, as prescribed by the General Regulation.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.3 Core Accumulation Fund (continued)

(c) Securities lending and repurchase agreements

The Core Accumulation Fund itself will not engage in securities lending transactions nor enter into repurchase agreements. For efficient portfolio management, the portfolio of the APIF held by the Core Accumulation Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

The Core Accumulation Fund itself may not acquire financial futures contracts and financial option contracts. For efficient portfolio management, the portfolio of the APIF held by the Core Accumulation Fund may acquire financial futures contracts and financial option contracts (for hedging purposes only if acquired directly by the underlying APIF).

With effect from 12 August 2024:

The portfolio of the APIF held by the Core Accumulation Fund may acquire financial futures contracts and financial option contracts for hedging purposes. In addition, the portfolio of the APIF held by the Core Accumulation Fund may acquire financial futures contracts for purposes other than hedging. However, it may only do so for addressing any settlement mismatch with the securities market of underlying investments. In any event, such contracts can only be acquired in accordance with the General Regulation.

(e) Risks

The risk profile of the Core Accumulation Fund is medium. The Core Accumulation Fund aims to achieve a return corresponding to the return of the Reference Portfolio applicable to the Core Accumulation Fund. Investments in the Core Accumulation Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 'Risks':

- General risk factors
- Currency risk
- Risk on hedging transactions
- Interest rate risk
- Credit risk
- Financial derivatives risk
- Counterparty risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.3 Core Accumulation Fund (continued)

(e) Risks (continued)

- Risks relating to investments in an underlying ITCIS or an index-tracking APIF (“Index-Tracking Underlying Fund”)

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

1.4 Balanced Fund

(a) Investment objective

The investment objective of the Balanced Fund is to achieve medium to high capital growth with medium volatility.

(b) Balance of investments

The Balanced Fund shall be invested in an APIF (HSBC MPF “A” – Balanced Fund), which in turn invests in two or more underlying APIF(s) and/or ITCIS(s) as allowed under the General Regulation. Through such underlying investments, the Balanced Fund invests in a diversified portfolio that normally comprises global bonds and equities with heavier weighting in equities.

The Investment Adviser of the APIF in which the Balanced Fund invests is responsible to allocate the assets among different underlying APIF(s) and/or ITCIS(s) in such proportions as it shall, at its discretion, determine. The Investment Adviser(s) of the underlying APIF(s) and/or ITCIS(s) may appoint one or more investment sub-advisers to manage the investment of the underlying APIF(s) and/or ITCIS(s). Such investment sub-advisers may include members of the HSBC Group as well as non-HSBC Group entities.

Around 55 per cent to 85 per cent of the portfolio of the Balanced Fund will be indirectly invested in equities and equity-related investments. The remainder of the assets will be invested in deposits, debt securities and other investments as allowed under the General Regulation. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

For efficient portfolio management, the portfolio of the APIF held by the Balanced Fund may invest in other investments as allowed under the applicable laws and regulations.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.4 *Balanced Fund (continued)*

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the Balanced Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the Balanced Fund may acquire financial futures contracts and financial option contracts.

(e) Risks

The volatility of the Balanced Fund is higher than investments spread equally between global bonds and equities. Investments in the Balanced Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 'Risks':

- General risk factors
- Currency risk
- Risk on hedging transactions
- Interest rate risk
- Credit risk
- Financial derivatives risk
- Counterparty risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk
- Risks relating to investments in an Index-Tracking Underlying Fund

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

1.5 *Growth Fund*

(a) Investment objective

The investment objective of the Growth Fund is to achieve investment returns that maximise long-term capital growth potential with medium to high volatility.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.5 Growth Fund (continued)

(b) Balance of investments

The Growth Fund shall be invested in an APIF (HSBC MPF “A” – Growth Fund), which in turn invests in two or more underlying APIF(s) and/or ITCIS(s) as allowed under the General Regulation. Through such underlying investments, the Growth Fund invests in a diversified portfolio that normally comprises global equities, with an emphasis on Asian markets.

The Investment Adviser of the APIF in which the Growth Fund invests is responsible to allocate the assets among different underlying APIF(s) and/or ITCIS(s) in such proportions as it shall, at its discretion, determine. The Investment Adviser(s) of the underlying APIF(s) and/or ITCIS(s) may appoint one or more investment sub-advisers to manage the investment of the underlying APIF(s) and/or ITCIS(s). Such investment sub-advisers may include members of the HSBC Group as well as non-HSBC Group entities.

The investment portfolio indirectly held by the Growth Fund will comprise mainly of equities and equity-related investments. The portfolio may also include deposits, debt securities and other investments as allowed under the General Regulation up to 30 per cent of the NAV of the Growth Fund. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

For efficient portfolio management, the portfolio of the APIF held by the Growth Fund may invest in other investments as allowed under the applicable laws and regulations.

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the Growth Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the Growth Fund may acquire financial futures contracts and financial option contracts.

(e) Risks

The volatility of the Growth Fund is higher than investments spread more evenly in global equities. Investments in the Growth Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 ‘Risks’:

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.5 Growth Fund (continued)

(e) Risks (continued)

- General risk factors
- Currency risk
- Risk on hedging transactions
- Financial derivatives risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk
- Risks relating to investments in an Index-Tracking Underlying Fund

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

1.6 Hang Seng Index Tracking Fund

(a) Investment objective

The investment objective of the Hang Seng Index Tracking Fund is to match as closely as practicable the performance of the Hang Seng Index by investing directly in an ITCIS (Hang Seng Index Tracking Fund) with a similar investment objective. Whilst the investment objective of the Hang Seng Index Tracking Fund and the underlying ITCIS is to track the Hang Seng Index, there can be no assurance that the performance of the Hang Seng Index Tracking Fund and the underlying ITCIS will at any time be identical to the performance of the Hang Seng Index.

(b) Balance of investments

Information about the Hang Seng Index including the information on the respective weightings of stocks and the respective weightings of the top 10 largest constituent stocks of the Hang Seng Index can be obtained from www.hsi.com.hk/.

Also, information on the investment arrangement of the Hang Seng Index Tracking Fund can be found in www.hangsenginvestment.com/en-hk/individual-investor/our-products/?FundType=investment-funds.

(c) Securities lending and repurchase agreements

The underlying ITCIS will not engage in securities lending or enter into repurchase agreements.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.6 *Hang Seng Index Tracking Fund (continued)*

(d) Futures and options

The underlying ITCIS may acquire financial futures contracts and financial option contracts.

(e) Risks

Investments in the Hang Seng Index Tracking Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 'Risks':

- General risk factors
- Emerging markets risk
- Risk on hedging transactions
- Financial derivatives risk
- Risks relating to investments in an Index-Tracking Underlying Fund
- Specific risks on tracking the Underlying Index

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

1.7 *North American Equity Fund*

(a) Investment objective

The investment objective of the North American Equity Fund is to achieve long-term capital growth.

(b) Balance of investments

The North American Equity Fund shall be invested in an APIF (HSBC Pooled American Equity Fund). Through such underlying investments, the North American Equity Fund invests in a portfolio of carefully selected shares traded on stock exchanges in North America.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.7 North American Equity Fund (continued)

(b) Balance of investments (continued)

The Investment Adviser(s) and investment sub-adviser(s) appointed to manage the investments of the APIF held by the North American Equity Fund directly are members of the HSBC Group.

The investment portfolio indirectly held by the North American Equity Fund will comprise mainly of equities and equity-related investments. The portfolio may also include deposits, debt securities and other investments as allowed under the General Regulation up to 30 percent of the NAV of the North American Equity Fund. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

For efficient portfolio management, the portfolio of the APIF held by the North American Equity Fund may invest in other investments as allowed under the applicable laws and regulations.

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the North American Equity Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the North American Equity Fund may acquire financial futures contracts and financial option contracts.

With effect from 12 August 2024:

The portfolio of the APIF held by the North American Equity Fund may acquire financial futures contracts and financial option contracts for hedging purposes. In addition, the portfolio of the APIF held by the North American Equity Fund may acquire financial futures contracts for purposes other than hedging. However, it may only do so for addressing any settlement mismatch with the securities market of underlying investments. In any event, such contracts can only be acquired in accordance with the General Regulation.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.7 North American Equity Fund (continued)

(e) Risks

The volatility of the North American Equity Fund is higher than that of global security investments.

Investments in the North American Equity Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 'Risks':

- General risk factors
- Currency risk
- Risk on hedging transactions
- Financial derivatives risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

1.8 European Equity Fund

(a) Investment objective

The investment objective of the European Equity Fund is to achieve long-term capital growth.

(b) Balance of investments

The European Equity Fund shall be invested in an APIF (HSBC Pooled European Equity Fund). Through such underlying investments, the European Equity Fund invests in a portfolio of carefully selected shares traded on any of the eligible markets in the United Kingdom and in other continental European countries.

The Investment Adviser(s) and investment sub-adviser(s) appointed to manage the investments of the APIF held by the European Equity Fund directly are members of the HSBC Group.

The investment portfolio indirectly held by the European Equity Fund will comprise mainly of equities and equity-related investments. The portfolio may also include deposits, debt securities and other investments as allowed under the General Regulation up to 30 percent of the NAV of the European Equity Fund. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.8 European Equity Fund (continued)

(b) Balance of investments (continued)

For efficient portfolio management, the portfolio of the APIF held by the European Equity Fund may invest in other investments as allowed under the applicable laws and regulations.

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the European Equity Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the European Equity Fund may acquire financial futures contracts and financial option contracts.

With effect from 12 August 2024:

The portfolio of the APIF held by the European Equity Fund may acquire financial futures contracts and financial option contracts for hedging purposes. In addition, the portfolio of the APIF held by the European Equity Fund may acquire financial futures contracts for purposes other than hedging. However, it may only do so for addressing any settlement mismatch with the securities market of underlying investments. In any event, such contracts can only be acquired in accordance with the General Regulation.

(e) Risks

The volatility of the European Equity Fund is higher than that of global security investments.

Investments in the European Equity Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 ‘Risks’:

- General risk factors
- Currency risk
- Risk on hedging transactions
- Financial derivatives risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.8 *European Equity Fund (continued)*

(e) Risks (continued)

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

1.9 *Asia Pacific Equity Fund*

(a) Investment objective

The investment objective of the Asia Pacific Equity Fund is to achieve long-term capital growth.

(b) Balance of investments

The Asia Pacific Equity Fund shall be invested in an APIF (HSBC Pooled Asia Pacific ex Japan Equity Fund). Through such underlying investments, the Asia Pacific Equity Fund invests in an actively managed portfolio of carefully selected equity securities quoted on the regulated stock exchanges of the economies of Asia Pacific, excluding Japan.

The Investment Adviser(s) and (if any) investment sub-adviser(s) appointed to manage the investments of the APIF held by the Asia Pacific Equity Fund directly are members of the HSBC Group.

The investment portfolio indirectly held by the Asia Pacific Equity Fund will comprise mainly of equities and equity-related investments. The portfolio may also include deposits, debt securities and other investments as allowed under the General Regulation up to 30 percent of the NAV of the Asia Pacific Equity Fund. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

For efficient portfolio management, the portfolio of the APIF held by the Asia Pacific Equity Fund may invest in other investments as allowed under the applicable laws and regulations.

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the Asia Pacific Equity Fund may engage in securities lending and enter into repurchase agreements.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.9 Asia Pacific Equity Fund (continued)

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by this Asia Pacific Equity Fund may acquire financial futures contracts and financial option contracts.

(e) Risks

The volatility of the Asia Pacific Equity Fund is higher than that of global security investments. In addition, the risks inherent in the Asian markets are higher than that of developed markets.

Investments in the Asia Pacific Equity Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 ‘Risks’:

- General risk factors
- Emerging markets risk
- Currency risk
- Risk on hedging transactions
- Financial derivatives risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.10 Hong Kong and Chinese Equity Fund

(a) Investment objective

The investment objective of the Hong Kong and Chinese Equity Fund is to achieve long-term capital growth.

(b) Balance of investments

The Hong Kong and Chinese Equity Fund shall be invested in an APIF (HSBC Pooled Hong Kong Equity Fund). Through such underlying investments, the Hong Kong and Chinese Equity Fund primarily invests in a portfolio of carefully selected securities listed on the SEHK. The portfolio may be comprised of those Hong Kong-listed Chinese equities (including H-shares, red-chips and securities issued by companies deriving a preponderant part of their income and/or assets from mainland China) and other securities listed on the SEHK. A portion of the investment portfolio indirectly held by the Hong Kong and Chinese Equity Fund may hold securities issued by companies deriving a preponderant part of their income and/or assets from Hong Kong and/or mainland China that are listed on other stock exchanges.

The Investment Adviser(s) and (if any) investment sub-adviser(s) appointed to manage the investments of the APIF held by the Hong Kong and Chinese Equity Fund directly are members of the HSBC Group.

The investment portfolio indirectly held by the Hong Kong and Chinese Equity Fund will comprise mainly of equities and equity-related investments. The portfolio may also include deposits, debt securities and other investments as allowed under the General Regulation up to 30 per cent of the NAV of the Hong Kong and Chinese Equity Fund.

It is expected that within the portfolio's equity and equity-related investments, around 10 per cent to 75 per cent may invest in Chinese equities and around 25 per cent to 90 per cent may invest in other equities listed in Hong Kong and/or equities deriving a preponderant part of their income and/or assets from Hong Kong. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

For efficient portfolio management, the portfolio of the APIF held by the Hong Kong and Chinese Equity Fund may invest in other investments as allowed under the applicable laws and regulations.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.10 Hong Kong and Chinese Equity Fund (continued)

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the Hong Kong and Chinese Equity Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the Hong Kong and Chinese Equity Fund may acquire financial futures contracts and financial option contracts.

(e) Risks

The volatility of the Hong Kong and Chinese Equity Fund is higher than that of global or regional security investments.

Investments in the Hong Kong and Chinese Equity Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 'Risks':

- General risk factors
- Emerging markets risk
- Risk on hedging transactions
- Financial derivatives risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.11 Global Bond Fund

(a) Investment objective

The investment objective of the Global Bond Fund is to achieve stable capital growth with low volatility.

(b) Balance of investments

The Global Bond Fund shall be invested in an APIF (HSBC MPF “A” – Global Bond Fund). The APIF in turn invests in two or more underlying APIF(s) and/or ITCIS(s) as allowed under the General Regulation. Through such underlying investments, the Global Bond Fund primarily invests in a portfolio of carefully selected global fixed-income securities. The Investment Adviser(s) and investment sub-adviser(s) appointed to manage the investments of the APIF(s) directly or indirectly held by the Global Bond Fund are members of the HSBC Group.

The investment portfolio indirectly held by this Global Bond Fund will comprise mainly the fixed and floating rate debt securities. Up to around 10 per cent of these debt securities will have maturity periods of one year or less. The remaining debt securities will have maturity periods of over one year. The portfolio may also include deposits and other investments as allowed under the General Regulation up to 30 per cent of the NAV of the Global Bond Fund. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

For efficient portfolio management, the portfolio of the APIF held by the Global Bond Fund may invest in other investments as allowed under the applicable laws and regulations.

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the Global Bond Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the Global Bond Fund may acquire financial futures contracts and financial option contracts.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.11 Global Bond Fund (continued)

(e) Risks

Investments in the Global Bond Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 ‘Risks’:

- General risk factors
- Currency risk
- Risk on hedging transactions
- Interest rate risk
- Credit risk
- Financial derivatives risk
- Counterparty risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk
- Risks relating to investments in an Index-Tracking Underlying Fund

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.12 Age 65 Plus Fund

(a) Investment objective

The investment objective of the Age 65 Plus Fund is to provide stable growth for the Members' retirement savings by investing in a globally diversified manner.

(b) Balance of investments

The Age 65 Plus Fund shall be invested in an APIF (HSBC MPF "A" – Age 65 Plus Fund), which in turn invests in two or more underlying APIF(s) and/or ITCIS(s) as allowed under the General Regulation. The Age 65 Plus Fund, through its underlying investments, will hold 20 per cent of its assets in Higher Risk Assets, with the remainder investing in Lower Risk Assets. The asset allocation to Higher Risk Assets may vary between 15 per cent and 25 per cent due to differing price movements of various equity and bond markets. There is no prescribed allocation for investments in any specific countries or currencies.

The HSBC MPF "A" – Age 65 Plus Fund adopts an active investment strategy. The Investment Adviser may, subject to the limits as set out above, allocate the assets among different underlying APIF(s) and/or ITCIS(s). The Investment Adviser may do so in such proportions as it shall, at its discretion, determine in response to various factors within the market environment for the best interest of the unitholders of the HSBC MPF "A" – Age 65 Plus Fund. The underlying APIF(s) and/or ITCIS(s) may be actively managed or may adopt a passive management style against an index. There is no constraint restricting the Investment Adviser from investing in underlying collective investment schemes with any particular investment strategy. The Investment Adviser(s) of the underlying APIF(s) and/or ITCIS(s) in which the HSBC MPF "A" – Age 65 Plus Fund invests may appoint one or more investment sub-advisers to manage the investment of the underlying APIF(s). Such investment sub-advisers may include members of the HSBC Group as well as non-HSBC Group entities.

For efficient portfolio management, the portfolio of the APIF held by the Age 65 Plus Fund may invest in other investments as allowed under the applicable laws and regulations.

The Age 65 Plus Fund will, through the investment of the HSBC MPF "A" – Age 65 Plus Fund, maintain a minimum Hong Kong currency exposure of 30 per cent, as prescribed by the General Regulation.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.12 Age 65 Plus Fund (continued)

(c) Securities lending and repurchase agreements

The Age 65 Plus Fund itself will not engage in securities lending transactions nor enter into repurchase agreements.

For efficient portfolio management, the portfolio of the APIF held by the Age 65 Plus Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

The Age 65 Plus Fund itself may not acquire financial futures contracts and financial option contracts. For efficient portfolio management, the portfolio of the APIF held by the Age 65 Plus Fund may acquire financial futures contracts and financial option contracts (for hedging purposes only if acquired directly by the underlying APIF).

With effect from 12 August 2024:

The portfolio of the APIF held by the Age 65 Plus Fund may acquire financial futures contracts and financial option contracts for hedging purposes. In addition, the portfolio of the APIF held by the Age 65 Plus Fund may acquire financial futures contracts for purposes other than hedging. However, it may only do so for addressing any settlement mismatch with the securities market of underlying investments. In any event, such contracts can only be acquired in accordance with the General Regulation.

(e) Risks

The risk profile of the Age 65 Plus Fund is low. The Age 65 Plus Fund aims to achieve a return corresponding to the return of the Reference Portfolio applicable to the Age 65 Plus Fund.

Investments in the Age 65 Plus Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 ‘Risks’:

- General risk factors
- Currency risk
- Risk on hedging transactions
- Interest rate risk
- Credit risk
- Financial derivatives risk
- Counterparty risk

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.12 Age 65 Plus Fund (continued)

(e) Risks (continued)

- Risk of repurchase agreements and securities lending
- Multi-manager risk
- Risks relating to investments in an Index-Tracking Underlying Fund

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

1.13 Stable Fund

(a) Investment objective

The investment objective of the Stable Fund is to achieve stable capital growth with low volatility.

(b) Balance of investments

The Stable Fund shall be invested in an APIF (HSBC MPF “A” – Stable Fund), which in turn invests in two or more underlying APIF(s) and/or ITCIS(s) as allowed under the General Regulation. Through such underlying investments, the Stable Fund invests in a diversified portfolio that normally comprises global bonds and equities with heavier weighting in bonds.

The Investment Adviser of the APIF in which the Stable Fund invests is responsible to allocate the assets among different underlying APIF(s) and/or ITCIS(s) in such proportions as it shall, at its discretion, determine. The Investment Adviser(s) of the underlying APIF(s) and/or ITCIS(s) may appoint one or more investment sub-advisers to manage the investment of the underlying APIF(s) and/or ITCIS(s). Such investment sub-advisers may include members of the HSBC Group as well as non-HSBC Group entities.

Around 55 per cent to 85 per cent of the portfolio of the Stable Fund will be indirectly invested in debt securities, bonds and deposits. The remainder of the assets will be invested in equities and other investments as allowed under the General Regulation. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

For efficient portfolio management, the portfolio of the APIF held by the Stable Fund may invest in other investments as allowed under the applicable laws and regulations.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.13 Stable Fund (continued)

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the Stable Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the Stable Fund may acquire financial futures contracts and financial option contracts.

(e) Risks

Investments in the Stable Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 ‘Risks’:

- General risk factors
- Currency risk
- Risk on hedging transactions
- Interest rate risk
- Credit risk
- Financial derivatives risk
- Counterparty risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk
- Risks relating to investments in an Index-Tracking Underlying Fund

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.14 Chinese Equity Fund

(a) Investment objective

The investment objective of the Chinese Equity Fund is to achieve long-term capital growth.

(b) Balance of investments

The Chinese Equity Fund shall be invested in an APIF (HSBC Pooled Chinese Equity Fund). Through such underlying investments, the Chinese Equity Fund primarily invests in a portfolio of carefully selected securities issued by companies deriving a preponderant part of their income and/or assets from mainland China and listed on the SEHK, including but not limited to H-shares and red-chips. Up to 30 per cent of the non-cash assets of the investment portfolio indirectly held by the Chinese Equity Fund may hold securities issued by companies deriving a preponderant part of their income and/or assets from mainland China that are listed on other stock exchanges.

The Investment Adviser(s) and (if any) investment sub-adviser(s) appointed to manage the investments of the APIF held by the Chinese Equity Fund directly are members of the HSBC Group.

The investment portfolio indirectly held by the Chinese Equity Fund will comprise mainly of equities and equity-related investments. The portfolio may also include deposits, debt securities and other investments as allowed under the General Regulation up to 30 per cent of the NAV of the Chinese Equity Fund. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

For efficient portfolio management, the portfolio of the APIF held by the Chinese Equity Fund may invest in other investments as allowed under the applicable laws and regulations.

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the Chinese Equity Fund may engage in securities lending and enter into repurchase agreements.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.14 Chinese Equity Fund (continued)

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the Chinese Equity Fund may acquire financial futures contracts and financial option contracts.

(e) Risks

The volatility of the Chinese Equity Fund is higher than that of global or regional security investments. In addition, the risks inherent in Chinese equities are higher than that of developed markets.

Investments in the Chinese Equity Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 ‘Risks’:

- General risk factors
- Emerging markets risk
- Risk on hedging transactions
- Financial derivatives risk
- Risk of repurchase agreements and securities lending

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

1.15 Global Equity Fund

(a) Investment objective

The investment objective of the Global Equity Fund is to achieve long-term capital growth.

(b) Balance of investments

The Global Equity Fund shall be invested in an APIF (HSBC Pooled Global Equity Fund). Through such underlying investments, the Global Equity Fund primarily invests in a portfolio of carefully selected shares traded on stock exchanges in global markets.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.15 Global Equity Fund (continued)

(b) Balance of investments (continued)

The Investment Adviser(s) and investment sub-adviser(s) appointed to manage the investments of the APIF held by the Global Equity Fund directly are members of the HSBC Group.

The investment portfolio indirectly held by the Global Equity Fund will comprise mainly of equities and equity-related investments traded on stock exchanges in global markets. The portfolio may also include deposits, debt securities and other investments as allowed under the General Regulation up to 30 per cent of the NAV of the Global Equity Fund. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

For efficient portfolio management, the portfolio of the APIF held by the Global Equity Fund may invest in other investments as allowed under the applicable laws and regulations.

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the Global Equity Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the Global Equity Fund may acquire financial futures contracts and financial option contracts.

With effect from 12 August 2024:

The portfolio of the APIF held by the Global Equity Fund may acquire financial futures contracts and financial option contracts for hedging purposes. In addition, the portfolio of the APIF held by the Global Equity Fund may acquire financial futures contracts for purposes other than hedging. However, it may only do so for addressing any settlement mismatch with the securities market of underlying investments. In any event, such contracts can only be acquired in accordance with the General Regulation.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.15 Global Equity Fund (continued)

(e) Risks

The volatility of the Global Equity Fund is higher than investments spread equally between global bonds and equities or investments in developed markets.

Investments in the Global Equity Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 ‘Risks’:

- General risk factors
- Currency risk
- Risk on hedging transactions
- Financial derivatives risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.16 Hang Seng China Enterprises Index Tracking Fund

(a) Investment objective

The investment objective of the Hang Seng China Enterprises Index Tracking Fund is to match as closely as practicable the performance of the Hang Seng China Enterprises Index by investing directly in an ITCIS (Hang Seng China Enterprises Index ETF) with a similar investment objective. Whilst the investment objective of the Hang Seng China Enterprises Index Tracking Fund and the underlying ITCIS is to track the Hang Seng China Enterprises Index, there can be no assurance that the performance of the Hang Seng China Enterprises Index Tracking Fund and the underlying ITCIS will at any time be identical to the performance of the Hang Seng China Enterprises Index.

(b) Balance of investments

Information about the Hang Seng China Enterprises Index including the information on the respective weightings of stocks and the respective weightings of the top 10 largest constituent stocks of the Hang Seng China Enterprises Index can be obtained from www.hsi.com.hk.

Also, information on the investment arrangement of the Hang Seng China Enterprises Index ETF can be found in www.hangsenginvestment.com/en-hk/hsvm/products/etf/.

(c) Securities lending and repurchase agreements

The underlying ITCIS will not engage in securities lending or enter into repurchase agreements.

(d) Futures and options

The underlying ITCIS may acquire financial futures contracts and financial option contracts.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.16 Hang Seng China Enterprises Index Tracking Fund (continued)

(e) Risks

Investments in the Hang Seng China Enterprises Index Tracking Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 'Risks':

- General risk factors
- Emerging markets risk
- Risk on hedging transactions
- Financial derivatives risk
- Risks relating to investments in an Index-Tracking Underlying Fund
- Risks associated with investments in the Hang Seng China Enterprises Index ETF (ie the ITCIS held by Hang Seng China Enterprises Index Tracking Fund)
- Specific risks on tracking the Underlying Index

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.17 ValueChoice Asia Pacific Equity Tracker Fund

(a) Investment objective

The investment objective of the ValueChoice Asia Pacific Equity Tracker Fund is to match as closely as practicable the performance of the FTSE MPF Asia Pacific ex Japan Hedged Index by investing directly in an APIF (HSBC Pooled Asia Pacific ex Japan Equity Index Tracking Fund) with a similar investment objective.

(b) Balance of investments

The ValueChoice Asia Pacific Equity Tracker Fund shall be invested in an APIF (HSBC Pooled Asia Pacific ex Japan Equity Index Tracking Fund). Through such underlying investments, the ValueChoice Asia Pacific Equity Tracker Fund invests in a portfolio that mainly comprises equity securities quoted on the regulated stock markets in the economies of Asia Pacific, excluding Japan, as permitted under the General Regulation. The main markets of investment include, but are not limited to: Australia, mainland China, Hong Kong, India, Korea, Malaysia, New Zealand, Singapore, Taiwan and Thailand.

The investment portfolio comprises mainly equities. The investment sub-adviser of the APIF in which the ValueChoice Asia Pacific Equity Tracker Fund invests intends to invest primarily in securities included in the FTSE MPF Asia Pacific ex Japan Hedged Index using a physical replication strategy. Information on the FTSE MPF Asia Pacific ex Japan Hedged Index can be found in FTSE Russell website www.ftserussel.com. The investments of the APIF may hold securities that are not included in the FTSE MPF Asia Pacific ex Japan Hedged Index as permitted under the General Regulation.

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice Asia Pacific Equity Tracker Fund may invest in other investments as allowed under the applicable laws and regulations.

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice Asia Pacific Equity Tracker Fund may engage in securities lending and enter into repurchase agreements.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.17 ValueChoice Asia Pacific Equity Tracker Fund (continued)

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice Asia Pacific Equity Tracker Fund may acquire financial futures contracts and financial option contracts.

(e) Risks

In general, the volatility of the ValueChoice Asia Pacific Equity Tracker Fund is higher than that of funds which invest in developed markets or in a number of continents or regions.

Investments in the ValueChoice Asia Pacific Equity Tracker Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 'Risks':

- General risk factors
- Emerging markets risk
- Currency risk
- Risk on hedging transactions
- Financial derivatives risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk
- Risks relating to investments in an Index-Tracking Underlying Fund

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.18 ValueChoice Balanced Fund

(a) Investment objective

The investment objective of the ValueChoice Balanced Fund is to achieve long term capital growth.

(b) Balance of investments

The ValueChoice Balanced Fund shall be invested in an APIF (HSBC MPF 'A' – VC Balanced Fund), which in turn primarily invests in two or more ITCIS(s) and/or index-tracking APIF(s) as allowed under the General Regulation. Through such underlying investments, the ValueChoice Balanced Fund invests in a diversified portfolio that normally comprises global bonds and equities with heavier weighting in equities.

The Investment Adviser of the APIF in which the ValueChoice Balanced Fund invests is responsible to allocate the assets among different underlying APIF(s) and/or ITCIS(s).

Around 60 per cent to 80 per cent of the portfolio of the ValueChoice Balanced Fund will be indirectly invested in equities and equity-related investments. The remainder of the assets will be invested in deposits, debt securities and other investments as allowed under the General Regulation. The intended asset allocation above is for indication only and may be changed as and when the Investment Manager considers appropriate.

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice Balanced Fund may invest in other investments as allowed under the applicable laws and regulations.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.18 ValueChoice Balanced Fund (continued)

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice Balanced Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice Balanced Fund may acquire financial futures contracts and financial option contracts.

(e) Risks

The volatility of the ValueChoice Balanced Fund is higher than investments spread equally between global bonds and equities.

Investments in the ValueChoice Balanced Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 'Risks':

- General risk factors
- Currency risk
- Risk on hedging transactions
- Interest rate risk
- Credit risk
- Financial derivatives risk
- Counterparty risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk
- Risks relating to investments in an Index-Tracking Underlying Fund

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.19 ValueChoice Europe Equity Tracker Fund

(a) Investment objective

The investment objective of the ValueChoice Europe Equity Tracker Fund is to match as closely as practicable the performance of the FTSE MPF Europe Hedged Index by investing directly in an APIF (HSBC Pooled Europe Equity Index Tracking Fund) with a similar investment objective.

(b) Balance of investments

The ValueChoice Europe Equity Tracker Fund shall be invested in an APIF (HSBC Pooled Europe Equity Index Tracking Fund). Through such underlying investments, the ValueChoice Europe Equity Tracker Fund invests in a portfolio that mainly comprises Europe equity securities quoted on the regulated stock markets as permitted under the General Regulation.

The investment portfolio comprises mainly equities. The investment sub-adviser of the APIF in which the ValueChoice Europe Equity Tracker Fund invests intends to invest primarily in securities included in the FTSE MPF Europe Hedged Index using a physical replication strategy. Information on the FTSE MPF Europe Hedged Index can be found in FTSE Russell website. www.ftserussel.com. The investments of the APIF may hold securities that are not included in the FTSE MPF Europe Hedged Index as permitted under the General Regulation.

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice Europe Equity Tracker Fund may invest in other investments as allowed under the applicable laws and regulations.

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice Europe Equity Tracker Fund may engage in securities lending and enter into repurchase agreements.

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice Europe Equity Tracker Fund may acquire financial futures contracts and financial option contracts.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.19 ValueChoice Europe Equity Tracker Fund (continued)

(d) Futures and options (continued)

With effect from 12 August 2024:

The portfolio of the APIF held by the ValueChoice Europe Equity Tracker Fund may acquire financial futures contracts and financial option contracts for hedging purposes. In addition, the portfolio of the APIF held by the ValueChoice Europe Equity Tracker Fund may acquire financial futures contracts for purposes other than hedging. However, it may only do so for addressing any settlement mismatch with the securities market of underlying investments. In any event, such contracts can only be acquired in accordance with the General Regulation.

(e) Risks

The volatility of the ValueChoice Europe Equity Tracker Fund is higher than that of funds which invest in a number of continents or regions.

Investments in the ValueChoice Europe Equity Tracker Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 'Risks':

- General risk factors
- Currency risk
- Risk on hedging transactions
- Financial derivatives risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk
- Risks relating to investments in an Index-Tracking Underlying Fund

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.20 ValueChoice North America Equity Tracker Fund

(a) Investment objective

The investment objective of the ValueChoice North America Equity Tracker Fund is to match as closely as practicable the performance of the FTSE MPF North America Hedged Index by investing directly in an APIF (HSBC Pooled North America Equity Index Tracking Fund) with a similar investment objective.

(b) Balance of investments

The ValueChoice North America Equity Tracker Fund shall be invested in an APIF (HSBC Pooled North America Equity Index Tracking Fund). Through such underlying investments, the ValueChoice North America Equity Tracker Fund invests in a portfolio that mainly comprises North American equity securities quoted on the regulated stock markets as permitted under the General Regulation.

The investment portfolio comprises mainly equities. The investment sub-adviser of the APIF in which the ValueChoice North America Equity Tracker Fund invests intends to invest primarily in securities included in the FTSE MPF North America Hedged Index using a physical replication strategy. Information on the FTSE MPF North America Hedged Index can be found in FTSE Russell website www.ftserussell.com. The investments of the APIF may hold securities that are not included in the FTSE MPF North America Hedged Index as permitted under the General Regulation.

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice North America Equity Tracker Fund may invest in other investments as allowed under the applicable laws and regulations.

(c) Securities lending and repurchase agreements

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice North America Equity Tracker Fund may engage in securities lending and enter into repurchase agreements.

Investment report for the year ended 30 June 2024 (continued)

1. Statement of investment objective and policies (continued)

1.20 ValueChoice North America Equity Tracker Fund (continued)

(d) Futures and options

For efficient portfolio management, the portfolio of the APIF held by the ValueChoice North America Equity Tracker Fund may acquire financial futures contracts and financial option contracts.

With effect from 12 August 2024:

The portfolio of the APIF held by the ValueChoice North America Equity Tracker Fund may acquire financial futures contracts and financial option contracts for hedging purposes. In addition, the portfolio of the APIF held by the ValueChoice North America Equity Tracker Fund may acquire financial futures contracts for purposes other than hedging. However, it may only do so for addressing any settlement mismatch with the securities market of underlying investments. In any event, such contracts can only be acquired in accordance with the General Regulation.

(e) Risks

The volatility of the ValueChoice North America Equity Tracker Fund may be higher than that of funds which invest in a number of continents or regions.

Investments in the ValueChoice North America Equity Tracker Fund are subject to market fluctuations and investment risks. Members should, in particular, be aware of the following risks, details of which are in section 4 'Risks':

- General risk factors
- Currency risk
- Risk on hedging transactions
- Financial derivatives risk
- Risk of repurchase agreements and securities lending
- Multi-manager risk
- Risks relating to investments in an Index-Tracking Underlying Fund

There was no change in the statement of investment objective and policies during the period of this report that will materially affect the risk attached to the investments of the fund.

Investment report for the year ended 30 June 2024 (continued)

2. Investment Manager's Market Review and outlook for the year ended 30 June 2024

What has happened so far this year

We have had negative returns from core fixed income markets due to a reset in interest rate expectations.

Expected rate cuts in the U.S., along with Europe and the U.K., are now less than a third of what were they were at the end of last year. This has had a big effect on returns for U.S. Treasury bonds and high-quality corporate bonds – given that bond prices rise when interest rates fall, and vice versa.

Global stocks on the other hand, have been driven more by megatrends, such as AI and technology. We've also seen some broadening out, as growth and corporate profits have proven to be resilient following the fastest interest rate hiking cycle since the 1980s.

In emerging markets, we have seen a bit of a reversal – especially since the start of the second quarter. China has rebounded, outperforming India, and Asia has been the strongest region, with Latin America lagging.

The direction of the US dollar will be an important factor for emerging markets assets ahead, with any weakening a potential tailwind. While dollar strength has continued, it's now off of its highs, which may have been a peak if rate cuts from the Federal Reserve materialise.

What is next for the economy

Sticky inflation was a problem for western economies early in the year, sparking the reset in interest rate expectations. However, we see growing evidence that inflation is gradually unsticking itself.

Our baseline scenario ahead is for a 'soft-ish' landing:

- Gradual weakening of growth and labour markets, easing inflation.
- Fed to cut rates twice this year, with a severe recession or 'hard landing' avoided.
- Not quite as positive an outcome as the golden path, which aligns with current market pricing and relies on factors such as AI boosting productivity.

Why emerging markets can assume leadership

A soft-ish landing should support further broadening out of market performance. In this scenario, less expensive international stocks can take up leadership from the U.S. We think emerging markets, where growth has been a bright spot, can perform well.

Investment report for the year ended 30 June 2024 (continued)

2. Investment Manager's Market Review and outlook for the year ended 30 June 2024 (continued)

Why emerging markets can assume leadership (continued)

The economic power shift towards Asia and emerging markets is becoming more pronounced. India, for instance, remains the fastest growing major economy in the world. A good mix of growth and disinflation, strong profits, a young and growing population, plus megatrends around the digital economy and infrastructure bode well for longer-term performance.

Separately, there are clear challenges to growth in developed markets. A reliance on inexpensive labour and raw materials was helped by the trend of globalisation over past decades. Although not completely reversing, this trend has stalled into what can now be described as 'slowbalisation'.

Supply limitations could result in higher inflation and lower potential output in the years ahead. As protectionist measures rise, investors must recalibrate their strategies to account for heightened volatility and divergent country dynamics. This is a key part of our defensive growth positioning, in which total returns from bonds play an important role.

Pursuing 'defensive growth'

Even with a soft-ish landing, the combination of cooling demand, weaker profits and modest rate cuts could be a tricky situation for risk markets to navigate.

Although the extent of the rate-cutting path through to the end of the year is uncertain – and will be more modest than expected at the start of the year – the procession of rate cuts that has already started in several markets will gain steam.

This means that interest gained on cash is set to diminish. Bonds, on the other hand, will benefit from capital appreciation as interest rates decline. Locking in the high yields on offer with potential capital appreciation ahead presents a compelling option for putting cash to work, while maintaining some protection should economies and risk assets stumble.

Looking longer term, geopolitical factors look set to increasingly influence market dynamics. We have recently seen volatility flare up after elections in both developed and emerging markets. The upcoming U.S. election could bring more, while a new multi-polar world – one in which global powers increasingly jockey for control – has meant less global cooperation, with negative implications for supply chains and growth dynamics.

This signals a shift to an era with more volatile inflation, lower potential growth and inconsistent stock/bond correlations.

Investment report for the year ended 30 June 2024 (continued)

2. Investment Manager's Market Review and outlook for the year ended 30 June 2024 (continued)

Portfolios taking shape

Return of fixed income

U.S. treasuries and U.K. gilts look appealing, and should growth deteriorate and result in a more aggressive pivot by central banks, impressive returns could be realised. Yields and total return potential is also relatively high in investment grade and high-yield bonds, while resilient growth and corporate balance sheets are keeping default projections contained.

Emerging markets bonds have shown impressive resilience in the face of higher-for-longer interest rates, China growth challenges and a stronger dollar. We expect emerging market central banks in Latin America and Europe to continue leading the global easing cycle, supporting our positive view. However, divergence in central bank policies means assessment of currency risks and rate differentials is important.

We expect modest dollar depreciation in the second half of the year, which is broadly supportive for emerging market assets, and Asia in particular.

Divergence in equities

U.S. outperformance has led to high valuations, with a scenario better than a soft-landing priced in. Today's opportunity looks to be more in international stocks. In Europe, profits growth expectations look beatable, where stocks are trading at a price-to-earnings discount more than twice the historic norm.

In emerging markets, we emphasise Asia with its encouraging growth outlook. Importantly, given the potential for increasing economic divergence that we have highlighted, emerging market stocks also offer diversification benefits to portfolios.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee

The Trustee adopts a proactive role in monitoring and assessing the overall investment performance both qualitatively and quantitatively on a regular basis. During the financial year, the Trustee had requested the Investment Manager to provide ongoing performance update, including but not limited to:

- Provide a performance attribution analysis
- Provide a deep dive to their investment strategy
- Assesses the overall performance and capabilities of investment managers against the assessment criteria with the support from appointed external Investment Consultant

The Trustee will continue to closely monitor the performance of the Fund and will discuss with the Investment Manager on any mitigation action to be taken on those underperformed funds.

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
MPF Conservative Fund				
<i>Launch date: 01 December 2000</i>	4.12	1.44	0.81	1.21
Benchmark				
<i>MPF Prescribed Savings Rates for Cap Preservation</i>	0.87	0.26	0.14	0.42
Deviation from the benchmark	3.25	1.18	0.67	0.79

Trustee commentary on performance

The fund outperformed the benchmark over 1-year period as well as 5-year, 10-year and since launch periods.

Liquidity in Hong Kong remained tight over the financial period ended 30 June 2024 as aggregate balance continued to stay at the lowest level since 2008 at HKD45 billion. Meanwhile the US Fed kept the policy rate elevated in the 5.25%-5.50% range over the review period. Therefore, following the US Fed, the Hong Kong Monetary Authority also kept the base rate at 5.75% over the review period. The HIBOR curve was broadly supported on the back of elevated US policy rate and tighter funding in the Hong Kong banking system. Rates in the deposits and credit space broadly followed the move in higher funding costs. This has supported the portfolio's yield, as well as performance relative to the benchmark.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
Guaranteed Fund				
<i>Launch date: 01 December 2000</i>	2.45	-0.59	-0.39	0.02
Benchmark				
<i>FER Adjusted - 5% Customized FTSE MPF HK + 38% Markit iboxx ALBI Hong Kong + 57% 1-month HIBOR^{2,3}</i>	2.46	-0.67	-0.52	0.36
Deviation from the benchmark	-0.01	0.08	0.13	-0.34

Trustee commentary on performance

The fund performed on par with the benchmark over 1-year period and outperformed the benchmark in 5-year and 10-year periods but underperformed it in since launch period.

During the financial period ended 30 June 2024, the fund achieved positive return driven by favorable market sentiment in the equity markets. Global equities achieved positive return and contributed to the portfolio driven by the strong performance of technology stocks. On the fixed income side, global government bond contributed positively due to the ongoing market expectation towards interest rate cut.

On a relative basis, the fund slightly underperformed the benchmark due to the unfavorable selection within North American equities.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch (since 01 April 2017) ¹
Core Accumulation Fund				
<i>Launch date: 01 December 2000</i>	11.35	6.36	-	6.12
Benchmark				
<i>Willis Towers Watson MPF DIS Reference Portfolio – Core Accumulation Fund</i>	10.90	5.47	-	5.73
Deviation from the benchmark	0.45	0.89	-	0.39
Trustee commentary on performance	The fund outperformed the Reference Portfolio in 1-year, 5-year and since launch periods.			

During the financial period ended 30 June 2024, the fund generated positive return as the majority of allocation was in global equities to achieve its long-term capital growth investment objective. Global equities posted positive return driven by the gains seen in technology stocks as investor enthusiasm over artificial intelligence theme continued to accelerate. On the fixed income front, global government bonds contributed positively to the portfolio thanks to the softer-than-expected economic data and ongoing expectation of interest rate cut.

On a relative basis, the fund outperformed the Reference Portfolio due to the overweight position in Asian bonds. With a shorter duration, Asian bonds were less negatively impacted by the rising interest rates in the US.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
Balanced Fund				
<i>Launch date: 01 December 2000</i>	5.63	2.67	2.83	3.43
Benchmark				
<i>FER Adjusted - Willis Towers Watson MPF BM (Equity 60%-80%)^{2,4}</i>	5.08	1.63	2.38	3.58
Deviation from the benchmark	0.55	1.04	0.45	-0.15

Trustee commentary on performance

The fund outperformed the benchmark in 1-year, 5-year and 10-year periods but underperformed it in since launch period.

During the financial period ended 30 June 2024, the fund achieved positive return with global equities being the top contributor. In terms of equities, North American equities was the top contributor attributable to the technology rally and surging global demand for artificial intelligence development. On the other hand, China was the worst performing market owing to the uncertain market sentiments towards the property markets. On the fixed income side, Asian bond led in gains thanks to the supportive market measure in Asian countries and the ongoing interest rate cut expectation from major central banks.

On a relative basis, the fund outperformed the benchmark thanks to the positive stock selection effect in Hong Kong equities.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
Growth Fund				
<i>Launch date: 01 December 2000</i>	7.12	3.66	3.50	3.68
Benchmark				
<i>FER Adjusted - Willis Towers Watson MPF BM (Equity > 80%)^{2,4}</i>	6.81	2.90	3.36	4.05
Deviation from the benchmark	0.31	0.76	0.14	-0.37

Trustee commentary on performance

The fund outperformed the benchmark in 1-year, 5-year and 10-year periods but underperformed it in since launch period.

During the financial period ended 30 June 2024, the fund achieved positive return, and global equities was the top contributor. Within equities, North American equities contributed the most thanks to ongoing market optimism towards artificial intelligence theme. On the other hand, Chinese equities were amongst the worst performing market due to concerns toward the property markets. On the fixed income side, Asian bond was the top contributor driven by the ongoing interest rate cut expectation from major central banks.

On a relative basis, the fund outperformed the benchmark thanks to the favorable stock selection effect in Hong Kong equities.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
Hang Seng Index Tracking Fund				
<i>Launch date: 01 December 2000</i>	-3.07	-6.80	-0.15	2.95
Benchmark				
<i>FER Adjusted - Hang Seng Index Total Return (Net)²</i>	-3.16	-6.92	-0.18	2.93
Deviation from the benchmark	0.09	0.12	0.03	0.02

Trustee commentary on performance

The fund outperformed the benchmark over 1-year and 5-year periods and performed on par with the benchmark over 10-year and since launch periods.

During the financial period ended 30 June 2024, the fund outperformed the benchmark by 0.09%. The fund invests in the underlying ITCIS, Hang Seng Index Tracking Fund. The outperformance over 1 year was primarily attributed to the cash drag effect during market decline, which positively contributed to the fund's tracking performance.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
North American Equity Fund				
<i>Launch date: 01 December 2000</i>	20.44	12.78	10.11	4.90
Benchmark				
<i>FER Adjusted - FTSE MPF North America (35% HKD Hedged)²</i>	21.28	12.64	10.21	5.58
Deviation from the benchmark	-0.84	0.14	-0.10	-0.68
Trustee commentary on performance	The fund underperformed the benchmark in 1-year, 10-year and since launch periods, but outperformed the benchmark in 5-year period.			

During the financial period ended 30 June 2024, the fund's exposure to Styles contributed to performance. On a portfolio level, the exposures to Value, Quality and Industry Momentum contributed to performance, while the exposures to Size and Low Risk weighed on performance. On an industry basis, the overweight exposure to Insurance coupled with the underweight exposures to Food, Beverage & Tobacco and Pharmaceuticals, Biotechnology & Life Sciences contributed to performance. Conversely, the overweight exposures to Automobiles & Components and Health Care Equipment & Services coupled with the underweight exposure to Banks weighed on performance.

There have been no major changes to the investment process over the last 12-month and the investment managers continue to follow a model-driven process. At a portfolio level, the investment managers continue to follow a diversified approach across the core factors which drive asset returns in the long term, including Value, Quality, Industry Momentum, Low Risk and Size. Amidst geopolitical uncertainty and recession risks, the investment managers will continue to maintain a cautious approach and monitor the model dynamics.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
European Equity Fund				
<i>Launch date: 01 December 2000</i>	9.08	5.70	3.06	2.35
Benchmark				
<i>FER Adjusted - FTSE MPF Europe (35% HKD Hedged)²</i>	11.22	6.99	4.57	3.33
Deviation from the benchmark	-2.14	-1.29	-1.51	-0.98
Trustee commentary on performance	The fund underperformed the benchmark in 1-year, 5-year, 10-year and since launch periods.			

During the financial period ended 30 June 2024, the fund's exposure to Styles contributed to performance. On a portfolio level, the exposures to Value, Quality and Low Risk contributed to performance, while the exposures to Size and Industry Momentum weighed on performance.

On an industry basis, the overweight exposure to Software & Services coupled with the underweight exposures to Food, Beverage & Tobacco and Materials contributed to performance. Conversely, the underweight exposure to Media & Entertainment coupled with the overweight exposures to Technology Hardware & Equipment and Automobiles & Components weighed on performance.

On a country basis, the overweight allocations to Poland and Italy coupled with the underweight exposure to Portugal contributed to performance. Conversely, the underweight exposures to Sweden and Norway coupled with the overweight allocation to Greece weighed on performance.

There have been no major changes to the investment process over the last 12-month while investment managers continue to review the risk model and portfolio optimisation/attribution tools of the fund. Amidst geopolitical uncertainty and recession risks, the investment managers will continue to maintain a cautious approach and monitor the model dynamics.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
Asia Pacific Equity Fund	13.02	1.50	1.51	5.04
<i>Launch date: 01 December 2000</i>				
Benchmark	11.51	3.19	3.19	5.77
<i>FER Adjusted - FTSE MPF Asia Pacific ex Japan (35% HKD Hedged)²</i>				
Deviation from the benchmark	1.51	-1.69	-1.68	-0.73
Trustee commentary on performance	The fund outperformed the benchmark in 1-year period but underperformed it in 5-year, 10-year and since launch periods.			

During the financial period ended 30 June 2024, from a country perspective, favourable allocation in Korea and mainland China positively contributed to performance. However, unfavourable stock selection in Hong Kong, as well as negative stock selection in India and Australia detracted from overall performance.

From a sector perspective, favourable allocation effect in Technology and positive stock selection in Real Estate and Consumer Discretionary positively contributed to performance. However, negative stock selection effect in Industrials and Financials detracted from overall performance.

In 2023, the investment managers have enhanced the strategy and risk management processes of the fund to focus more on quality and income while systematically monitoring risk exposures. The fund has seen improvement in performance since the strategy enhancement with the 1-year return outperforming the benchmark.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
Hong Kong and Chinese Equity Fund				
<i>Launch date: 01 December 2000</i>	-3.68	-5.02	-0.11	2.72
Benchmark				
<i>FER Adjusted - FTSE MPF Hong Kong²</i>	-6.39	-6.98	-0.88	3.20
Deviation from the benchmark	2.71	1.96	0.77	-0.48
Trustee commentary on performance	<p>The fund outperformed the benchmark in 1-year, 5-year and 10-year periods, but underperformed it in since launch period.</p> <p>During the financial period ended 30 June 2024, the overweight position and favorable stock selection in Energy drove the fund performance the most. Oil companies outperformed as investors' preference shift to high yield names leading to capital inflows. Besides, the positive stock selection in Consumer Discretionary also contributed to the outperformance. The overweight position in an Education name doubled. Its earnings strongly beat as the overseas study segment was experiencing rapid growth, fueled by a consolidation trend in the wake of the pandemic. However, the performance was offset by the underweight position and negative stock selection effect in Financials.</p>			

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			Since Launch (since 01 April 2017) ¹
	1 year	5 years	10 years	
Global Bond Fund				
<i>Launch date: 08 October 2009</i>	-0.54	-2.44	0.08	0.60
Benchmark				
<i>FER Adjusted - FTSE MPF WGBI (35% HKD Hedged)²</i>	-0.29	-2.94	-0.09	0.49
Deviation from the benchmark	-0.25	0.50	0.17	0.11

Trustee commentary on performance

The fund underperformed the benchmark in 1-year period but outperformed it in 5-year, 10-year and since launch periods.

During the financial period ended 30 June 2024, yield curve positioning and duration exposure detracted from the performance amid the overall rising yields. FX impact also detracted as most currencies depreciated against the HKD over the period. On the other hand, credit exposure overall helped the performance.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			Since Launch (since 01 April 2017) ¹
	1 year	5 years	10 years	
Age 65 Plus Fund				
<i>Launch date: 08 October 2009</i>	4.35	1.28	-	2.08
Benchmark				
<i>Willis Towers Watson MPF DIS Reference Portfolio - Age 65 Plus Fund</i>	4.19	0.56	-	1.60
Deviation from the benchmark	0.16	0.72	-	0.48

Trustee commentary on performance

The fund outperformed the Reference Portfolio in 1-year, 5-year and since launch periods.

During the financial period ended 30 June 2024, the fund achieved positive return on the back of favorable market performance across equity markets. Global equity markets contributed positively to the portfolio driven by the outperformance seen in technology stocks as investor enthusiasm over artificial intelligence theme continued to accelerate. On the fixed income side, both global government bond and Asian bond achieved a positive return and contributed to the portfolio, thanks to the continuous expectation of interest rate cut by major central banks.

On a relative basis, the fund outperformed the Reference Portfolio driven by the overweight position in Asian bonds.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
Stable Fund				
<i>Launch date: 08 October 2009</i>	2.03	-0.08	0.68	1.29
Benchmark				
<i>FER Adjusted - Willis Towers Watson MPF BM (Equity 20%-40%)^{2,4}</i>	1.90	-0.94	0.27	1.10
Deviation from the benchmark	0.13	0.86	0.41	0.19

Trustee commentary on performance

The fund outperformed the benchmark in 1-year, 5-year, 10-year and since launch periods.

During the financial period ended 30 June 2024, the fund achieved positive return with global equities being the main contributors. Within equities, North American equities were one of the top contributing countries driven by the continuous enthusiasm for artificial intelligence related stocks. On the fixed income side, Asian bond was the top contributor thanks to the supportive market measure in Asian countries and the ongoing interest rate cut expectation of major central banks.

On a relative basis, the fund outperformed the benchmark thanks to positive stock selection effect in Hong Kong equities.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
Chinese Equity Fund				
<i>Launch date: 08 October 2009</i>	-2.16	-4.62	0.83	1.11
Benchmark				
<i>FER Adjusted - FTSE MPF China²</i>	-7.50	-6.46	-0.67	-0.16
Deviation from the benchmark	5.34	1.84	1.50	1.27
Trustee commentary on performance	The fund outperformed the benchmark in 1-year, 5-year, 10-year and since launch periods.			

During the financial period ended 30 June 2024, the overweight position and favorable stock selection in Energy drove the fund performance the most. Oil companies outperformed as investors' preference shift to high yield names leading to capital inflows. Besides, the overweight position in Telecommunications also contributed to the outperformance. Telecommunications cloud business continued to drive industry growth. However, the performance was offset by the underweight position and negative stock selection effect in Industrials.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			Since Launch
	1 year	5 years	10 years	
Global Equity Fund⁵				
<i>Launch date: 01 July 2016⁵</i>	18.99	10.70	-	10.23
Benchmark				
<i>FER Adjusted - FTSE MPF All World (35% HKD Hedged)²</i>	18.67	10.58	-	10.78
Deviation from the benchmark	0.32	0.12	-	-0.55
Trustee commentary on performance	The fund outperformed the benchmark in 1-year and 5-year periods but underperformed it in since launch period.			

During the financial period ended 30 June 2024, the exposure to Styles contributed to performance. On a portfolio level, the exposures to Value, Quality and Industry Momentum contributed to performance, while the exposures to Low Risk and Size weighed on performance.

On a country basis, the overweight allocation to Denmark coupled with the underweight exposures to Hong Kong and Canada contributed to performance. Conversely, the overweight exposure to mainland China coupled with the underweight exposures to India and United States weighed on performance.

On an industry basis, the overweight exposures to Insurance and Technology Hardware & Equipment coupled with the underweight exposure to Consumer Staples Distribution & Retail contributed to performance. Conversely, the underweight exposures to Semiconductors & Semiconductor Equipment and Financial Services coupled with the overweight exposure to Software & Services weighed on performance.

There have been no major changes to the investment process over the last 12-month and the investment managers continue to follow a model-driven process. At a portfolio level, the investment managers continue to follow a diversified approach across the core factors which drive asset returns in the long term, including Value, Quality, Industry Momentum, Low Risk and Size. Amidst geopolitical uncertainty and recession risks, the investment managers will continue to maintain a cautious approach and monitor the model dynamics.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
Hang Seng China Enterprises Index Tracking Fund⁵				
<i>Launch date: 24 March 2011⁵</i>	1.44	-8.21	-2.46	-3.36
Benchmark				
<i>FER Adjusted - Hang Seng China Enterprises Index Total Return (Net)²</i>	1.29	-8.29	-2.49	-2.84
Deviation from the benchmark	0.15	0.08	0.03	-0.52

Trustee commentary on performance

The fund outperformed the benchmark over 1-year and 5-year periods but underperformed since its launch. Additionally, it performed on par with the benchmark over 10-year period.

During the financial period ended 30 June 2024, the fund outperformed the benchmark by 0.15%. The fund invests in the underlying ITCIS, Hang Seng China Enterprises Index ETF. The outperformance over 1 year was primarily attributed to the cash drag effect during market decline and rounding effect of the underlying ETF, which positively contributed to the fund's tracking performance.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
'ValueChoice Asia Pacific Equity Tracker Fund (formerly known as ValueChoice Asia Pacific Equity Fund)^{5,6}				
<i>Launch date: 24 March 2011⁵</i>	12.09	3.31	3.12	2.52
Benchmark				
<i>FER Adjusted - FTSE MPF Asia Pacific ex Japan (35% HKD Hedged)²</i>	12.22	3.85	3.90	3.24
Deviation from the benchmark	-0.13	-0.54	-0.78	-0.72

Trustee commentary on performance

The fund underperformed the benchmark in 1-year, 5-year, 10-year and since launch periods.

During the financial period ended 30 June 2024, underperformance was mainly attributed to foreign exchange (FX) impact.

Asia Pacific ex-Japan equities rose. Initially, concerns around the persistence of high interest rates in the US, along with ongoing weaknesses in the Chinese economy, weighed on performance in the region. But Asian equities rebounded as the US Fed's hawkish tone softened towards the end of 2023, leading to expectations of early – and several – rate cuts in 2024. Although these expectations soon diminished, Asian equities were buoyed by strong performance across the region. Indian equities were underpinned by solid earnings growth, strong macro momentum, policy continuity and structural tailwinds, with the Sensex Index ending the reporting period at an all-time high.

Conversely, Chinese equities fell over the period as the property sector continued to struggle and, while positive government policy measures proved helpful during the second half of the reporting period, they could not offset earlier losses.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
ValueChoice Balanced Fund^{5,6}				
<i>Launch date: 24 March 2011⁵</i>	5.93	2.72	3.26	3.37
Benchmark				
<i>FER Adjusted - Willis Towers Watson MPF BM (Equity 60%-80%)^{2,4}</i>	5.56	2.10	2.95	3.39
Deviation from the benchmark	0.37	0.62	0.31	-0.02

Trustee commentary on performance

The fund outperformed the benchmark in 1-year, 5-year and 10-year periods, but underperformed it in since launch period.

During the financial period ended 30 June 2024, the fund achieved positive return with global equities being the main contributor. Within equities, North American equities were the top contributors, driven by the rally of technology stocks. On the other hand, Chinese equities were one of the worst performing equity markets, due to the unfavorable market sentiment towards the property market. On the fixed income side, global government bond performed positively thanks to the recovering expectation over interest rate cut.

On a relative basis, stock selection was favorable with the positive selection in Chinese equities.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
ValueChoice Europe Equity Tracker Fund (formerly known as ValueChoice European Equity Fund)^{5,6}				
<i>Launch date: 24 March 2011⁵</i>	11.31	6.97	4.83	5.15
Benchmark				
<i>FER Adjusted - FTSE MPF Europe (35% HKD Hedged)²</i>	11.67	7.46	5.06	5.55
Deviation from the benchmark	-0.36	-0.49	-0.23	-0.40
Trustee commentary on performance	The fund underperformed the benchmark in 1-year, 5-year, 10-year and since launch periods.			

During the financial period ended 30 June 2024, underperformance came from transaction cost. European equities rose amid expectations of a dovish pivot from both the European Central Bank (ECB) and the Bank of England (BOE). Eurozone equities had a rocky start as higher interest rates weighed on activity and corporate earnings weakened, with the ECB raising interest rates by 25 basis points in September 2023, despite the downward inflation trajectory.

Eurozone equities rallied in November 2023, and generally performed well over the rest of the period, finishing higher – the technology sector was a notable contributor. However, Eurozone equities declined towards the end of the period, amid political uncertainty ahead of elections in France and negative investor sentiment around the future trajectory for interest rate cuts, following the ECB's 25 basis point cautious rate cut in June 2024. UK equities also rose over the reporting period.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

	Annualized return (in terms of %)			
	1 year	5 years	10 years	Since Launch
ValueChoice North America Equity Tracker Fund (formerly known as Value Choice Equity Fund)^{5,6}				
<i>Launch date: 24 March 2011⁵</i>	21.73	13.06	10.92	11.36
Benchmark				
<i>Before 19 November 2021: FER Adjusted - FTSE MPF USA (35% HKD Hedged)²</i>				
<i>From 19 November 2021: FER Adjusted - FTSE MPF North America (35% HKD Hedged)²</i>	21.89	13.33	11.09	11.70
Deviation from the benchmark	-0.16	-0.27	-0.17	-0.34
Trustee commentary on performance	The fund underperformed the benchmark in 1-year, 5-year, 10-year and since launch periods.			

During the financial period ended 30 June 2024, cash was the main detractor for the fund's underperformance versus the benchmark. The cash position impacted the returns negatively in a rising market.

US equities rose over the reporting period on the back of strong corporate earnings – largely driven by the Technology and Artificial Intelligence megatrend – and continued economic strength.

For the latest fund performance, please refer to Scheme's website at <https://www.hangseng.com/en-hk/personal/insurance-mpf/e-mpf/fund-price-performance/>.

Investment report for the year ended 30 June 2024 (continued)

3. Trustee's commentary on fund performance against benchmark set by trustee (continued)

Data as at 30 June 2024

Notes:

- ¹ Cumulative performance for the Core Accumulation Fund and Age 65 Plus Fund since they launch as a constituent fund of DIS on 1 April 2017.
- ² Benchmark performance is displayed on a FER adjusted basis. Refer to Appendix A for further details on the rationale of FER adjusted benchmark performance.
- ³ The '38% Markit iboxx ALBI Hong Kong + 57% 1-month HIBOR' is used as the benchmark of bond and cash portion of the Guaranteed Fund from 1 July 2006 onward. The Markit iboxx ALBI data prior to 1 July 2006 is not available. For reporting purpose of the since launch return, the 'Markit iboxx Asian USD Bond Index' was used as a proxy of the benchmark prior to and up to 30 June 2006.

The name of the index 'Markit iboxx ALBI Hong Kong' was displayed as 'Markit iboxx Asian Local Bond Index - HKD Bond' in previous issues.
- ⁴ The 'FTSE MPF World Government Bond Index (25% HKD Hedged)' has been used as one of the sub-benchmarks of the Composite Benchmark, while the Willis Towers Watson MPF BM adopts the 'FTSE World Government Bond Index (25% HKD Hedged)' as the sub-benchmark.
- ⁵ The Hang Seng Mandatory Provident Fund – ValueChoice (the "Hang Seng VC") has been merged with the Hang Seng Mandatory Provident Fund - SuperTrust Plus (the "Hang Seng STP") with effect from 1 July 2019. Six new constituent funds have been added to Hang Seng STP by replicating the corresponding constituent funds in the Hang Seng VC. The fund performances since their respective launch dates under the Hang Seng VC are shown in the table.
- ⁶ From 12 November 2021, the ValueChoice Asia Pacific Equity Tracker Fund was renamed from the ValueChoice Asia Pacific Equity Fund. From 19 November 2021, the ValueChoice North America Equity Tracker Fund was renamed from the ValueChoice US Equity Fund. From 26 November 2021, the ValueChoice Europe Equity Tracker Fund was renamed from the ValueChoice European Equity Fund. From 3 December 2021, the Chinese name of the ValueChoice Balanced Fund was changed while its English name remained the same. The investment objective and balance of investments of the above Constituent Funds were changed on the respective aforesaid dates.

Investment report for the year ended 30 June 2024 (continued)

4. Trustee's performance assessment framework and trustee's action, if any, to increase efficiency of the scheme and investment return (value) for members

The Trustee works in collaboration with the Sponsor in the on-going monitoring of investment of funds with the setup of Investment Performance Committee with participation from the Sponsor, Trustee and Investment Manager to review performance on a regular basis:

- Benchmark and peer group comparison would be conducted with comprehensive analysis to be provided to evaluate the factors contributing to out/underperformance
- Proposed actions and monitoring of those actions would be covered by the Committee to tackle the underperformance issues and for Investment Manager to explore alternative sources to improve fund performance including fund restructuring, adoption of new investment approach and etc.

The Trustee has also an Investment Committee represented by members of the Board of Directors of the Trustee to review the fund managers' fund performance on a regular basis. The criteria for assessment of the overall performance and capabilities of fund managers are:-

- Compliance with Investment Objectives, tracking error from benchmark performance and benchmark asset allocation
- Breaches in investment restrictions and other regulations
- Quantitative assessment - Fund performance relative to benchmark, peer comparison and risk level
- Qualitative assessment - Fund manager snapshot in various factors based on the investment

Over the past year, the Trustee had requested the Investment Manager to provide ongoing performance update, including but not limited to:

- Conducting a deep dive to their investment strategy, i.e. Investment Manager had to provide details on their investment philosophy and the rationale that supported their investment decision, especially for those that led to the fund's underperformance.
- Explanation of the underperformance, i.e. Investment Manager had to provide a performance attribution outlining the performance detractor(s) and the rationale behind.
- Improvement plan, i.e. Investment Manager had to advise the improvement they had made quarter-over-quarter and also their plan. Investment Manager also had to explain the effectiveness of their improvement with measurable metrics.

The Trustee will continue to closely monitor the performance of the funds and will discuss with the Investment Manager on any action to be taken, if necessary.

Investment report for the year ended 30 June 2024 (continued)

4. Trustee's performance assessment framework and trustee's action, if any, to increase efficiency of the scheme and investment return (value) for members (continued)

Appendix A – FER-adjusted benchmark performance calculation methodology

The FER-adjusted benchmark performance is an annualized figure of the benchmark performance deducted by the Fund Expense Ratio (FER) applicable to the relevant Constituent Fund (CF) in the captioned period.

For the years where FER data is not available (i.e. financial period ended 30 June 2005 and before), the earliest available FER data would be used as proxies for those years (earliest available FER for CFs in SuperTrust Plus Scheme is as of financial period ended 30 June 2006).

Same proxy applies to the first year of fund launch without FER, but on a pro rata basis from the relevant CF's launch date to the first financial year end (e.g. 1 Dec 2000 – 30 Jun 2001).

Investment report for the year ended 30 June 2024 (continued)

5. Distribution of constituent funds (Expressed in Hong Kong dollars)

As at 30 June 2024, 2023 and 2022, Net assets attributable to members of the Scheme's constituent funds are as follows:

Fund	Net asset value		
	2024 \$'000	2023 \$'000	2022 \$'000
MPF Conservative Fund	10,208,181	9,637,905	9,002,697
Guaranteed Fund	2,996,016	3,005,518	3,067,002
Core Accumulation Fund	5,681,341	4,664,937	4,042,612
Balanced Fund	5,556,608	5,510,401	5,472,831
Growth Fund	8,267,446	7,985,655	7,726,699
Hang Seng Index Tracking Fund	10,128,230	10,550,357	11,143,236
North American Equity Fund	5,455,677	3,934,545	3,244,330
European Equity Fund	1,460,108	1,255,538	946,115
Asia Pacific Equity Fund	3,844,725	3,434,511	3,537,272
Hong Kong and Chinese Equity Fund	3,474,272	3,610,485	3,905,465
Global Bond Fund	1,365,111	1,211,039	1,186,702
Age 65 Plus Fund	1,407,397	1,204,498	1,163,502
Stable Fund	983,834	945,700	909,398
Chinese Equity Fund	2,901,685	2,995,242	3,468,078
Global Equity Fund	1,357,581	716,144	570,771
Hang Seng China Enterprises Index Tracking Fund	469,945	388,011	357,032
ValueChoice Asia Pacific Equity Tracker Fund	390,811	292,454	258,097
ValueChoice Balanced Fund	237,430	201,707	170,408
ValueChoice Europe Equity Tracker Fund	649,452	497,644	218,195
ValueChoice North America Equity Tracker Fund	3,322,372	1,767,319	1,404,327
Scheme Level Adjustments	(18,310)	(8,089)	(12,802)
	<u>70,139,912</u>	<u>63,801,521</u>	<u>61,781,967</u>

Investment report for the year ended 30 June 2024 (continued)

5. Distribution of constituent funds (continued)

<i>Fund</i>	<i>% of Net assets attributable to constituent funds of the Scheme</i>		
	<i>2024</i> %	<i>2023</i> %	<i>2022</i> %
MPF Conservative Fund	14.54	15.10	14.57
Guaranteed Fund	4.27	4.71	4.97
Core Accumulation Fund	8.10	7.31	6.54
Balanced Fund	7.92	8.64	8.86
Growth Fund	11.79	12.52	12.51
Hang Seng Index Tracking Fund	14.44	16.54	18.04
North American Equity Fund	7.78	6.17	5.25
European Equity Fund	2.08	1.97	1.53
Asia Pacific Equity Fund	5.48	5.38	5.73
Hong Kong and Chinese Equity Fund	4.95	5.66	6.32
Global Bond Fund	1.95	1.90	1.92
Age 65 Plus Fund	2.01	1.89	1.88
Stable Fund	1.40	1.48	1.47
Chinese Equity Fund	4.14	4.69	5.61
Global Equity Fund	1.94	1.12	0.92
Hang Seng China Enterprises Index Tracking Fund	0.67	0.61	0.58
ValueChoice Asia Pacific Equity Tracker Fund	0.56	0.46	0.42
ValueChoice Balanced Fund	0.34	0.31	0.28
ValueChoice Europe Equity Tracker Fund	0.93	0.78	0.35
ValueChoice North America Equity Tracker Fund	4.74	2.77	2.27
Scheme Level Adjustments	(0.03)	(0.01)	(0.02)
	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>

Investment report for the year ended 30 June 2024 (continued)

6. Performance

<i>Fund</i>	<i>Period</i>	<i>Cumulative Return (%) +/(-)</i>
MPF Conservative Fund	1 July 2023 to 30 June 2024	4.12
Guaranteed Fund	1 July 2023 to 30 June 2024	2.34
Core Accumulation Fund	1 July 2023 to 30 June 2024	11.35
Balanced Fund	1 July 2023 to 30 June 2024	5.63
Growth Fund	1 July 2023 to 30 June 2024	7.12
Hang Seng Index Tracking Fund	1 July 2023 to 30 June 2024	(3.07)
North American Equity Fund	1 July 2023 to 30 June 2024	20.68
European Equity Fund	1 July 2023 to 30 June 2024	9.15
Asia Pacific Equity Fund	1 July 2023 to 30 June 2024	13.06
Hong Kong and Chinese Equity Fund	1 July 2023 to 30 June 2024	(3.64)
Global Bond Fund	1 July 2023 to 30 June 2024	(0.54)
Age 65 Plus Fund	1 July 2023 to 30 June 2024	4.35
Stable Fund	1 July 2023 to 30 June 2024	2.03
Chinese Equity Fund	1 July 2023 to 30 June 2024	(2.25)
Global Equity Fund	1 July 2023 to 30 June 2024	18.99
Hang Seng China Enterprises Index Tracking Fund	1 July 2023 to 30 June 2024	1.44
ValueChoice Asia Pacific Equity Tracker Fund	1 July 2023 to 30 June 2024	12.09
ValueChoice Balanced Fund	1 July 2023 to 30 June 2024	5.87
ValueChoice Europe Equity Tracker Fund	1 July 2023 to 30 June 2024	11.31
ValueChoice North America Equity Tracker Fund	1 July 2023 to 30 June 2024	21.73

Cumulative return represents the percentage change in unit price (net asset value per unit) for the year.

Investment report for the year ended 30 June 2024 (continued)

7. Financial summary

(Expressed in Hong Kong dollars)

<i>Fund</i>	<i>Period</i>	<i>Income \$'000</i>	<i>Net (deficit)/income excluding capital appreciation or depreciation \$'000</i>	<i>Net movement in unrealised gain/(loss) on investments \$'000</i>	<i>Net gain/(loss) on sale of investments \$'000</i>	<i>Value of the Scheme assets derived from investment \$'000</i>	<i>Net asset value \$'000</i>
MPF Conservative Fund	2024	-	(75,917)	216,177	255,289	10,215,151	10,208,181
	2023	-	(113,934)	206,477	100,423	9,644,462	9,637,905
	2022	1	(20,175)	(37,635)	57,628	9,009,034	9,002,697
Guaranteed Fund	2024	-	(21)	103,208	(30,916)	2,996,021	2,996,016
	2023	-	(22)	8,555	(54,949)	3,005,524	3,005,518
	2022	-	(20)	(238,060)	(13,756)	3,067,007	3,067,002
Core Accumulation Fund	2024	-	(26,657)	444,415	140,387	5,683,731	5,681,341
	2023	-	(22,402)	296,687	56,776	4,666,901	4,664,937
	2022	-	(23,087)	(695,778)	210,907	4,044,376	4,042,612
Balanced Fund	2024	-	(38,904)	210,010	126,501	5,559,838	5,556,608
	2023	-	(38,514)	109,385	87,382	5,513,614	5,510,401
	2022	-	(44,753)	(1,286,230)	240,159	5,476,066	5,472,831
Growth Fund	2024	-	(56,881)	407,675	200,774	8,272,243	8,267,446
	2023	-	(55,010)	242,059	133,101	7,990,306	7,985,655
	2022	1	(63,930)	(2,089,650)	381,490	7,731,286	7,726,699
Hang Seng Index Tracking Fund	2024	392,586	323,432	381,279	(1,025,801)	9,979,701	10,128,230
	2023	428,960	356,385	(726,396)	(855,572)	10,421,228	10,550,357
	2022	209,871	131,722	(2,612,333)	(409,906)	11,100,055	11,143,236
North American Equity Fund	2024	-	(32,523)	794,446	125,241	5,458,762	5,455,677
	2023	2	(25,069)	701,226	(147,764)	3,936,754	3,934,545
	2022	-	(26,164)	(1,443,014)	1,021,050	3,246,274	3,244,330
European Equity Fund	2024	-	(10,039)	117,985	18,813	1,460,967	1,460,108
	2023	4	(7,554)	207,535	(28,212)	1,256,254	1,255,538
	2022	-	(7,949)	(393,522)	223,907	946,689	946,115
Asia Pacific Equity Fund	2024	-	(24,584)	632,639	(168,362)	3,846,904	3,844,725
	2023	4	(24,496)	(5,447)	(187,681)	3,436,535	3,434,511
	2022	-	(31,544)	(2,450,180)	969,240	3,539,402	3,537,272
Hong Kong and Chinese Equity Fund	2024	-	(24,347)	124,832	(234,018)	3,476,306	3,474,272
	2023	-	(26,077)	(347,597)	(179,568)	3,612,613	3,610,485
	2022	-	(29,468)	(1,525,420)	306,058	3,907,719	3,905,465
Global Bond Fund	2024	-	(7,352)	43,217	(44,379)	1,365,744	1,365,111
	2023	-	(6,805)	26,454	(52,227)	1,211,608	1,211,039
	2022	-	(8,361)	(170,742)	(13,366)	1,187,258	1,186,702
Age 65 Plus Fund	2024	-	(6,770)	63,709	(2,087)	1,407,984	1,407,397
	2023	-	(6,176)	39,806	(26,370)	1,205,004	1,204,498
	2022	-	(6,758)	(153,451)	24,286	1,163,999	1,163,502

Investment report for the year ended 30 June 2024 (continued)

7. Financial summary (continued) (Expressed in Hong Kong dollars)

<i>Fund</i>	<i>Period</i>	<i>Income</i> \$'000	<i>Net (deficit)/income excluding capital appreciation or depreciation</i> \$'000	<i>Net movement in unrealised gain/(loss) on investments</i> \$'000	<i>Net gain/(loss) on sale of investments</i> \$'000	<i>Value of the Scheme assets derived from investment</i> \$'000	<i>Net asset value</i> \$'000
Stable Fund	2024	-	(6,858)	34,443	(8,176)	984,403	983,834
	2023	-	(6,561)	22,006	(18,790)	946,249	945,700
	2022	-	(7,314)	(159,206)	18,276	909,928	909,398
Chinese Equity Fund	2024	-	(20,227)	289,690	(337,177)	2,903,370	2,901,685
	2023	-	(22,204)	(440,958)	(266,818)	2,996,993	2,995,242
	2022	-	(28,257)	(1,293,298)	(225,288)	3,470,054	3,468,078
Global Equity Fund	2024	-	(5,781)	162,417	28,525	1,358,194	1,357,581
	2023	-	(3,507)	114,883	(24,018)	716,464	716,144
	2022	-	(3,346)	(154,366)	58,943	571,047	570,771
Hang Seng China Enterprises Index Tracking Fund	2024	14,939	12,164	29,886	(34,959)	465,350	469,945
	2023	7,238	4,788	(3,321)	(56,134)	386,904	388,011
	2022	9,766	7,669	(18,476)	(71,997)	351,872	357,032
ValueChoice Asia Pacific Equity Tracker Fund	2024	-	(1,827)	39,317	793	390,983	390,811
	2023	1	(1,539)	25,084	(24,339)	292,589	292,454
	2022	-	(1,704)	(68,951)	(4,596)	258,219	258,097
ValueChoice Balanced Fund	2024	-	(1,228)	14,222	(578)	237,538	237,430
	2023	-	(1,027)	11,993	(4,477)	201,799	201,707
	2022	-	(1,042)	(37,248)	3,752	170,486	170,408
ValueChoice Europe Equity Tracker Fund	2024	-	(3,550)	46,776	23,015	649,755	649,452
	2023	-	(1,585)	49,506	(6,031)	497,861	497,644
	2022	-	(1,302)	(46,746)	3,747	218,301	218,195
ValueChoice North America Equity Tracker Fund	2024	-	(13,779)	387,892	123,725	3,323,854	3,322,372
	2023	-	(8,661)	335,362	(88,151)	1,768,097	1,767,319
	2022	-	(8,772)	(447,178)	213,733	1,405,007	1,404,327

Investment report for the year ended 30 June 2024 (continued)

8. Performance table

(Expressed in Hong Kong dollars)

	MPF Conservative Fund									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017 ⁽³⁾	2016	2015
Total net asset value (\$'000)	10,208,181	9,637,905	9,002,697	9,370,422	9,824,057	9,406,599	8,397,010	7,156,147	2,923,893	2,484,060
Net asset value per unit	13.64	13.10	12.85	12.85	12.85	12.70	12.61	12.61	12.61	12.61
Price record:										
Highest issue price	13.64	13.10	12.85	12.85	12.85	12.70	12.62	12.62	12.62	12.61
Lowest redemption price	13.11	12.85	12.84	12.85	12.70	12.61	12.61	12.61	12.60	12.56
Net annualised investment return⁽¹⁾	<u>4.1%</u>	<u>1.9%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>1.2%</u>	<u>0.7%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.4%</u>
	Guaranteed Fund									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017 ⁽³⁾	2016	2015
Total net asset value (\$'000)	2,996,016	3,005,518	3,067,002	3,704,382	3,774,510	3,597,184	3,427,762	3,238,049	1,150,060	1,041,126
Net asset value per unit	10.04	9.81	9.96	10.75	10.58	10.35	10.13	10.28	10.34	10.47
Price record:										
Highest issue price	10.08	10.01	10.75	10.90	10.59	10.35	10.35	10.38	10.46	10.55
Lowest redemption price	9.74	9.50	9.88	10.61	10.24	10.02	10.12	10.11	10.16	10.40
Net annualised investment return⁽¹⁾	<u>2.3%</u>	<u>(1.5)%</u>	<u>(7.4)%</u>	<u>1.6%</u>	<u>2.2%</u>	<u>2.2%</u>	<u>(1.5)%</u>	<u>(0.6)%</u>	<u>(1.2)%</u>	<u>0.2%</u>

Investment report for the year ended 30 June 2024 (continued)

8. Performance table (continued) (Expressed in Hong Kong dollars)

	Core Accumulation Fund									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017	2016	2015
Total net asset value (\$'000)	5,681,341	4,664,937	4,042,612	4,294,598	3,512,897	2,921,198	2,417,860	1,897,580	1,359,865	1,205,920
Net asset value per unit	25.32	22.74	21.07	23.70	19.30	18.60	17.89	16.91	15.71	16.31
Price record:										
Highest issue price	25.45	22.78	24.64	23.73	20.16	18.61	18.81	17.03	16.31	16.96
Lowest redemption price	21.56	19.82	20.78	19.42	15.78	16.51	16.87	15.65	14.57	15.77
Net annualised investment return⁽¹⁾	<u>11.4%</u>	<u>7.9%</u>	<u>(11.1)%</u>	<u>22.8%</u>	<u>3.8%</u>	<u>4.0%</u>	<u>5.8%</u>	<u>7.6%</u>	<u>(3.7)%</u>	<u>(0.7)%</u>
	Balanced Fund									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017 ⁽³⁾	2016	2015
Total net asset value (\$'000)	5,556,608	5,510,401	5,472,831	6,867,997	5,817,262	6,087,989	6,228,175	5,976,644	2,048,201	2,015,669
Net asset value per unit	22.15	20.97	20.33	24.32	19.54	19.40	19.37	18.26	15.77	17.08
Price record:										
Highest issue price	22.58	21.77	24.34	24.58	20.70	19.67	21.12	18.33	17.11	17.86
Lowest redemption price	19.54	17.99	20.06	19.82	15.88	17.50	18.16	15.64	14.39	15.92
Net annualised investment return⁽¹⁾	<u>5.6%</u>	<u>3.1%</u>	<u>(16.4)%</u>	<u>24.5%</u>	<u>0.7%</u>	<u>0.2%</u>	<u>6.1%</u>	<u>15.8%</u>	<u>(7.7)%</u>	<u>2.0%</u>

Investment report for the year ended 30 June 2024 (continued)

8. Performance table (continued) (Expressed in Hong Kong dollars)

	<i>Growth Fund</i>									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017 ⁽³⁾	2016	2015
Total net asset value (\$'000)	8,267,446	7,985,655	7,726,699	9,870,050	7,847,736	8,267,914	8,542,656	8,238,225	3,049,432	3,066,558
Net asset value per unit	23.46	21.90	20.98	25.73	19.44	19.60	19.86	18.48	15.29	17.15
Price record:										
Highest issue price	24.02	22.87	25.75	25.94	21.24	20.21	22.01	18.56	17.20	18.06
Lowest redemption price	20.23	18.34	20.59	19.81	15.01	17.40	18.38	15.12	13.71	15.56
Net annualised investment return⁽¹⁾	<u>7.1%</u>	<u>4.4%</u>	<u>(18.5)%</u>	<u>32.4%</u>	<u>(0.8)%</u>	<u>(1.3)%</u>	<u>7.5%</u>	<u>20.9%</u>	<u>(10.8)%</u>	<u>3.2%</u>
	<i>Hang Seng Index Tracking Fund</i>									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017 ⁽³⁾	2016	2015
Total net asset value (\$'000)	10,128,230	10,550,357	11,143,236	12,526,110	11,525,632	13,207,060	13,149,873	12,132,436	4,543,508	4,762,858
Net asset value per unit	19.87	20.50	23.04	29.77	24.74	28.26	27.90	24.21	19.16	23.47
Price record:										
Highest issue price	21.88	24.27	29.28	31.77	29.05	29.46	31.44	24.36	23.46	25.05
Lowest redemption price	16.48	15.72	19.25	23.80	21.79	23.95	23.92	18.90	16.53	19.90
Net annualised investment return⁽¹⁾	<u>(3.1)%</u>	<u>(11.0)%</u>	<u>(22.6)%</u>	<u>20.3%</u>	<u>(12.5)%</u>	<u>1.3%</u>	<u>15.2%</u>	<u>26.4%</u>	<u>(18.4)%</u>	<u>16.4%</u>

Investment report for the year ended 30 June 2024 (continued)

8. Performance table (continued) (Expressed in Hong Kong dollars)

	<i>North America Equity Fund</i>									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017	2016	2015
Total net asset value (\$'000)	5,455,677	3,934,545	3,244,330	3,338,477	2,370,032	1,799,038	1,374,512	1,259,433	869,919	708,453
Net asset value per unit	30.99	25.68	22.10	24.89	17.83	16.95	15.95	14.27	12.31	12.18
Price record:										
Highest issue price	31.09	25.69	27.56	24.96	19.41	17.11	16.84	14.40	12.53	12.59
Lowest redemption price	23.78	20.86	21.45	18.00	12.79	13.71	14.22	12.27	10.81	11.12
Net annualised investment return⁽¹⁾	<u>20.7%</u>	<u>16.2%</u>	<u>(11.2)%</u>	<u>39.6%</u>	<u>5.2%</u>	<u>6.3%</u>	<u>11.8%</u>	<u>15.9%</u>	<u>1.1%</u>	<u>3.2%</u>
	<i>European Equity Fund</i>									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017	2016	2015
Total net asset value (\$'000)	1,460,108	1,255,538	946,115	1,068,567	801,461	826,390	831,008	841,027	632,197	647,954
Net asset value per unit	17.30	15.85	13.42	15.83	12.00	13.10	13.41	13.23	10.86	12.30
Price record:										
Highest issue price	18.11	16.19	16.70	16.30	13.93	13.90	14.99	13.55	12.91	13.10
Lowest redemption price	14.64	12.04	13.33	11.70	8.85	11.27	13.25	10.53	10.12	11.06
Net annualised investment return⁽¹⁾	<u>9.2%</u>	<u>18.1%</u>	<u>(15.2)%</u>	<u>31.9%</u>	<u>(8.4)%</u>	<u>(2.3)%</u>	<u>1.4%</u>	<u>21.8%</u>	<u>(11.7)%</u>	<u>(3.9)%</u>

Investment report for the year ended 30 June 2024 (continued)

8. Performance table (continued) (Expressed in Hong Kong dollars)

<i>Asia Pacific Equity Fund</i>										
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017	2016	2015
Total net asset value (\$'000)	3,844,725	3,434,511	3,537,272	5,387,296	3,195,107	3,305,138	3,325,835	3,251,584	2,278,874	2,315,831
Net asset value per unit	31.94	28.25	30.02	42.58	28.82	29.65	30.42	29.10	22.89	25.86
Price record:										
Highest issue price	32.17	31.94	42.08	44.38	32.82	31.22	34.48	29.31	26.02	28.53
Lowest redemption price	25.77	23.53	28.98	29.79	20.92	26.09	28.85	22.63	19.37	24.68
Net annualised investment return⁽¹⁾	<u>13.1%</u>	<u>(5.9)%</u>	<u>(29.5)%</u>	<u>47.7%</u>	<u>(2.8)%</u>	<u>(2.5)%</u>	<u>4.5%</u>	<u>27.1%</u>	<u>(11.5)%</u>	<u>(5.9)%</u>
<i>Hong Kong and Chinese Equity Fund</i>										
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017	2016	2015
Total net asset value (\$'000)	3,474,272	3,610,485	3,905,465	4,925,606	3,771,682	3,969,582	4,038,369	3,688,669	2,785,169	3,189,327
Net asset value per unit	18.82	19.53	22.63	30.31	23.71	24.36	25.23	22.43	17.87	22.65
Price record:										
Highest issue price	20.87	23.94	29.79	33.95	26.04	25.91	28.82	22.56	22.58	24.37
Lowest redemption price	15.89	15.79	19.29	24.70	19.25	21.18	22.19	17.65	15.50	18.93
Net annualised investment return⁽¹⁾	<u>(3.6)%</u>	<u>(13.7)%</u>	<u>(25.3)%</u>	<u>27.8%</u>	<u>(2.7)%</u>	<u>(3.4)%</u>	<u>12.5%</u>	<u>25.5%</u>	<u>(21.1)%</u>	<u>19.1%</u>

Investment report for the year ended 30 June 2024 (continued)

8. Performance table (continued) (Expressed in Hong Kong dollars)

	<i>Global Bond Fund</i>									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017	2016	2015
Total net asset value (\$'000)	1,365,111	1,211,039	1,186,702	1,696,942	1,949,111	1,346,307	1,094,825	684,854	567,710	279,429
Net asset value per unit	11.02	11.08	11.37	13.14	13.14	12.48	11.88	11.80	12.05	11.12
Price record:										
Highest issue price	11.46	11.63	13.32	13.74	13.48	12.48	12.21	12.19	12.05	11.35
Lowest redemption price	10.43	10.43	11.13	13.06	12.41	11.62	11.74	11.17	10.98	10.92
Net annualised investment return⁽¹⁾	<u>(0.5)%</u>	<u>(2.6)%</u>	<u>(13.5)%</u>	<u>-</u>	<u>5.3%</u>	<u>5.1%</u>	<u>0.7%</u>	<u>(2.1)%</u>	<u>8.4%</u>	<u>1.7%</u>
	<i>Age 65 Plus Fund</i>									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017	2016	2015
Total net asset value (\$'000)	1,407,397	1,204,498	1,163,502	1,279,019	1,017,250	722,339	521,455	272,790	138,959	99,230
Net asset value per unit	12.96	12.42	12.35	13.75	12.89	12.15	11.53	11.29	11.13	10.89
Price record:										
Highest issue price	13.04	12.69	13.94	13.78	12.89	12.16	11.73	11.38	11.15	11.28
Lowest redemption price	11.88	11.68	12.16	12.91	11.16	11.30	11.25	10.91	10.68	10.75
Net annualised investment return⁽¹⁾	<u>4.4%</u>	<u>0.6%</u>	<u>(10.2)%</u>	<u>6.7%</u>	<u>6.1%</u>	<u>5.4%</u>	<u>2.1%</u>	<u>1.4%</u>	<u>2.2%</u>	<u>(0.2)%</u>

Investment report for the year ended 30 June 2024 (continued)

8. Performance table (continued) (Expressed in Hong Kong dollars)

	<i>Stable Fund</i>									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017	2016	2015
Total net asset value (\$'000)	983,834	945,700	909,398	1,121,197	985,942	908,313	822,043	395,895	249,224	180,227
Net asset value per unit	12.08	11.84	11.88	13.81	12.51	12.13	11.87	11.53	10.98	10.98
Price record:										
Highest issue price	12.21	12.25	13.86	14.04	12.58	12.13	12.49	11.58	11.07	11.38
Lowest redemption price	11.18	10.80	11.70	12.58	11.16	11.31	11.47	10.70	10.31	10.85
Net annualised investment return⁽¹⁾	<u>2.0%</u>	<u>(0.3)%</u>	<u>(14.0)%</u>	<u>10.4%</u>	<u>3.1%</u>	<u>2.2%</u>	<u>2.9%</u>	<u>5.0%</u>	<u>0.0%</u>	<u>(2.8)%</u>
	<i>Chinese Equity Fund</i>									
	2024	2023	2022	2021	2020 ⁽⁴⁾	2019	2018	2017	2016	2015
Total net asset value (\$'000)	2,901,685	2,995,242	3,468,078	5,141,626	2,782,226	2,478,186	2,609,000	2,096,321	1,647,942	1,999,307
Net asset value per unit	11.75	12.02	15.08	21.77	16.32	14.90	15.67	13.26	10.82	14.22
Price record:										
Highest issue price	12.80	15.21	21.25	25.46	16.86	16.08	18.43	13.38	14.07	15.58
Lowest redemption price	9.80	10.19	12.89	16.90	12.76	13.05	13.16	10.65	9.29	10.98
Net annualised investment return⁽¹⁾	<u>(2.3)%</u>	<u>(20.3)%</u>	<u>(30.7)%</u>	<u>33.4%</u>	<u>9.5%</u>	<u>(4.9)%</u>	<u>18.2%</u>	<u>22.6%</u>	<u>(23.9)%</u>	<u>31.2%</u>

Investment report for the year ended 30 June 2024 (continued)

8. Performance table (continued) (Expressed in Hong Kong dollars)

	Global Equity Fund				
	2024	2023	2022	2021	Period from 1 July 2019 (date of Commencement) to 30 June 2020 ⁽²⁾ ⁽⁴⁾
Total net asset value (\$'000)	1,357,581	716,144	570,771	351,771	153,866
Net asset value per unit	24.37	20.48	17.79	20.39	14.75
Price record:					
Highest issue price	24.46	20.48	21.90	20.45	16.35
Lowest redemption price	19.21	16.51	17.44	14.91	10.89
Net annualised investment return ⁽¹⁾	19.0%	15.1%	(12.8)%	38.2%	0.7%
	Hang Seng China Enterprises Index Tracking Fund				
	2024	2023	2022	2021	Period from 1 July 2019 (date of Commencement) to 30 June 2020 ⁽²⁾ ⁽⁴⁾
Total net asset value (\$'000)	469,945	388,011	357,032	291,235	150,350
Net asset value per unit	6.35	6.26	7.31	9.97	8.94
Price record:					
Highest issue price	6.91	7.52	9.74	11.33	10.31
Lowest redemption price	4.97	4.79	5.77	8.63	7.72
Net annualised investment return ⁽¹⁾	1.4%	(14.4)%	(26.7)%	11.5%	(8.3)%

Investment report for the year ended 30 June 2024 (continued)

8. Performance table (continued) (Expressed in Hong Kong dollars)

	ValueChoice Asia Pacific Equity Tracker Fund				
	2024	2023	2022	2021	Period from 1 July 2019 (date of Commencement) to 30 June 2020 ⁽²⁾ ⁽⁴⁾
Total net asset value (\$'000)	390,811	292,454	258,097	333,644	114,412
Net asset value per unit	13.91	12.41	12.42	15.98	11.16
Price record:					
Highest issue price	14.03	13.25	15.81	16.23	12.72
Lowest redemption price	11.48	10.46	12.18	11.46	8.42
Net annualised investment return ⁽¹⁾	12.1%	(0.1)%	(22.3)%	43.2%	(5.6)%
	ValueChoice Balanced Fund				
	2024	2023	2022	2021	Period from 1 July 2019 (date of Commencement) to 30 June 2020 ⁽²⁾ ⁽⁴⁾
Total net asset value (\$'000)	237,430	201,707	170,408	186,940	109,422
Net asset value per unit	15.52	14.66	14.12	17.12	13.73
Price record:					
Highest issue price	15.86	15.08	17.17	17.27	14.50
Lowest redemption price	13.64	12.36	13.86	13.91	11.20
Net annualised investment return ⁽¹⁾	5.9%	3.8%	(17.5)%	24.7%	1.1%

Investment report for the year ended 30 June 2024 (continued)

8. Performance table (continued) (Expressed in Hong Kong dollars)

	ValueChoice Europe Equity Tracker Fund				Period from 1 July 2019 (date of Commencement) to 30 June 2020 ⁽²⁾ ⁽⁴⁾
	2024	2023	2022	2021	
Total net asset value (\$'000)	649,452	497,644	218,195	145,529	59,565
Net asset value per unit	19.49	17.51	14.70	17.19	13.01
Price record:					
Highest issue price	20.18	17.90	18.24	17.67	15.08
Lowest redemption price	16.03	13.29	14.56	12.57	9.70
Net annualised investment return⁽¹⁾	<u>11.3%</u>	<u>19.1%</u>	<u>(14.5)%</u>	<u>32.1%</u>	<u>(6.5)%</u>

Investment report for the year ended 30 June 2024 (continued)

8. Performance table (continued) (Expressed in Hong Kong dollars)

	ValueChoice North America Equity Tracker Fund				Period from 1 July 2019 (date of Commencement) to 30 June 2020 ⁽²⁾ ⁽⁴⁾
	2024	2023	2022	2021	
Total net asset value (\$'000)	3,322,372	1,767,319	1,404,327	1,118,597	636,792
Net asset value per unit	41.74	34.29	29.28	33.27	23.74
Price record:					
Highest issue price	41.92	34.29	37.13	33.35	26.08
Lowest redemption price	31.71	27.71	28.40	24.00	17.14
Net annualised investment return⁽¹⁾	<u>21.7%</u>	<u>17.1%</u>	<u>(12.0)%</u>	<u>40.1%</u>	<u>5.1%</u>

⁽¹⁾ The net annualised investment return represents the percentage change in unit price (net asset value per unit) for the year.

Percentage change = (Unit price at the end of the year - Unit price at the beginning of the year)/Unit price at the beginning of the year.

⁽²⁾ The percentage represents the percentage change in unit price (net asset value per unit) for the period specified.

Percentage change = (Unit price at the end of the period - Unit price at the beginning of the period)/Unit price at the beginning of the period.

⁽³⁾ With effect from 1 July 2016, Hang Seng Mandatory Provident Fund - SuperTrust was merged with the Scheme and all members and their accrued benefits under Hang Seng Mandatory Provident Fund - SuperTrust were transferred to the Scheme on 1 July 2016.

⁽⁴⁾ With effect from 1 July 2019, Hang Seng Mandatory Provident Fund – ValueChoice was merged with the Scheme and all members and their accrued benefits under Hang Seng Mandatory Provident Fund – ValueChoice were transferred to the Scheme on 1 July 2019.

Investment report for the year ended 30 June 2024 (continued)

9. Investment portfolio as at 30 June 2024 (Expressed in Hong Kong dollars)

<i>Investments</i> <i>(Trade date basis)</i>	<i>Holdings</i>	<i>Cost</i> <i>\$'000</i>	<i>Market</i> <i>value</i> <i>\$'000</i>	<i>% of net</i> <i>asset</i> <i>value</i>
Collective investment schemes - Hong Kong dollars				
<i>MPF Conservative Fund</i>				
HSBC MPF “A” – MPF Conservative Fund	701,329,912	9,736,741	10,215,151	100.07
<i>Guaranteed Fund</i>				
MPF Guaranteed Fund	298,408,458	3,038,867	2,996,021	100.00
<i>Core Accumulation Fund</i>				
HSBC MPF “A” – Core Accumulation Fund	182,445,706	4,663,617	5,683,731	100.04
<i>Balanced Fund</i>				
HSBC MPF “A” – Balanced Fund	201,433,176	4,386,326	5,559,838	100.06
<i>Growth Fund</i>				
HSBC MPF “A” – Growth Fund	281,936,528	6,250,797	8,272,243	100.06
<i>Hang Seng Index Tracking Fund</i>				
Hang Seng Index Tracking Fund	553,729,517	11,822,621	9,979,701	98.53
<i>North American Equity Fund</i>				
HSBC Pooled American Equity Fund	468,285,912	4,600,222	5,458,762	100.06
<i>European Equity Fund</i>				
HSBC Pooled European Equity Fund	137,654,339	1,337,336	1,460,967	100.06
<i>Asia Pacific Equity Fund</i>				
HSBC Pooled Asia Pacific ex Japan Equity Fund	462,312,733	4,200,646	3,846,904	100.06

Investment report for the year ended 30 June 2024 (continued)

9. Investment portfolio as at 30 June 2024 (continued) (Expressed in Hong Kong dollars)

<i>Investments</i> (Trade date basis)	<i>Holdings</i>	<i>Cost</i> \$'000	<i>Market</i> <i>value</i> \$'000	<i>% of net</i> <i>asset</i> <i>value</i>
Collective investment schemes - Hong Kong dollars (continued)				
<i>Hong Kong and Chinese Equity Fund</i>				
HSBC Pooled Hong Kong Equity Fund	473,553,138	4,178,963	3,476,306	100.06
<i>Global Bond Fund</i>				
HSBC MPF “A” – Global Bond Fund	110,962,092	1,438,770	1,365,744	100.05
<i>Age 65 Plus Fund</i>				
HSBC MPF “A” – Age 65 Plus Fund	97,740,705	1,375,450	1,407,984	100.04
<i>Stable Fund</i>				
HSBC MPF “A” – Stable Fund	71,601,302	990,974	984,403	100.06
<i>Chinese Equity Fund</i>				
HSBC Pooled Chinese Equity Fund	444,429,596	3,668,060	2,903,370	100.06
<i>Global Equity Fund</i>				
HSBC Pooled Global Equity Fund	118,257,087	1,185,266	1,358,194	100.05
<i>Hang Seng China Enterprises Index Tracking Fund</i>				
Hang Seng China Enterprises Index ETF	7,248,301	462,735	465,350	99.02

Investment report for the year ended 30 June 2024 (continued)

9. Investment portfolio as at 30 June 2024 (continued) (Expressed in Hong Kong dollars)

<i>Investments</i> (Trade date basis)	<i>Holdings</i>	<i>Cost</i> \$'000	<i>Market value</i> \$'000	<i>% of net asset value</i>
Collective investment schemes - Hong Kong dollars (continued)				
<i>ValueChoice Asia Pacific Equity Tracker Fund</i>				
HSBC Pooled Asia Pacific ex Japan Equity Index Tracking Fund	41,215,973	362,112	390,983	100.04
<i>ValueChoice Balanced Fund</i>				
HSBC MPF “A” – VC Balanced Fund	14,193,095	227,677	237,538	100.05
<i>ValueChoice Europe Equity Tracker Fund</i>				
HSBC Pooled Europe Equity Index Tracking Fund	56,551,576	587,563	649,755	100.05
<i>ValueChoice North America Equity Tracker Fund</i>				
HSBC Pooled North America Equity Index Tracking Fund	287,391,392	2,881,606	3,323,854	100.04

Investment report for the year ended 30 June 2024 (continued)

10. Statement of movements in portfolio holdings

	% of net assets	
	As at 30 June 2024	As at 30 June 2023
MPF Conservative Fund		
Collective investment scheme	100.07	100.07
Total investments	100.07	100.07
Other net liabilities	(0.07)	(0.07)
Total net assets	100.00	100.00
Guaranteed Fund		
Collective investment scheme	100.00	100.00
Total investments	100.00	100.00
Total net assets	100.00	100.00
Core Accumulation Fund		
Collective investment scheme	100.04	100.04
Total investments	100.04	100.04
Other net liabilities	(0.04)	(0.04)
Total net assets	100.00	100.00
Balanced Fund		
Collective investment scheme	100.06	100.06
Total investments	100.06	100.06
Other net liabilities	(0.06)	(0.06)
Total net assets	100.00	100.00
Growth Fund		
Collective investment scheme	100.06	100.06
Total investments	100.06	100.06
Other net liabilities	(0.06)	(0.06)
Total net assets	100.00	100.00

Investment report for the year ended 30 June 2024 (continued)

10. Statement of movements in portfolio holdings (continued)

	% of net assets	
	As at 30 June 2024	As at 30 June 2023
Hang Seng Index Tracking Fund		
Collective investment scheme	98.53	98.78
Total investments	98.53	98.78
Other net assets	1.47	1.22
Total net assets	100.00	100.00
North American Equity Fund		
Collective investment scheme	100.06	100.06
Total investments	100.06	100.06
Other net liabilities	(0.06)	(0.06)
Total net assets	100.00	100.00
European Equity Fund		
Collective investment scheme	100.06	100.06
Total investments	100.06	100.06
Other net liabilities	(0.06)	(0.06)
Total net assets	100.00	100.00
Asia Pacific Equity Fund		
Collective investment scheme	100.06	100.06
Total investments	100.06	100.06
Other net liabilities	(0.06)	(0.06)
Total net assets	100.00	100.00
Hong Kong and Chinese Equity Fund		
Collective investment scheme	100.06	100.06
Total investments	100.06	100.06
Other net liabilities	(0.06)	(0.06)
Total net assets	100.00	100.00

Investment report for the year ended 30 June 2024 (continued)

10. Statement of movements in portfolio holdings (continued)

	% of net assets	
	As at 30 June 2024	As at 30 June 2023
Global Bond Fund		
Collective investment scheme	100.05	100.05
Total investments	100.05	100.05
Other net liabilities	(0.05)	(0.05)
Total net assets	100.00	100.00
Age 65 Plus Fund		
Collective investment scheme	100.04	100.04
Total investments	100.04	100.04
Other net liabilities	(0.04)	(0.04)
Total net assets	100.00	100.00
Stable Fund		
Collective investment scheme	100.06	100.06
Total investments	100.06	100.06
Other net liabilities	(0.06)	(0.06)
Total net assets	100.00	100.00
Chinese Equity Fund		
Collective investment scheme	100.06	100.06
Total investments	100.06	100.06
Other net liabilities	(0.06)	(0.06)
Total net assets	100.00	100.00
Global Equity Fund		
Collective investment scheme	100.05	100.04
Total investments	100.05	100.04
Other net liabilities	(0.05)	(0.04)
Total net assets	100.00	100.00

Investment report for the year ended 30 June 2024 (continued)

10. Statement of movements in portfolio holdings (continued)

	% of net assets	
	As at 30 June 2024	As at 30 June 2023
Hang Seng China Enterprises Index Tracking Fund		
Collective investment scheme	99.02	99.71
Total investments	99.02	99.71
Other net assets	0.98	0.29
Total net assets	100.00	100.00
ValueChoice Asia Pacific Equity Tracker Fund		
Collective investment scheme	100.04	100.05
Total investments	100.04	100.05
Other net liabilities	(0.04)	(0.05)
Total net assets	100.00	100.00
ValueChoice Balanced Fund		
Collective investment scheme	100.05	100.05
Total investments	100.05	100.05
Other net liabilities	(0.05)	(0.05)
Total net assets	100.00	100.00
ValueChoice Europe Equity Tracker Fund		
Collective investment scheme	100.05	100.04
Total investments	100.05	100.04
Other net liabilities	(0.05)	(0.04)
Total net assets	100.00	100.00
ValueChoice North America Equity Tracker Fund		
Collective investment scheme	100.04	100.04
Total investments	100.04	100.04
Other net liabilities	(0.04)	(0.04)
Total net assets	100.00	100.00

Independent auditor's report to the Trustee of Hang Seng Mandatory Provident Fund – SuperTrust Plus (“the Scheme”)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Scheme set out on pages 100 to 150, which comprise the statement of net assets available for benefits of the Scheme and the statement of assets and liabilities of each of its constituent funds as at 30 June 2024, and the statement of changes in net assets available for benefits and the cash flow statement of the Scheme, and the statement of comprehensive income and the statement of changes in net assets attributable to members of each of its constituent funds for the year then ended, and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the financial statements give a true and fair view of the financial position of the Scheme as at 30 June 2024, and of its financial transactions and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) 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 (“HKSA”) and with reference to Practice Note 860.1 (Revised), *The Audit of Retirement Schemes* 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 all the information included in the annual report, other than the financial statements and our auditor's report thereon.

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 to the Trustee of Hang Seng Mandatory Provident Fund – SuperTrust Plus (“the Scheme”) (continued)

Report on the Audit of the Financial Statements (continued)

Responsibilities of Trustee and Those Charged with Governance for the Financial Statements

The Trustee of the Scheme is responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and for such internal control as the Trustee of the Scheme 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 of the Scheme 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 of the Scheme either intends to liquidate the Scheme or to cease operations, or has no realistic alternative but to do so.

In addition, the Trustee of the Scheme 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 (“the General Regulation”).

Those charged with governance are responsible for overseeing the Scheme's financial reporting process.

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. This report is made solely to you, 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 HKSAAs 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.

Independent auditor's report to the Trustee of Hang Seng Mandatory Provident Fund – SuperTrust Plus (“the Scheme”) (continued)

Report on the Audit of the Financial Statements (continued)

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

As part of an audit in accordance with HKSAAs, we exercise professional judgement and maintain professional scepticism 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.
- 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 of the Scheme.
- 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 those charged with governance 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.



Independent auditor's report to the Trustee of Hang Seng
Mandatory Provident Fund – SuperTrust Plus
("the Scheme") (continued)

**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.

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

3 December 2024

Statement of changes in net assets available for benefits
– Scheme
for the year ended 30 June 2024
(Expressed in Hong Kong dollars)

	Note	2024 \$'000	2023 \$'000
Income			
Distribution income		405,646	434,555
Rebate income	4(a)	1,859	1,640
Other income		20	14
		<u>407,525</u>	<u>436,209</u>
Expenses			
Administrator's fees	4(b)	(298,531)	(303,890)
Fund administration fees	4(c)	(28,654)	(30,331)
Management fees	4(d)	(14,230)	(21,471)
Sponsor fees	4(e)	(50,395)	(51,376)
Investment agency fees	4(f)	(9,638)	(10,055)
Trustee's fees	4(g)	(16,642)	(17,820)
Bank charges	4(h)	(34)	(34)
Legal and professional fees		(78)	(124)
Auditor's remuneration		(246)	(252)
Others		(11,143)	(10,943)
		<u>(429,591)</u>	<u>(446,296)</u>
Net expenses before net investment gains/(losses)		<u>(22,066)</u>	<u>(10,087)</u>
Net investment gains/(losses)			
Realised losses on disposal of investments		(843,390)	(1,643,419)
Movement of unrealised gains on investments		4,544,235	873,299
		<u>3,700,845</u>	<u>(770,120)</u>
Profits/(losses) and total comprehensive income for the year		3,678,779	(780,207)
Contributions received and receivable	5	6,278,485	6,079,816
Benefits paid and payable	6	(3,615,958)	(3,281,737)
Other capital (payments)/ receipts	8	<u>(2,915)</u>	<u>1,682</u>
Net increase in net assets available for benefits attributable to members		6,338,391	2,019,554
Net assets available for benefits attributable to members at the beginning of the year		<u>63,801,521</u>	<u>61,781,967</u>
Net assets available for benefits attributable to members at the end of the year		<u>70,139,912</u>	<u>63,801,521</u>

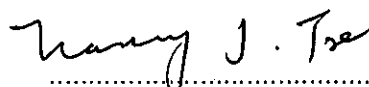
The notes on pages 118 to 150 form part of these financial statements.

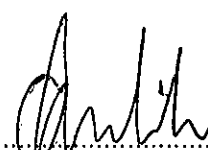
Statement of net assets available for benefits – Scheme as at 30 June 2024

(Expressed in Hong Kong dollars)

	Note	2024 \$'000	2023 \$'000
Assets			
Investments	9, 19	70,036,799	63,707,759
Distribution receivables		159,424	136,862
Amounts receivable from disposal of investments		309,833	302,317
Other receivables	4(i)	404	156
Cash and cash equivalents	4(h)	36,307	42,737
		<u>70,542,767</u>	<u>64,189,831</u>
Liabilities			
Amounts payable on purchase of investments		256,308	257,255
Benefits payable		83,073	72,351
Forfeitures payable	6	10,255	9,268
Accrued expenses and other payables	4(b), (c), (d), (e), (f), (g)	53,219	49,436
		<u>402,855</u>	<u>388,310</u>
Net assets available for benefits attributable to members		<u>70,139,912</u>	<u>63,801,521</u>

The financial statements were approved by board of directors of HSBC Provident Fund Trustee (Hong Kong) Limited on 3 December 2024 and were signed on its behalf by:


.....
Director


.....
Director

The notes on pages 118 to 150 form part of these financial statements.

Cash flow statement – Scheme for the year ended 30 June 2024 (Expressed in Hong Kong dollars)

	Note	2024 \$'000	2023 \$'000
Operating activities			
Net expenses before distribution income and net investment gains/(losses)		(427,712)	(444,642)
Increase in other receivables		(248)	(25)
Increase in accrued expenses and other payables		3,783	1,228
Net cash used in operating activities		<u>(424,177)</u>	<u>(443,439)</u>
Investing activities			
Distributions received		383,084	352,763
Payments for purchase of investments		(26,762,744)	(49,056,014)
Proceeds from disposal of investments		24,126,086	46,357,196
Net cash used in investing activities		<u>(2,253,574)</u>	<u>(2,346,055)</u>
Financing activities			
Contributions received		6,278,485	6,079,816
Benefits paid		(3,604,249)	(3,290,727)
Other capital (payments)/receipts		(2,915)	1,682
Net cash generated from financing activities		<u>2,671,321</u>	<u>2,790,771</u>
Net (decrease)/increase in cash and cash equivalents		(6,430)	1,277
Cash and cash equivalents at the beginning of the year		<u>42,737</u>	<u>41,460</u>
Cash and cash equivalents at the end of the year	4(h)	<u>36,307</u>	<u>42,737</u>

The notes on pages 118 to 150 form part of these financial statements.

Statement of comprehensive income – Constituent funds
for the year ended 30 June 2024
(Expressed in Hong Kong dollars)

	Note	MPF Conservative Fund		Guaranteed Fund		Core Accumulation Fund		Balanced Fund		Growth Fund	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income											
Distribution income		-	-	-	-	-	-	-	-	-	-
Rebate income	4(a)	-	-	-	-	-	-	-	-	-	-
Other income		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Expenses											
Administrator's fees	4(b)	(42,989)	(64,863)	-	-	(20,086)	(16,826)	(29,118)	(28,784)	(42,582)	(41,125)
Fund administration fees	4(c)	(5,901)	(8,904)	-	-	(1,119)	(937)	(2,993)	(2,959)	(4,377)	(4,228)
Management fees	4(d)	(14,230)	(21,471)	-	-	-	-	-	-	-	-
Sponsor fees	4(e)	(7,563)	(11,411)	-	-	(3,865)	(3,237)	(4,681)	(4,627)	(6,845)	(6,611)
Investment agency fees	4(f)	-	-	-	-	-	-	-	-	-	-
Trustee's fees	4(g)	(3,951)	(5,961)	-	-	(915)	(767)	(1,361)	(1,345)	(1,990)	(1,922)
Bank charges	4(h)	-	-	-	-	(3)	(3)	(3)	(3)	(5)	(5)
Legal and professional fees		-	-	-	-	(8)	(11)	(8)	(14)	(12)	(19)
Auditor's remuneration		(39)	(45)	-	-	(19)	(17)	(22)	(23)	(32)	(32)
Others		(1,244)	(1,279)	(21)	(22)	(642)	(604)	(718)	(759)	(1,038)	(1,068)
		(75,917)	(113,934)	(21)	(22)	(26,657)	(22,402)	(38,904)	(38,514)	(56,881)	(55,010)
Net (expenses)/income before net investment gains/(losses)		(75,917)	(113,934)	(21)	(22)	(26,657)	(22,402)	(38,904)	(38,514)	(56,881)	(55,010)
Net investment gains/(losses)											
Realised gains/(losses) on disposal of investments		255,289	100,423	(30,916)	(54,949)	140,387	56,776	126,501	87,382	200,774	133,101
Movement of unrealised gains or losses on investments		216,177	206,477	103,208	8,555	444,415	296,687	210,010	109,385	407,675	242,059
		471,466	306,900	72,292	(46,394)	584,802	353,463	336,511	196,767	608,449	375,160
Profits/(losses) and total comprehensive income for the year		395,549	192,966	72,271	(46,416)	558,145	331,061	297,607	158,253	551,568	320,150

Statement of comprehensive income – Constituent funds
for the year ended 30 June 2024 (continued)
(Expressed in Hong Kong dollars)

	Hang Seng Index Tracking Fund		North American Equity Fund		European Equity Fund		Asia Pacific Equity Fund		Hong Kong and Chinese Equity Fund	
Note	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Income										
Distribution income	392,567	428,957	-	-	-	-	-	-	-	-
Rebate income	4(a) -	-	-	-	-	-	-	-	-	-
Other income	19	3	-	2	-	4	-	4	-	-
	<u>392,586</u>	<u>428,960</u>	<u>-</u>	<u>2</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>4</u>	<u>-</u>	<u>-</u>
Expenses										
Administrator's fees	4(b) (43,043)	(45,176)	(24,377)	(18,730)	(7,511)	(5,645)	(18,400)	(18,313)	(18,208)	(19,502)
Fund administration fees	4(c) (2,989)	(3,137)	(2,506)	(1,926)	(772)	(580)	(1,892)	(1,883)	(1,872)	(2,005)
Management fees	4(d) -	-	-	-	-	-	-	-	-	-
Sponsor fees	4(e) (7,473)	(7,843)	(3,918)	(3,011)	(1,207)	(907)	(2,958)	(2,944)	(2,927)	(3,135)
Investment agency fees	4(f) (9,266)	(9,726)	-	-	-	-	-	-	-	-
Trustee's fees	4(g) (2,491)	(2,615)	(1,139)	(875)	(351)	(264)	(860)	(856)	(851)	(911)
Bank charges	4(h) (6)	(7)	(3)	(3)	(1)	(1)	(2)	(2)	(2)	(3)
Legal and professional fees	(15)	(27)	(7)	(9)	(2)	(3)	(5)	(9)	(5)	(9)
Auditor's remuneration	(42)	(46)	(16)	(13)	(5)	(4)	(14)	(15)	(15)	(16)
Others	(3,829)	(3,998)	(557)	(504)	(190)	(154)	(453)	(478)	(467)	(496)
	<u>(69,154)</u>	<u>(72,575)</u>	<u>(32,523)</u>	<u>(25,071)</u>	<u>(10,039)</u>	<u>(7,558)</u>	<u>(24,584)</u>	<u>(24,500)</u>	<u>(24,347)</u>	<u>(26,077)</u>
Net (expenses)/income before net investment gains/(losses)	<u>323,432</u>	<u>356,385</u>	<u>(32,523)</u>	<u>(25,069)</u>	<u>(10,039)</u>	<u>(7,554)</u>	<u>(24,584)</u>	<u>(24,496)</u>	<u>(24,347)</u>	<u>(26,077)</u>
Net investment gains/(losses)										
Realised gains/(losses) on disposal of investments	(1,025,801)	(855,572)	125,241	(147,764)	18,813	(28,212)	(168,362)	(187,681)	(234,018)	(179,568)
Movement of unrealised gains or losses on investments	381,279	(726,396)	794,446	701,226	117,985	207,535	632,639	(5,447)	124,832	(347,597)
	<u>(644,522)</u>	<u>(1,581,968)</u>	<u>919,687</u>	<u>553,462</u>	<u>136,798</u>	<u>179,323</u>	<u>464,277</u>	<u>(193,128)</u>	<u>(109,186)</u>	<u>(527,165)</u>
Profits/(losses) and total comprehensive income for the year	<u>(321,090)</u>	<u>(1,225,583)</u>	<u>887,164</u>	<u>528,393</u>	<u>126,759</u>	<u>171,769</u>	<u>439,693</u>	<u>(217,624)</u>	<u>(133,533)</u>	<u>(553,242)</u>

Statement of comprehensive income – Constituent funds
for the year ended 30 June 2024 (continued)
(Expressed in Hong Kong dollars)

	Note	Global Bond Fund		Age 65 Plus Fund		Stable Fund		Chinese Equity Fund		Global Equity Fund	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income											
Distribution income		-	-	-	-	-	-	-	-	-	-
Rebate income	4(a)	-	-	-	-	-	-	-	-	-	-
Other income		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-
Expenses											
Administrator's fees	4(b)	(5,502)	(5,077)	(5,090)	(4,629)	(5,125)	(4,893)	(15,125)	(16,599)	(4,345)	(2,624)
Fund administration fees	4(c)	(382)	(352)	(284)	(257)	(527)	(503)	(1,555)	(1,707)	(302)	(182)
Management fees	4(d)	-	-	-	-	-	-	-	-	-	-
Sponsor fees	4(e)	(968)	(893)	(980)	(890)	(824)	(787)	(2,431)	(2,668)	(764)	(462)
Investment agency fees	4(f)	-	-	-	-	-	-	-	-	-	-
Trustee's fees	4(g)	(318)	(294)	(232)	(211)	(239)	(229)	(707)	(776)	(252)	(152)
Bank charges	4(h)	(1)	(1)	(1)	(1)	(1)	(1)	(2)	(2)	(1)	(1)
Legal and professional fees		(2)	(3)	(2)	(3)	(1)	(2)	(4)	(8)	(1)	(1)
Auditor's remuneration		(5)	(5)	(5)	(5)	(4)	(4)	(12)	(14)	(3)	(2)
Others		(174)	(180)	(176)	(180)	(137)	(142)	(391)	(430)	(113)	(83)
		(7,352)	(6,805)	(6,770)	(6,176)	(6,858)	(6,561)	(20,227)	(22,204)	(5,781)	(3,507)
Net (expenses)/income before net investment gains/(losses)		(7,352)	(6,805)	(6,770)	(6,176)	(6,858)	(6,561)	(20,227)	(22,204)	(5,781)	(3,507)
Net investment gains/(losses)											
Realised gains/(losses) on disposal of investments		(44,379)	(52,227)	(2,087)	(26,370)	(8,176)	(18,790)	(337,177)	(266,818)	28,525	(24,018)
Movement of unrealised gains or losses on investments		43,217	26,454	63,709	39,806	34,443	22,006	289,690	(440,958)	162,417	114,883
		(1,162)	(25,773)	61,622	13,436	26,267	3,216	(47,487)	(707,776)	190,942	90,865
Profits/(losses) and total comprehensive income for the year		(8,514)	(32,578)	54,852	7,260	19,409	(3,345)	(67,714)	(729,980)	185,161	87,358

Statement of comprehensive income – Constituent funds
for the year ended 30 June 2024 (continued)
(Expressed in Hong Kong dollars)

	Note	Hang Seng China Enterprises Index Tracking Fund		ValueChoice Asia Pacific Equity Tracker Fund		ValueChoice Balanced Fund		ValueChoice Europe Equity Tracker Fund		ValueChoice North America Equity Tracker Fund	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Income											
Distribution income		13,079	5,598	-	-	-	-	-	-	-	-
Rebate income	4(a)	1,859	1,640	-	-	-	-	-	-	-	-
Other income		1	-	-	1	-	-	-	-	-	-
		<u>14,939</u>	<u>7,238</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenses											
Administrator's fees	4(b)	(1,729)	(1,526)	(1,370)	(1,153)	(921)	(769)	(2,663)	(1,190)	(10,347)	(6,466)
Fund administration fees	4(c)	(120)	(106)	(95)	(80)	(64)	(53)	(185)	(83)	(719)	(449)
Management fees	4(d)	-	-	-	-	-	-	-	-	-	-
Sponsor fees	4(e)	(300)	(265)	(241)	(203)	(162)	(135)	(468)	(209)	(1,820)	(1,138)
Investment agency fees	4(f)	(372)	(329)	-	-	-	-	-	-	-	-
Trustee's fees	4(g)	(100)	(88)	(79)	(67)	(53)	(44)	(154)	(69)	(599)	(374)
Bank charges	4(h)	-	-	-	-	-	-	(1)	-	(2)	(1)
Legal and professional fees		(1)	(1)	(1)	-	-	-	(1)	(1)	(3)	(4)
Auditor's remuneration		(2)	(2)	(1)	(1)	(1)	(1)	(2)	(1)	(7)	(6)
Others		(151)	(133)	(40)	(36)	(27)	(25)	(76)	(32)	(282)	(223)
		<u>(2,775)</u>	<u>(2,450)</u>	<u>(1,827)</u>	<u>(1,540)</u>	<u>(1,228)</u>	<u>(1,027)</u>	<u>(3,550)</u>	<u>(1,585)</u>	<u>(13,779)</u>	<u>(8,661)</u>
Net (expenses)/income before net investment gains/(losses)		<u>12,164</u>	<u>4,788</u>	<u>(1,827)</u>	<u>(1,539)</u>	<u>(1,228)</u>	<u>(1,027)</u>	<u>(3,550)</u>	<u>(1,585)</u>	<u>(13,779)</u>	<u>(8,661)</u>
Net investment gains/(losses)											
Realised gains/(losses) on disposal of investments		(34,959)	(56,134)	793	(24,339)	(578)	(4,477)	23,015	(6,031)	123,725	(88,151)
Movement of unrealised gains or losses on investments		29,886	(3,321)	39,317	25,084	14,222	11,993	46,776	49,506	387,892	335,362
		<u>(5,073)</u>	<u>(59,455)</u>	<u>40,110</u>	<u>745</u>	<u>13,644</u>	<u>7,516</u>	<u>69,791</u>	<u>43,475</u>	<u>511,617</u>	<u>247,211</u>
Profits/(losses) and total comprehensive income for the year		<u>7,091</u>	<u>(54,667)</u>	<u>38,283</u>	<u>(794)</u>	<u>12,416</u>	<u>6,489</u>	<u>66,241</u>	<u>41,890</u>	<u>497,838</u>	<u>238,550</u>

Statement of comprehensive income – Constituent funds for the year ended 30 June 2024 (continued)

(Expressed in Hong Kong dollars)

	Note	Scheme level adjustments		The Scheme	
		2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000
Income					
Distribution income		-	-	405,646	434,555
Rebate income	4(a)	-	-	1,859	1,640
Other income		-	-	20	14
		-	-	407,525	436,209
Expenses					
Administrator's fees	4(b)	-	-	(298,531)	(303,890)
Fund administration fees	4(c)	-	-	(28,654)	(30,331)
Management fees	4(d)	-	-	(14,230)	(21,471)
Sponsor fees	4(e)	-	-	(50,395)	(51,376)
Investment agency fees	4(f)	-	-	(9,638)	(10,055)
Trustee's fees	4(g)	-	-	(16,642)	(17,820)
Bank charges	4(h)	-	-	(34)	(34)
Legal and professional fees		-	-	(78)	(124)
Auditor's remuneration		-	-	(246)	(252)
Others		(417)	(117)	(11,143)	(10,943)
		(417)	(117)	(429,591)	(446,296)
Net (expenses)/income before net investment gains/(losses)		(417)	(117)	(22,066)	(10,087)
Net investment gains/(losses)					
Realised gains/(losses) on disposal of investments		-	-	(843,390)	(1,643,419)
Movement of unrealised gains or losses on investments		-	-	4,544,235	873,299
		-	-	3,700,845	(770,120)
Profits/(losses) and total comprehensive income for the year		(417)	(117)	3,678,779	(780,207)

The notes on pages 118 to 150 form part of these financial statements.

Statement of assets and liabilities – Constituent funds

as at 30 June 2024

(Expressed in Hong Kong dollars)

		MPF Conservative Fund		Guaranteed Fund		Core Accumulation Fund		Balanced Fund		Growth Fund	
	Note	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets											
Investments	9, 19	10,215,151	9,644,462	2,996,021	3,005,524	5,683,731	4,666,901	5,559,838	5,513,614	8,272,243	7,990,306
Distribution receivables		-	-	-	-	-	-	-	-	-	-
Amounts receivable on subscription of units		36,577	59,550	8,300	7,648	5,816	5,468	1,513	3,586	4,316	5,843
Amounts receivable from disposal of investments		105,214	91,257	10,597	24,422	12,153	10,051	8,644	7,835	13,670	13,420
Other receivables	4(i)	33	-	-	-	16	-	17	-	25	-
Cash and cash equivalents	4(h)	-	-	-	-	-	-	-	-	1	1
		<u>10,356,975</u>	<u>9,795,269</u>	<u>3,014,918</u>	<u>3,037,594</u>	<u>5,701,716</u>	<u>4,682,420</u>	<u>5,570,012</u>	<u>5,525,035</u>	<u>8,290,255</u>	<u>8,009,570</u>
Liabilities											
Amounts payable on purchase of investments		36,577	59,550	8,300	7,648	5,816	5,468	1,513	3,586	4,316	5,843
Benefits payable		-	-	-	-	-	-	-	-	-	-
Forfeitures payable	6	-	-	-	-	-	-	-	-	-	-
Amounts payable on redemption of units		105,214	91,257	10,597	24,422	12,153	10,051	8,644	7,835	13,670	13,420
Accrued expenses and other payables	4(b), (c), (d), (e), (f), (g)	7,003	6,557	5	6	2,406	1,964	3,247	3,213	4,823	4,652
		<u>148,794</u>	<u>157,364</u>	<u>18,902</u>	<u>32,076</u>	<u>20,375</u>	<u>17,483</u>	<u>13,404</u>	<u>14,634</u>	<u>22,809</u>	<u>23,915</u>
Net assets attributable to members		<u>10,208,181</u>	<u>9,637,905</u>	<u>2,996,016</u>	<u>3,005,518</u>	<u>5,681,341</u>	<u>4,664,937</u>	<u>5,556,608</u>	<u>5,510,401</u>	<u>8,267,446</u>	<u>7,985,655</u>
Number of units in issue		<u>748,515,265</u>	<u>735,469,144</u>	<u>298,261,092</u>	<u>306,528,198</u>	<u>224,359,370</u>	<u>205,136,487</u>	<u>250,851,928</u>	<u>262,787,452</u>	<u>352,351,744</u>	<u>364,600,413</u>
Net asset value per unit*		HK\$ 13.64	HK\$ 13.10	HK\$ 10.04	HK\$ 9.81	HK\$ 25.32	HK\$ 22.74	HK\$ 22.15	HK\$ 20.97	HK\$ 23.46	HK\$ 21.90

* The net asset value per unit is calculated by dividing the exact net assets attributable to members by the exact number of units in issue.

Statement of assets and liabilities – Constituent funds
as at 30 June 2024 (continued)
(Expressed in Hong Kong dollars)

		Hang Seng Index Tracking Fund								Hong Kong and Chinese Equity Fund			
	Note	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023		
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Assets													
Investments	9, 19	9,979,701	10,421,228	5,458,762	3,936,754	1,460,967	1,256,254	3,846,904	3,436,535	3,476,306	3,612,613		
Distribution receivables		154,727	135,671	-	-	-	-	-	-	-	-		
Amounts receivable on subscription of units		49,571	51,547	23,862	19,376	2,938	5,830	11,716	7,938	9,975	8,356		
Amounts receivable from disposal of investments		32,332	48,879	18,089	12,740	7,232	5,595	6,031	9,385	10,284	7,479		
Other receivables	4(i)	31	-	24	-	4	-	11	-	11	-		
Cash and cash equivalents	4(h)	22	2	-	-	-	-	-	-	-	-		
		10,216,384	10,657,327	5,500,737	3,968,870	1,471,141	1,267,679	3,864,662	3,453,858	3,496,576	3,628,448		
Liabilities													
Amounts payable on purchase of investments		49,571	51,547	23,862	19,376	2,938	5,830	11,716	7,938	9,975	8,356		
Benefits payable		-	-	-	-	-	-	-	-	-	-		
Forfeitures payable	6	-	-	-	-	-	-	-	-	-	-		
Amounts payable on redemption of units		32,332	48,915	18,089	12,740	7,232	5,595	6,031	9,385	10,284	7,479		
Accrued expenses and other payables	4(b), (c), (d), (e), (f), (g)	6,251	6,508	3,109	2,209	863	716	2,190	2,024	2,045	2,128		
		88,154	106,970	45,060	34,325	11,033	12,141	19,937	19,347	22,304	17,963		
Net assets attributable to members		10,128,230	10,550,357	5,455,677	3,934,545	1,460,108	1,255,538	3,844,725	3,434,511	3,474,272	3,610,485		
Number of units in issue		509,814,217	514,590,699	176,021,432	153,201,091	84,415,784	79,202,347	120,385,145	121,564,047	184,609,785	184,833,109		
Net asset value per unit*		HK\$ 19.87	HK\$ 20.50	HK\$ 30.99	HK\$ 25.68	HK\$ 17.30	HK\$ 15.85	HK\$ 31.94	HK\$ 28.25	HK\$ 18.82	HK\$ 19.53		

* The net asset value per unit is calculated by dividing the exact net assets attributable to members by the exact number of units in issue.

Statement of assets and liabilities – Constituent funds
as at 30 June 2024 (continued)
(Expressed in Hong Kong dollars)

	Note	Global Bond Fund		Age 65 Plus Fund		Stable Fund		Chinese Equity Fund		Global Equity Fund	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets											
Investments	9, 19	1,365,744	1,211,608	1,407,984	1,205,004	984,403	946,249	2,903,370	2,996,993	1,358,194	716,464
Distribution receivables		-	-	-	-	-	-	-	-	-	-
Amounts receivable on subscription of units		7,835	5,591	5,041	3,265	807	1,301	5,059	12,710	10,140	6,172
Amounts receivable from disposal of investments		6,731	7,014	5,411	4,963	3,134	1,785	14,880	15,146	6,134	2,392
Other receivables	4(i)	4	-	4	-	3	-	9	-	6	1
Cash and cash equivalents	4(h)	-	-	1	1	-	-	-	-	3	2
		<u>1,380,314</u>	<u>1,224,213</u>	<u>1,418,441</u>	<u>1,213,233</u>	<u>988,347</u>	<u>949,335</u>	<u>2,923,318</u>	<u>3,024,849</u>	<u>1,374,477</u>	<u>725,031</u>
Liabilities											
Amounts payable on purchase of investments		7,835	5,591	5,041	3,265	807	1,301	5,059	12,710	10,140	6,172
Benefits payable		-	-	-	-	-	-	-	-	-	-
Forfeitures payable	6	-	-	-	-	-	-	-	-	-	-
Amounts payable on redemption of units		6,731	7,014	5,411	4,963	3,134	1,785	14,880	15,146	6,134	2,392
Accrued expenses and other payables	4(b), (c), (d), (e), (f), (g)	637	569	592	507	572	549	1,694	1,751	622	323
		<u>15,203</u>	<u>13,174</u>	<u>11,044</u>	<u>8,735</u>	<u>4,513</u>	<u>3,635</u>	<u>21,633</u>	<u>29,607</u>	<u>16,896</u>	<u>8,887</u>
Net assets attributable to members		<u>1,365,111</u>	<u>1,211,039</u>	<u>1,407,397</u>	<u>1,204,498</u>	<u>983,834</u>	<u>945,700</u>	<u>2,901,685</u>	<u>2,995,242</u>	<u>1,357,581</u>	<u>716,144</u>
Number of units in issue		<u>123,886,447</u>	<u>109,280,038</u>	<u>108,616,539</u>	<u>96,946,292</u>	<u>81,464,046</u>	<u>79,862,336</u>	<u>246,874,784</u>	<u>249,270,614</u>	<u>55,699,616</u>	<u>34,972,852</u>
Net asset value per unit*		<u>HK\$ 11.02</u>	<u>HK\$ 11.08</u>	<u>HK\$ 12.96</u>	<u>HK\$ 12.42</u>	<u>HK\$ 12.08</u>	<u>HK\$ 11.84</u>	<u>HK\$ 11.75</u>	<u>HK\$ 12.02</u>	<u>HK\$ 24.37</u>	<u>HK\$ 20.48</u>

* The net asset value per unit is calculated by dividing the exact net assets attributable to members by the exact number of units in issue.

Statement of assets and liabilities – Constituent funds
as at 30 June 2024 (continued)
(Expressed in Hong Kong dollars)

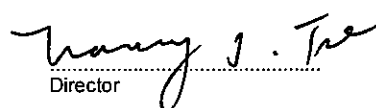
		Hang Seng China Enterprises Index Tracking Fund		ValueChoice Asia Pacific Equity Tracker Fund		ValueChoice Balanced Fund		ValueChoice Europe Equity Tracker Fund		ValueChoice North America Equity Tracker Fund	
	Note	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Assets											
Investments	9, 19	465,350	386,904	390,983	292,589	237,538	201,799	649,755	497,861	3,323,854	1,768,097
Distribution receivables		4,697	1,191	-	-	-	-	-	-	-	-
Amounts receivable on subscription of units		11,289	5,451	18,317	11,345	273	1,040	2,306	11,003	40,657	24,234
Amounts receivable from disposal of investments		9,071	6,811	6,282	9,825	158	399	4,254	5,890	29,532	17,029
Other receivables	4(i)	185	151	2	-	1	-	3	1	15	3
Cash and cash equivalents	4(h)	2	3	3	2	3	3	3	2	1	1
		490,594	400,511	415,587	313,761	237,973	203,241	656,321	514,757	3,394,059	1,809,364
Liabilities											
Amounts payable on purchase of investments		11,289	5,451	18,317	11,345	273	1,040	2,306	11,003	40,657	24,235
Benefits payable		-	-	-	-	-	-	-	-	-	-
Forfeitures payable	6	-	-	-	-	-	-	-	-	-	-
Amounts payable on redemption of units		9,071	6,811	6,282	9,825	158	399	4,254	5,890	29,532	17,028
Accrued expenses and other payables	4(b), (c), (d), (e), (f), (g)	289	238	177	137	112	95	309	220	1,498	782
		20,649	12,500	24,776	21,307	543	1,534	6,869	17,113	71,687	42,045
Net assets attributable to members		469,945	388,011	390,811	292,454	237,430	201,707	649,452	497,644	3,322,372	1,767,319
Number of units in issue		73,994,451	61,947,914	28,102,584	23,565,102	15,296,469	13,761,642	33,322,561	28,419,314	79,598,020	51,547,706
Net asset value per unit*		HK\$ 6.35	HK\$ 6.26	HK\$ 13.91	HK\$ 12.41	HK\$ 15.52	HK\$ 14.66	HK\$ 19.49	HK\$ 17.51	HK\$ 41.74	HK\$ 34.29

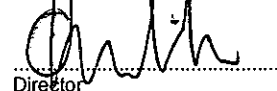
* The net asset value per unit is calculated by dividing the exact net assets attributable to members by the exact number of units in issue.

Statement of assets and liabilities – Constituent funds
as at 30 June 2024 (continued)
(Expressed in Hong Kong dollars)

	Note	Scheme level adjustments		Elimination for switching		The Scheme	
		2024	2023	2024	2023	2024	2023
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets							
Investments	9, 19	-	-	-	-	70,036,799	63,707,759
Distribution receivables		-	-	-	-	159,424	136,862
Amounts receivable on subscription of units		(15,740)	(13,366)	(240,568)	(243,888)	-	-
Amounts receivable from disposal of investments		-	-	-	-	309,833	302,317
Other receivables	4(i)	-	-	-	-	404	156
Cash and cash equivalents	4(h)	36,268	42,720	-	-	36,307	42,737
		20,528	29,354	(240,568)	(243,888)	70,542,767	64,189,831
Liabilities							
Amounts payable on purchase of investments		-	-	-	-	256,308	257,255
Benefits payable		83,073	72,351	-	-	83,073	72,351
Forfeitures payable	6	10,255	9,268	-	-	10,255	9,268
Amounts payable on redemption of units		(69,265)	(58,464)	(240,568)	(243,888)	-	-
Accrued expenses and other payables	4(b), (c), (d), (e), (f), (g)	14,775	14,288	-	-	53,219	49,436
		38,838	37,443	(240,568)	(243,888)	402,855	388,310
Net assets attributable to members		(18,310)	(8,089)	-	-	70,139,912	63,801,521

The financial statements were approved by board of directors of HSBC Provident Fund Trustee (Hong Kong) Limited on 3 December 2024 and were signed on its behalf by:


Director


Director

The notes on pages 118 to 150 form part of these financial statements.

Statement of changes in net assets attributable to members – Constituent funds
for the year ended 30 June 2024
(Expressed in Hong Kong dollars)

	Note	MPF Conservative Fund		Guaranteed Fund		Core Accumulation Fund		Balanced Fund		Growth Fund	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Net assets brought forward		9,637,905	9,002,697	3,005,518	3,067,002	4,664,937	4,042,612	5,510,401	5,472,831	7,985,655	7,726,699
Add: Subscriptions		6,679,900	6,823,108	886,889	976,911	1,411,598	1,013,988	429,807	459,103	661,882	698,456
Less: Redemptions		(6,505,174)	(6,380,866)	(968,662)	(991,979)	(953,342)	(722,725)	(681,208)	(579,787)	(931,660)	(759,652)
Other capital (payments)/receipts	8	9,812,631 1	9,444,939 -	2,923,745 -	3,051,934 -	5,123,193 3	4,333,875 1	5,259,000 1	5,352,147 1	7,715,877 1	7,665,503 2
Profits/(losses) and total comprehensive income for the year		9,812,632	9,444,939	2,923,745	3,051,934	5,123,196	4,333,876	5,259,001	5,352,148	7,715,878	7,665,505
		395,549	192,966	72,271	(46,416)	558,145	331,061	297,607	158,253	551,568	320,150
Net assets carried forward		<u>10,208,181</u>	<u>9,637,905</u>	<u>2,996,016</u>	<u>3,005,518</u>	<u>5,681,341</u>	<u>4,664,937</u>	<u>5,556,608</u>	<u>5,510,401</u>	<u>8,267,446</u>	<u>7,985,655</u>
Units in issue											
Units brought forward		735,469,144	700,821,098	306,528,198	308,080,334	205,136,487	191,874,219	262,787,452	269,149,267	364,600,413	368,213,962
Units issued		499,325,133	528,019,824	89,430,432	99,473,272	59,422,143	47,087,023	20,368,917	22,580,479	29,940,858	33,073,000
Units redeemed		(486,279,012)	(493,371,778)	(97,697,538)	(101,025,408)	(40,199,260)	(33,824,755)	(32,304,441)	(28,942,294)	(42,189,527)	(36,686,549)
Units carried forward		<u>748,515,265</u>	<u>735,469,144</u>	<u>298,261,092</u>	<u>306,528,198</u>	<u>224,359,370</u>	<u>205,136,487</u>	<u>250,851,928</u>	<u>262,787,452</u>	<u>352,351,744</u>	<u>364,600,413</u>

Statement of changes in net assets attributable to members – Constituent funds for the year ended 30 June 2024 (continued)

(Expressed in Hong Kong dollars)

	Hang Seng Index Tracking Fund		North American Equity Fund		European Equity Fund		Asia Pacific Equity Fund		Hong Kong and Chinese Equity Fund	
Note	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Net assets brought forward	10,550,357	11,143,236	3,934,545	3,244,330	1,255,538	946,115	3,434,511	3,537,272	3,610,485	3,905,465
Add: Subscriptions	4,116,641	4,449,201	2,247,272	1,412,663	566,930	429,712	613,792	691,234	851,447	1,064,981
Less: Redemptions	(4,217,682)	(3,816,500)	(1,613,306)	(1,250,842)	(489,119)	(292,058)	(643,272)	(576,372)	(854,128)	(806,722)
Other capital (payments)/receipts	10,449,316 4	11,775,937 3	4,568,511 2	3,406,151 1	1,333,349 -	1,083,769 -	3,405,031 1	3,652,134 1	3,607,804 1	4,163,724 3
Profits/(losses) and total comprehensive income for the year	10,449,320 (321,090)	11,775,940 (1,225,583)	4,568,513 887,164	3,406,152 528,393	1,333,349 126,759	1,083,769 171,769	3,405,032 439,693	3,652,135 (217,624)	3,607,805 (133,533)	4,163,727 (553,242)
Net assets carried forward	<u>10,128,230</u>	<u>10,550,357</u>	<u>5,455,677</u>	<u>3,934,545</u>	<u>1,460,108</u>	<u>1,255,538</u>	<u>3,844,725</u>	<u>3,434,511</u>	<u>3,474,272</u>	<u>3,610,485</u>
Units in issue										
Units brought forward	514,590,699	483,553,309	153,201,091	146,823,692	79,202,347	70,519,135	121,564,047	117,832,520	184,833,109	172,547,945
Units issued	212,960,374	215,042,876	81,259,125	60,608,612	35,116,304	28,733,673	21,470,604	24,001,153	46,209,679	52,077,759
Units redeemed	(217,736,856)	(184,005,486)	(58,438,784)	(54,231,213)	(29,902,867)	(20,050,461)	(22,649,506)	(20,269,626)	(46,433,003)	(39,792,595)
Units carried forward	<u>509,814,217</u>	<u>514,590,699</u>	<u>176,021,432</u>	<u>153,201,091</u>	<u>84,415,784</u>	<u>79,202,347</u>	<u>120,385,145</u>	<u>121,564,047</u>	<u>184,609,785</u>	<u>184,833,109</u>

Statement of changes in net assets attributable to members – Constituent funds for the year ended 30 June 2024 (continued)

(Expressed in Hong Kong dollars)

	Note	Global Bond Fund		Age 65 Plus Fund		Stable Fund		Chinese Equity Fund		Global Equity Fund	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Net assets brought forward		1,211,039	1,186,702	1,204,498	1,163,502	945,700	909,398	2,995,242	3,468,078	716,144	570,771
Add: Subscriptions		742,392	470,433	661,529	500,928	252,761	274,561	875,785	1,084,796	840,321	270,589
Less: Redemptions		(579,807)	(413,518)	(513,482)	(467,192)	(234,036)	(234,914)	(901,628)	(827,653)	(384,045)	(212,574)
Other capital (payments)/receipts	8	1,373,624 1	1,243,617 -	1,352,545 -	1,197,238 -	964,425 -	949,045 -	2,969,399 -	3,725,221 1	1,172,420 -	628,786 -
Profits/(losses) and total comprehensive income for the year		1,373,625 (8,514)	1,243,617 (32,578)	1,352,545 54,852	1,197,238 7,260	964,425 19,409	949,045 (3,345)	2,969,399 (67,714)	3,725,222 (729,980)	1,172,420 185,161	628,786 87,358
Net assets carried forward		<u>1,365,111</u>	<u>1,211,039</u>	<u>1,407,397</u>	<u>1,204,498</u>	<u>983,834</u>	<u>945,700</u>	<u>2,901,685</u>	<u>2,995,242</u>	<u>1,357,581</u>	<u>716,144</u>
Units in issue											
Units brought forward		109,280,038	104,331,175	96,946,292	94,247,631	79,862,336	76,533,530	249,270,614	230,034,545	34,972,852	32,091,697
Units issued		67,294,364	42,366,448	52,388,383	40,926,092	21,378,524	23,569,735	76,983,320	83,375,242	38,018,075	14,379,896
Units redeemed		(52,687,955)	(37,417,585)	(40,718,136)	(38,227,431)	(19,776,814)	(20,240,929)	(79,379,150)	(64,139,173)	(17,291,311)	(11,498,741)
Units carried forward		<u>123,886,447</u>	<u>109,280,038</u>	<u>108,616,539</u>	<u>96,946,292</u>	<u>81,464,046</u>	<u>79,862,336</u>	<u>246,874,784</u>	<u>249,270,614</u>	<u>55,699,616</u>	<u>34,972,852</u>

Statement of changes in net assets attributable to members – Constituent funds
for the year ended 30 June 2024 (continued)
(Expressed in Hong Kong dollars)

Note	Hang Seng China Enterprises Index Tracking Fund		ValueChoice Asia Pacific Equity Tracker Fund		ValueChoice Balanced Fund		ValueChoice Europe Equity Tracker Fund		ValueChoice North America Equity Tracker Fund	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Net assets brought forward	388,011	357,032	292,454	258,097	201,707	170,408	497,644	218,195	1,767,319	1,404,327
Add: Subscriptions	733,052	636,722	457,981	306,219	102,057	78,465	566,346	451,657	2,678,470	978,633
Less: Redemptions	(658,210)	(551,076)	(397,907)	(271,068)	(78,750)	(53,655)	(480,779)	(214,098)	(1,621,262)	(854,192)
Other capital (payments)/receipts	462,853 1	442,678 -	352,528 -	293,248 -	225,014 -	195,218 -	583,211 -	455,754 -	2,824,527 7	1,528,768 1
Profits/(losses) and total comprehensive income for the year	462,854 7,091	442,678 (54,667)	352,528 38,283	293,248 (794)	225,014 12,416	195,218 6,489	583,211 66,241	455,754 41,890	2,824,534 497,838	1,528,769 238,550
Net assets carried forward	469,945	388,011	390,811	292,454	237,430	201,707	649,452	497,644	3,322,372	1,767,319
Units in issue										
Units brought forward	61,947,914	48,852,758	23,565,102	20,778,338	13,761,642	12,068,839	28,419,314	14,841,986	51,547,706	47,967,246
Units issued	121,001,777	99,362,982	35,929,179	24,957,146	6,872,676	5,518,990	31,589,505	26,743,525	71,745,453	31,299,995
Units redeemed	(108,955,240)	(86,267,826)	(31,391,697)	(22,170,382)	(5,337,849)	(3,826,187)	(26,686,258)	(13,166,197)	(43,695,139)	(27,719,535)
Units carried forward	73,994,451	61,947,914	28,102,584	23,565,102	15,296,469	13,761,642	33,322,561	28,419,314	79,598,020	51,547,706

Statement of changes in net assets attributable to members – Constituent funds
for the year ended 30 June 2024 (continued)
(Expressed in Hong Kong dollars)

	Note	Scheme level adjustments		Elimination for switching		The Scheme	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Net assets brought forward		(8,089)	(12,802)	-	-	63,801,521	61,781,967
Add: Subscriptions		2,780	8,614	(20,101,147)	(17,001,158)	6,278,485	6,079,816
Less: Redemptions		(9,646)	(5,452)	20,101,147	17,001,158	(3,615,958)	(3,281,737)
		(14,955)	(9,640)	-	-	66,464,048	64,580,046
Other capital (payments)/receipts	8	(2,938)	1,668	-	-	(2,915)	1,682
		(17,893)	(7,972)	-	-	66,461,133	64,581,728
Profits/(losses) and total comprehensive income for the year		(417)	(117)	-	-	3,678,779	(780,207)
Net assets carried forward		(18,310)	(8,089)	-	-	70,139,912	63,801,521

The notes on pages 118 to 150 form part of these financial statements.

Notes to the financial statements

(Expressed in Hong Kong dollars)

1 The Scheme

Hang Seng Mandatory Provident Fund – SuperTrust Plus (“the Scheme”) is a scheme established under a trust deed dated 31 January 2000 (“the Trust Deed”) between Hang Seng bank Limited (“the sponsor”) and HSBC Provident Fund Trustee (Hong Kong) Limited (“the Trustee”). The Trust Deed was subsequently amended by deeds of variation dated 29 November 2000, 8 January 2002, 15 August 2002, 4 July 2003, 14 September 2006, 5 May 2011, 18 October 2012, 9 April 2015, 27 August 2015, 22 December 2015, 18 May 2016, 12 December 2016, 23 June 2017, 19 March 2019, 8 April 2019 and 3 December 2019 between the Sponsor and the Trustee. The Scheme is registered under section 21 of the Hong Kong Mandatory Provident Fund Schemes Ordinance (“the MPF Ordinance”).

Under the Trust Deed as subsequently amended, the Trustee is required to establish and maintain separate constituent funds into which contributions may be invested. The constituent funds are only available for investment by members of the Scheme.

The Scheme had twenty constituent funds as at 30 June 2024:

- | | |
|-------------------------------------|---|
| - MPF Conservative Fund | - Age 65 Plus Fund |
| - Guaranteed Fund | - Stable Fund |
| - Core Accumulation Fund | - Chinese Equity Fund |
| - Balanced Fund | - Global Equity Fund |
| - Growth Fund | - Hang Seng China Enterprises Index Tracking Fund |
| - Hang Seng Index Tracking Fund | - ValueChoice Asia Pacific Equity Tracker Fund |
| - North American Equity Fund | - ValueChoice Balanced Fund |
| - European Equity Fund | - ValueChoice European Equity Tracker Fund |
| - Asia Pacific Equity Fund | - ValueChoice North America Equity Tracker Fund |
| - Hong Kong and Chinese Equity Fund | |
| - Global Bond Fund | |

1 The Scheme (continued)

Except for Hang Seng Index Tracking Fund which invests in Hang Seng Index Tracking Fund and Hang Seng China Enterprises Index Tracking Fund which invests in Hang Seng China Enterprises Index ETF, all constituent funds invest in MPF Guaranteed Fund, sub-funds of HSBC MPF Fund Series “A” or sub-funds of HSBC Pooled Investment Fund which are approved pooled investment funds.

The Scheme is generally funded by contributions from the participating employers and members. Under section 7A of the MPF Ordinance, each of the participating employers and members is required to contribute 5% of relevant income to the Scheme on a monthly basis. The contribution was subject to a maximum amount of \$1,500 prescribed by section 10 and schedule 3 of the MPF Ordinance. According to section 9 and schedule 2 of the MPF Ordinance, members with monthly salary of less than the minimum level of \$7,100 are exempted from contributions. Such exemption is not applicable for their employers.

The Employee Choice Arrangement (“the ECA”) has been launched by the Hong Kong Mandatory Provident Fund Schemes Authority (“the Authority”) with effect from 1 November 2012. The ECA allows members to opt to transfer the member’s portion of mandatory contributions and investment returns (i.e. the accrued benefits) in their contribution accounts of the original mandatory provident fund scheme to another mandatory provident fund scheme of their own choice once a year. Alternatively, members do not have to make any change. They can retain the accrued benefits in the original mandatory provident fund scheme selected by their employers.

The feature of tax deductible voluntary contributions (“TVC”) has been added to the Scheme with effect from 1 April 2019. The TVC allows eligible persons to set up a TVC account and pay TVC into such account. TVC may be eligible for tax concessions starting from the year of assessment 2020/2021. TVC is voluntary in nature. However, it is subject to the same vesting, preservation and withdrawal restrictions applicable to mandatory contributions.

On 5 November 2021, the investment structure of six constituent funds of the Scheme, namely Global Equity Fund, North American Equity Fund, European Equity Fund, Asia Pacific Equity Fund, Hong Kong and Chinese Equity Fund and Chinese Equity Fund (each an ‘Equity Fund’ and collectively, the ‘Equity Funds’), were de-layered and simplified. The Equity Funds are now each investing directly and solely into a corresponding approved pooled investment fund (“APIF”), which each such Equity Fund invested into indirectly through an APIF at an upper level prior to the delayering.

In November 2021, three constituent funds of the Scheme were restructured and renamed, namely, the ValueChoice Asia Pacific Equity Fund which was renamed as the ValueChoice Asia Pacific Equity Tracker Fund (effective from 12 November 2021), the ValueChoice US Equity Fund which was renamed as the ValueChoice North America Equity Tracker Fund (effective from 19 November 2021) and the ValueChoice European Equity Fund which was renamed as the ValueChoice Europe Equity Tracker Fund (effective from 26 November 2021) (each a ‘VC Equity Fund’, and collectively, the ‘VC Equity Funds’). The VC Equity Funds were restructured into index-tracking funds and now each investing directly and solely in a corresponding index-tracking APIF.

1 The Scheme (continued)

On 3 December 2021, the sole underlying investment fund of the ValueChoice Balanced Fund, HSBC MPF “A” – VC Balanced Fund, was restructured to further invest in two or more index-tracking collective investment schemes and/or index-tracking APIF(s). The Chinese name of the ValueChoice Balanced Fund was also changed while the English name remains unchanged.

With effect from 30 June 2022, the key scheme information document (the ‘KSID’), which forms part of the offering document of the Scheme, is available. The KSID helps provide Scheme Participants with key scheme information relating to the Scheme in a simplified and standardized format prescribed by the MPFA. That said, while the KSID could facilitate Scheme Participants to obtain an overview of the key details and features of the Scheme, Scheme Participants should not make investment decisions based solely on the KSID.

The Scheme may be terminated on the occurrence of one or more events as specified in clause 21 of the Trust Deed as subsequently amended.

2 Material accounting policies

(a) Statement of compliance

The financial statements of the Scheme have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong, the relevant disclosure provisions of the Trust Deed dated 31 January 2000 as subsequently amended, the MPF Ordinance, the Hong Kong Mandatory Provident Fund Schemes (General) Regulation (“the General Regulation”), the Hong Kong Code on MPF Investment Funds (“the MPF Code”) and other relevant guidelines issued by the Authority. Material accounting policies adopted by the Scheme are disclosed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Scheme. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Scheme for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The functional and presentation currency of the Scheme is the Hong Kong dollar and reflects transactions which have been processed by the Trustee into the constituent funds.

2 Material accounting policies (continued)

(b) Basis of preparation of the financial statements (continued)

The financial statements are prepared on a fair value basis for financial assets and liabilities at fair value through profit or loss. Other financial assets and financial liabilities are stated at amortised cost or redemption amount.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revisions affect only that period, or in the period of the revisions and future periods if the revisions affect both current and future periods.

(c) Recognition of income

Distribution income from listed investments is recognised when the share price of the investment goes ex-dividend.

Other income is recognised in the statement of comprehensive income on an accrual basis.

(d) Subscription for and redemption of units of the constituent funds

Subscription for and redemption of units of the constituent funds are accounted for on an accrual basis.

(e) Other expenses

Other expenses are accounted for on an accrual basis.

2 Material accounting policies (continued)

(f) Investments

(i) Classification

Assets

The Scheme and its constituent funds classify their investments based on both the Scheme and its constituent funds' business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Scheme and its constituent funds are primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The Scheme and its constituent funds have not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Scheme and its constituent funds' debt securities are solely principal and interest, however, these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the Scheme and its constituent funds' business model's objective. Consequently, all investments are measured at fair value through profit or loss.

(ii) Recognition, derecognition and measurement

Regular purchases and sales of investments are recognised on the trade date - the date on which the Scheme and its constituent funds commit to purchase or sell the investment. Financial assets at fair value through profit or loss are initially recognised at fair value, excluding transaction costs which are expensed as incurred.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Scheme and its constituent funds have transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the "Financial assets at fair value through profit or loss" category are presented in the Statement of Changes in Net Assets Available for Benefits of the Scheme within "Realised gains/(losses) on disposal of investments" and "Movement of unrealised gains or losses on investments"; and in the Statement of Comprehensive Income of the constituent funds within "Movement of unrealised gains or losses on investments" and "Realised gains/(losses) on disposal of investments" in the period in which they arise.

(iii) Valuation of investment

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 in the principal, or in its absence, the most advantageous market to which the Scheme has access at that date. The fair value of a liability reflects its non-performance risk.

2 Material accounting policies (continued)

(f) Investments (continued)

(iii) Valuation of investment (continued)

When applicable, the Scheme measures the fair value of an instrument using the quoted price in an active market for that instrument provided such price is within the bid-ask spread. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. In circumstances where quoted price is not within the bid-ask spread, the Trustee will determine the points within the bid-ask spread that are most representative of the fair value.

When there is no quoted price in an active market, the Scheme uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction.

Investments in open-ended investment funds are recorded at the net asset value per unit as reported by the managers of such funds.

(iv) Impairment

The Scheme and its constituent funds recognise loss allowances for expected credit losses (“ECLs”) on financial assets measured at amortised cost.

The Scheme and its constituent funds measure loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Scheme and its constituent funds consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Scheme’s and its constituent funds’ historical experience and informed credit assessment and including forward-looking information.

The Scheme and its constituent funds assume that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Scheme and its constituent funds consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Scheme and its constituent funds in full, without recourse by the Scheme and its constituent funds to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

2 Material accounting policies (continued)

(f) Investments (continued)

(iv) Impairment (continued)

The Scheme and its constituent funds consider a financial asset to have low credit risk when the credit rating of the counterparty is equivalent to the globally understood definition of “investment grade”. The Scheme and its constituent funds consider this to be Baa3 or higher per Moody’s or BBB- or higher per Standard & Poor’s.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Scheme and its constituent funds are exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Scheme and its constituent funds expect to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Scheme and its constituent funds assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is “credit-impaired” when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statement of assets and liabilities

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Scheme and its constituent funds have no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

2 Material accounting policies (continued)

(g) Foreign currency translation

Foreign currency transactions during the year are translated into Hong Kong dollars at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into Hong Kong dollars at the foreign exchange rates ruling at the reporting date. Foreign currency exchange differences arising on translation and realised gains and losses on disposals or settlements of monetary assets and liabilities are recognised in the statement of comprehensive income of the relevant constituent funds. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the reporting currency of the Scheme and its constituent funds using the foreign exchange rates ruling at the dates on which the fair values were determined.

(h) Related parties

- (a) A person, or a close member of that person's family, is related to the Scheme if that person
 - (i) has control or joint control over the Scheme;
 - (ii) has significant influence over the Scheme; or
 - (iii) is a member of the key management personnel of the Scheme or the Scheme's parent.
- (b) An entity is related to the Scheme if any of the following conditions applies
 - (i) The entity and the Scheme are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of an entity related to the Scheme.
 - (vi) The entity is controlled or jointly-controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Scheme or to the Scheme's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2 Material accounting policies (continued)

(i) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Scheme has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(j) Contributions

Contributions are accounted for on an accruals basis.

(k) Benefits

Benefits are accounted for on an accruals basis.

(l) Transfers in/out

Transfer-in amounts are recognised when the right to receive payment is established. Transfer-out amounts are accounted for when the obligation to make payment is established.

(m) Forfeitures

Forfeitures are the amounts forfeited when member's employment is terminated before the voluntary contributions vest. Forfeitures may be refunded to the employers or re-invested to the Scheme upon the request from the employers.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, demand deposits with banks and other financial institutions with original maturities of three months or less from the date of placement, and short-term, highly liquid investments that are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value.

(o) Units in issue

The Scheme classifies financial instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments.

2 Material accounting policies (continued)

(o) *Units in issue (continued)*

A puttable financial instrument that includes a contractual obligation for the Scheme to repurchase or redeem that instrument for cash or another financial asset is classified as equity instruments if it meets all of the following conditions:

- it entitles the holder to a pro rata share of the Scheme's net assets in the event of its liquidation;
- it is in the class of instruments that is subordinate to all other classes of instruments;
- all financial instruments in the class of instruments that is subordinate to all other classes of instruments have identical features;
- apart from the contractual obligation for the Scheme to repurchase or redeem the instrument for cash or another financial asset, the instrument does not include any other features that would require classification as a liability; and
- the total expected cash flows attributable to the instrument over its life are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Scheme over the life of the instrument.

In addition to the instrument having all the above features, the Scheme must have no other financial instrument or contract that has:

- total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Scheme; and
- the effect of substantially restricting or fixing the residual return to the puttable instrument holders.

The redeemable units are not in the class of instruments that are subordinate to all other classes of instruments which have identical features. Therefore, they do not meet the criteria for equity classification and therefore are classified as financial liabilities. They are measured at the present value of the redemption amount.

(p) *Taxation*

The Scheme is registered under the MPF Ordinance and is therefore a recognised scheme for Hong Kong Profits Tax purposes. The policy of the Hong Kong Inland Revenue Department ("IRD"), as set out in IRD Practice Note No. 23, is that "recognised retirement schemes and their trustees are not considered to be subject to profits tax on their investment income". Accordingly, no provision for Hong Kong Profits Tax has been made in the Scheme's financial statements.

3 Changes in accounting policies

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Scheme.

- Amendments to HKAS 1, Presentation of financial statements and HKFRS Practice Statement 2, Making materiality judgements: Disclosure of accounting policies

3 Changes in accounting policies (continued)

- Amendments to HKAS 8, Accounting policies, changes in accounting estimates and errors: Definition of accounting estimates

Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and made updates to the information disclosed in note 2 in certain instances in line with the amendments.

The Scheme has not applied any new standard or interpretation that is not yet effective for the current accounting period (note 22). The Scheme has consistently applied the accounting policies as set out in note 2 to all periods presented in these financial statements.

4 Transactions with related parties

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Scheme entered into the following material related party transactions for the year. All such transactions were entered into in the ordinary course of business and on normal commercial terms.

(a) Rebate income

Rebate income was earned from Hang Seng Investment Management Limited ("HSIM") at 0.465 percent per annum (2023: 0.465 percent per annum) of the portion of NAV of Hang Seng China Enterprises Index Tracking Fund investing in the Hang Seng China Enterprises Index ETF. This has been reflected in the daily unit price of the Constituent Fund.

The rebate income earned during the year amounted to \$1,859,000 (2023: \$1,640,000). The amount due from this related party in respect of the rebate income at the year end was \$182,000 (2023: \$150,000).

(b) Administrator's fees

The Scheme is administered by The Hongkong and Shanghai Banking Corporation Limited ("HSBCL"). Prior to 1 November 2018 the Scheme was administered by HSBC Life (International) Limited ("HLL"). The administrator's fees are charged from 0.395 percent to 0.535 percent per annum (2023: 0.395 percent to 0.535 percent per annum) of the net asset value ("NAV") of each relevant constituent fund. Administrator's fees of the Guaranteed Fund were charged to the underlying fund of the Guaranteed Fund, i.e. MPF Guaranteed Fund. During the year ended 30 June 2024, no administrator's fee was charged to the Guaranteed Fund (2023: Nil).

4 Transactions with related parties (continued)

(b) Administrator's fees (continued)

Administrator's fees incurred during the year ended 30 June 2024, amounted to \$298,531,000 (2023: \$303,890,000). The amount due to this related party in respect of administrator's fees at the year end amounted to \$26,360,000 (2023: \$23,928,000).

During the year ended 30 June 2024, \$126,443,000 (2023: \$120,444,000) was contributed by Administrator as a rebate to members of the Scheme. The amount was included in contributions received and receivable in the statement of changes in net assets available for benefits of the Scheme and subscriptions in the statement of changes in net assets attributable to members of the constituent funds.

(c) Fund administration fees

The Trustee is entitled to fund administration fees, calculated each valuation date and payable monthly in arrears, based on 0.022 percent to 0.055 percent per annum (2023: 0.022 percent to 0.055 percent per annum) of the NAV of the constituent funds with exception of the Guaranteed Fund whereby no fund administration fees were charged. The fund administration fees earned by the Trustee for the year was \$28,654,000 (2023: \$30,331,000). As at 30 June 2024, the amount due to the Trustee in respect of fund administration fees was \$2,515,000 (2023: \$2,306,000).

The fund administration fees of HSBC MPF Fund Series "A" – MPF Conservative Fund ("HSBC MPF "A" MCF"), the underlying fund of the MPF Conservative Fund ("MCF") were charged to the MCF based on 0.0293 percent per annum (2023: 0.0293 percent per annum) of the NAV of MCF.

(d) Management fees

The management fees of HSBC MPF "A" MCF were charged to MCF at 0.143 percent per annum (2023: 0.143 percent per annum) of the NAV of MCF by the investment manager of HSBC MPF "A" MCF, i.e. HSBC Investment Funds (Hong Kong) Limited ("HIFH") which is a fellow subsidiary of the Administrator and the Trustee. During the year ended 30 June 2024, the management fees for MCF deductible under section 37 of the General Regulation amounted to \$14,230,000 which was deducted from the assets of the MCF (2023: \$21,471,000). The amount due to HIFH in respect of the management fees at the year end was \$1,209,000 (2023: \$1,139,000).

(e) Sponsor fees

The Sponsor of the Scheme is Hang Seng Bank Limited. The sponsor receives sponsor fees which were paid out from the constituent funds for sponsoring the Scheme. Except for Guaranteed Fund, the fees are charged at 0.075 percent to 0.086 percent per annum (2023: 0.075 percent to 0.086 percent per annum) of the NAV of all constituent funds. Sponsor fees of the Guaranteed Fund are charged to the underlying fund of the Guaranteed Fund, i.e. MPF Guaranteed Fund. During the year ended 30 June 2024, no Sponsor fees were charged to Guaranteed Fund (2023: Nil). During the year ended 30 June 2024, \$50,395,000 were paid out from the constituent funds to the Sponsor (2023: \$51,376,000).

4 Transactions with related parties (continued)

(e) Sponsor fees (continued)

As at 30 June 2024, the amount due to this related party in respect of the sponsor fees amounted to \$4,453,000 (2023: \$4,030,000).

(f) Investment agency fees

The Hang Seng Index Tracking Fund invests in Hang Seng Index Tracking Fund while the Hang Seng China Enterprises Index Tracking Fund invests in Hang Seng China Enterprises Index ETF. Both funds are managed by Hang Seng Investment Management Limited (“HSIM”). HSIM is appointed by the Trustee as its agent to perform duties relating to the investment by the Hang Seng Index Tracking Fund and the Hang Seng China Enterprises Index Tracking Fund, including subscription and redemption of units.

Investment agency fees are charged by HSIM at 0.093 percent per annum (2023: 0.093 percent per annum) of the NAV of the Hang Seng Index Tracking Fund and Hang Seng China Enterprises Index Tracking Fund. This has been reflected in the daily unit price of the constituent fund.

The investment agency fees incurred during the year amounted to \$9,638,000 (2023: \$10,055,000). The amount due to this related party in respect of the investment agency fees at the year end amounted to \$822,000 (2023: \$848,000).

(g) Trustee’s fees

The Trustee and Custodian of the Scheme is HSBC Provident Fund Trustee (Hong Kong) Limited. The Trustee receives trustee’s fees for valuation and other services from the relevant constituent funds. The fees are charged at 0.018 percent to 0.025 percent per annum (2023: 0.018 percent to 0.025 percent per annum) of the NAV of each relevant constituent fund with the exception of the Guaranteed Fund, and this has been reflected in the daily unit price of each relevant constituent fund. No trustee’s fees were charged to Guaranteed Fund. Trustee’s fees incurred during the year amounted to \$16,642,000 (2023: \$17,820,000). The amount due to this related party in respect of trustee fees at the year-end amounted to \$1,465,000 (2023: \$1,331,000).

The trustee's fees of HSBC MPF “A” MCF were charged to the MCF based on 0.0147 percent per annum (2023: 0.0147 percent per annum) of the NAV of MCF.

(h) Cash and cash equivalents

As at 30 June 2024, the Scheme maintained bank balance of \$36,307,000 (2023: \$42,737,000) with HSBCL, which is a group company of the Trustee, Custodian and Administrator of the Scheme. These amounts are mainly related to contributions received from members by the Administrator which have not yet been allocated according to the members’ instructions due to cheques awaiting clearance and/or incomplete information provided by employers.

4 Transactions with related parties (continued)

(h) Cash and cash equivalents (continued)

During the year ended 30 June 2024, the bank interest income amounted to \$20,000 (2023: \$5,000) has been earned from HSBC. There was no amount due from this related party in respect of bank interest receivable at the year end (2023: Nil).

During the year ended 30 June 2024, the bank charges amounted to \$4,000 (2023: \$4,000) has been paid to HSBC. There was no amount due to this related party in respect of bank charges payable at the year end (2023: Nil).

(i) Other receivable

During the year ended 30 June 2024, \$162,000 (2023: Nil) were paid out from the constituent funds to cover the eMPF legal cost incurred and will be reimbursed by the sponsor.

As at 30 June 2024, the amount due from this related party in respect of the legal cost amounted to \$162,000 (2023: Nil).

5 Contributions received and receivable

Contributions received and receivable in the statement of changes in net assets available for benefits of the Scheme are derived from the following:

	<i>The Scheme</i>	
	2024	2023
	\$'000	\$'000
From members		
- Mandatory	1,481,136	1,508,241
- Additional voluntary	46,588	48,176
From employers		
- Mandatory	1,628,841	1,651,770
- Additional voluntary	2,351,647	2,208,562
	<u>5,508,212</u>	<u>5,416,749</u>
Transfers in		
- From other schemes	<u>634,105</u>	<u>527,349</u>
	<u>634,105</u>	<u>527,349</u>
Contributions surcharge	1,696	1,613
Other capital movements	<u>134,472</u>	<u>134,105</u>
	<u>6,278,485</u>	<u>6,079,816</u>

6 Benefits paid and payable

Benefits paid and payable in the statement of changes in net assets available for benefits of the Scheme are derived from the following:

	<i>The Scheme</i>	
	2024	2023
	\$'000	\$'000
Benefits	1,813,050	1,528,022
Transfers out	1,777,510	1,739,664
Forfeitures	14,478	8,236
Other capital movements	10,920	5,815
	<u>3,615,958</u>	<u>3,281,737</u>

Forfeitures may be refunded to the employers or reinvested to the Scheme upon the request from the employers.

As at 30 June 2024, forfeitures amounted to \$6,813,000 were reinvested in the constituent funds (2023: \$6,219,000).

7 Capital management

The capital of the constituent funds is represented by the net assets attributable to members. Subscription and redemption of units during the year are shown in the statement of changes in net assets attributable to members of the respective constituent funds. The amount of net assets attributable to members can change significantly on a daily basis as the constituent funds are subject to daily subscriptions and redemptions at the discretion of members. The constituent funds' objective when managing capital is to safeguard their ability to continue as a going concern in order to provide retirement benefits to members and benefits for other stakeholders and to maintain a strong capital base to support the development of the investment activities of the constituent funds.

For capital management purpose, the Trustee performs the following:

- monitor the level of daily subscriptions and redemptions relative to the liquid assets; and
- redeem and issue units of the constituent funds in accordance with the Trust Deed as subsequently amended and the rules of the Scheme.

8 Other capital (payments)/receipts

The other capital (payments)/receipts are the dealing (losses)/gains as a result of timing difference in processing member's unit transactions and the guaranteed benefits to members which they are entitled under the insurance policies of MPF Guaranteed Fund, which Guaranteed Fund invested in.

9 Investments

	2024 \$'000	2023 \$'000
Hang Seng Mandatory Provident Fund – SuperTrust Plus		
Investments in constituent funds:		
MPF Conservative Fund	10,208,181	9,637,905
Guaranteed Fund	2,996,016	3,005,518
Core Accumulation Fund	5,681,341	4,664,937
Balanced Fund	5,556,608	5,510,401
Growth Fund	8,267,446	7,985,655
Hang Seng Index Tracking Fund	10,128,230	10,550,357
North American Equity Fund	5,455,677	3,934,545
European Equity Fund	1,460,108	1,255,538
Asia Pacific Equity Fund	3,844,725	3,434,511
Hong Kong and Chinese Equity Fund	3,474,272	3,610,485
Global Bond Fund	1,365,111	1,211,039
Age 65 Plus Fund	1,407,397	1,204,498
Stable Fund	983,834	945,700
Chinese Equity Fund	2,901,685	2,995,242
Global Equity Fund	1,357,581	716,144
Hang Seng China Enterprises Index Tracking Fund	469,945	388,011
ValueChoice Asia Pacific Equity Tracker Fund	390,811	292,454
ValueChoice Balanced Fund	237,430	201,707
ValueChoice Europe Equity Tracker Fund	649,452	497,644
ValueChoice North America Equity Tracker Fund	3,322,372	1,767,319
Other liabilities	(121,423)	(101,851)
Investments at fair value	<u>70,036,799</u>	<u>63,707,759</u>
	2024 \$'000	2023 \$'000

Constituent funds

MPF Conservative Fund

HSBC MPF “A” – MPF Conservative Fund	<u>10,215,151</u>	<u>9,644,462</u>
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Guaranteed Fund

MPF Guaranteed Fund	<u>2,996,021</u>	<u>3,005,524</u>
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Core Accumulation Fund

HSBC MPF “A” – Core Accumulation Fund	<u>5,683,731</u>	<u>4,666,901</u>
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9 Investments (continued)

	2024 \$'000	2023 \$'000
Constituent funds (continued)		
<u>Balanced Fund</u>		
HSBC MPF “A” – Balanced Fund	<u>5,559,838</u>	<u>5,513,614</u>
<u>Growth Fund</u>		
HSBC MPF “A” – Growth Fund	<u>8,272,243</u>	<u>7,990,306</u>
<u>Hang Seng Index Tracking Fund</u>		
Hang Seng Index Tracking Fund	<u>9,979,701</u>	<u>10,421,228</u>
<u>North American Equity Fund</u>		
HSBC Pooled American Equity Fund	<u>5,458,762</u>	<u>3,936,754</u>
<u>European Equity Fund</u>		
HSBC Pooled European Equity Fund	<u>1,460,967</u>	<u>1,256,254</u>
<u>Asia Pacific Equity Fund</u>		
HSBC Pooled Asia Pacific ex Japan Equity Fund	<u>3,846,904</u>	<u>3,436,535</u>
<u>Hong Kong and Chinese Equity Fund</u>		
HSBC Pooled Hong Kong Equity Fund	<u>3,476,306</u>	<u>3,612,613</u>
<u>Global Bond Fund</u>		
HSBC MPF “A” – Global Bond Fund	<u>1,365,744</u>	<u>1,211,608</u>
<u>Age 65 Plus Fund</u>		
HSBC MPF “A” – Age 65 Plus Fund	<u>1,407,984</u>	<u>1,205,004</u>
<u>Stable Fund</u>		
HSBC MPF “A” – Stable Fund	<u>984,403</u>	<u>946,249</u>
<u>Chinese Equity Fund</u>		
HSBC Pooled Chinese Equity Fund	<u>2,903,370</u>	<u>2,996,993</u>

9 Investments (continued)

	2024 \$'000	2023 \$'000
Constituent funds (continued)		
<u>Global Equity Fund</u>		
HSBC Pooled Global Equity Fund	<u>1,358,194</u>	<u>716,464</u>
<u>Hang Seng China Enterprises Index Tracking Fund</u>		
Hang Seng China Enterprises Index ETF	<u>465,350</u>	<u>386,904</u>
<u>ValueChoice Asia Pacific Equity Tracker Fund</u>		
HSBC Pooled Asia Pacific ex Japan Equity Index Tracking Fund	<u>390,983</u>	<u>292,589</u>
<u>ValueChoice Balanced Fund</u>		
HSBC MPF “A” – VC Balanced Fund	<u>237,538</u>	<u>201,799</u>
<u>ValueChoice Europe Equity Tracker Fund</u>		
HSBC Pooled Europe Equity Index Tracking Fund	<u>649,755</u>	<u>497,861</u>
<u>ValueChoice North America Equity Tracker Fund</u>		
HSBC Pooled North America Equity Index Tracking Fund	<u>3,323,854</u>	<u>1,768,097</u>

10 Involvement with unconsolidated structured entities

The Scheme has concluded that collective investment schemes in which its constituent funds invest, but that they do not consolidate, meet the definition of structured entities because:

- the voting rights in the collective investment schemes are not dominant rights in deciding who controls them as they relate to administrative tasks only;
- each collective investment scheme’s activities are restricted by its prospectus; and
- the collective investment schemes have narrow and well defined objectives to provide investment opportunities to investors.

10 Involvement with unconsolidated structured entities (continued)

The table below describes the types of structured entities that the constituent funds do not consolidate but in which they hold an interest.

<i>Type of structured entity</i>	<i>Nature and purpose</i>	<i>Interest held by the constituent funds</i>
Collective investment schemes	To manage assets on behalf of third party investors and generate fees for the investment manager	Investment in units issued by the collective investment schemes
	These vehicles are financed through the issue of units to investors	

The table below sets out interests held by the constituent funds in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held by the constituent funds.

30 June 2024

<i>Investment in collective investment schemes</i>	<i>Number of collective investment schemes invested</i>	<i>Total net assets \$'000</i>	<i>Carrying amount included in "Investments" \$'000</i>
MPF Conservative Fund			
- Approved pooled investment fund	1	<u>42,800,029</u>	<u>10,215,151</u>
Guaranteed Fund			
- Approved pooled investment fund	1	<u>12,950,489</u>	<u>2,996,021</u>
Core Accumulation Fund			
- Approved pooled investment fund	1	<u>27,921,898</u>	<u>5,683,731</u>
Balanced Fund			
- Approved pooled investment fund	1	<u>23,427,434</u>	<u>5,559,838</u>
Growth Fund			
- Approved pooled investment fund	1	<u>33,895,928</u>	<u>8,272,243</u>
Hang Seng Index Tracking Fund			
- Approved index tracking fund	1	<u>35,655,784</u>	<u>9,979,701</u>
North American Equity Fund			
- Approved pooled investment fund	1	<u>32,159,615</u>	<u>5,458,762</u>
European Equity Fund			
- Approved pooled investment fund	1	<u>5,436,754</u>	<u>1,460,967</u>

10 Involvement with unconsolidated structured entities (continued)

30 June 2024 (continued)

<i>Investment in collective investment schemes</i>	<i>Number of collective investment schemes invested</i>	<i>Total net assets \$'000</i>	<i>Carrying amount included in "Investments" \$'000</i>
Asia Pacific Equity Fund			
- Approved pooled investment fund	1	<u>13,114,846</u>	<u>3,846,904</u>
Hong Kong and Chinese Equity Fund			
- Approved pooled investment fund	1	<u>21,369,310</u>	<u>3,476,306</u>
Global Bond Fund			
- Approved pooled investment fund	1	<u>6,399,335</u>	<u>1,365,744</u>
Age 65 Plus Fund			
- Approved pooled investment fund	1	<u>7,942,676</u>	<u>1,407,984</u>
Stable Fund			
- Approved pooled investment fund	1	<u>4,556,991</u>	<u>984,403</u>
Chinese Equity Fund			
- Approved pooled investment fund	1	<u>9,694,804</u>	<u>2,903,370</u>
Global Equity Fund			
- Approved pooled investment fund	1	<u>24,387,791</u>	<u>1,358,194</u>
Hang Seng China Enterprises Index Tracking Fund			
- Approved index tracking fund	1	<u>22,331,431</u>	<u>465,350</u>
ValueChoice Asia Pacific Equity Tracker Fund			
- Approved pooled investment fund	1	<u>9,624,885</u>	<u>390,983</u>

10 Involvement with unconsolidated structured entities (continued)

30 June 2024 (continued)

<i>Investment in collective investment schemes</i>	<i>Number of collective investment schemes invested</i>	<i>Total net assets \$'000</i>	<i>Carrying amount included in "Investments" \$'000</i>
ValueChoice Balanced Fund			
- Approved pooled investment fund	1	<u>1,436,503</u>	<u>237,538</u>
ValueChoice Europe Equity Tracker Fund			
- Approved pooled investment fund	1	<u>2,724,662</u>	<u>649,755</u>
ValueChoice North America Equity Tracker Fund			
- Approved pooled investment fund	1	<u>16,365,651</u>	<u>3,323,854</u>

10 Involvement with unconsolidated structured entities (continued)

30 June 2023

<i>Investment in collective investment schemes</i>	<i>Number of collective investment schemes invested</i>	<i>Total net assets \$'000</i>	<i>Carrying amount included in "Investments" \$'000</i>
MPF Conservative Fund			
- Approved pooled investment fund	1	<u>40,739,587</u>	<u>9,644,462</u>
Guaranteed Fund			
- Approved pooled investment fund	1	<u>12,947,371</u>	<u>3,005,524</u>
Core Accumulation Fund			
- Approved pooled investment fund	1	<u>22,602,659</u>	<u>4,666,901</u>
Balanced Fund			
- Approved pooled investment fund	1	<u>23,328,778</u>	<u>5,513,614</u>
Growth Fund			
- Approved pooled investment fund	1	<u>33,111,684</u>	<u>7,990,306</u>
Hang Seng Index Tracking Fund			
- Approved index tracking fund	1	<u>37,889,690</u>	<u>10,421,228</u>
North American Equity Fund			
- Approved pooled investment fund	1	<u>25,024,734</u>	<u>3,936,754</u>
European Equity Fund			
- Approved pooled investment fund	1	<u>4,674,462</u>	<u>1,256,254</u>

10 Involvement with unconsolidated structured entities (continued)

30 June 2023 (continued)

<i>Investment in collective investment schemes</i>	<i>Number of collective investment schemes invested</i>	<i>Total net assets \$'000</i>	<i>Carrying amount included in "Investments" \$'000</i>
Asia Pacific Equity Fund			
- Approved pooled investment fund	1	<u>11,390,255</u>	<u>3,436,535</u>
Hong Kong and Chinese Equity Fund			
- Approved pooled investment fund	1	<u>25,180,047</u>	<u>3,612,613</u>
Global Bond Fund			
- Approved pooled investment fund	1	<u>5,705,238</u>	<u>1,211,608</u>
Age 65 Plus Fund			
- Approved pooled investment fund	1	<u>6,667,912</u>	<u>1,205,004</u>
Stable Fund			
- Approved pooled investment fund	1	<u>4,339,110</u>	<u>946,249</u>
Chinese Equity Fund			
- Approved pooled investment fund	1	<u>10,252,515</u>	<u>2,996,993</u>
Global Equity Fund			
- Approved pooled investment fund	1	<u>18,305,532</u>	<u>716,464</u>
Hang Seng China Enterprises Index Tracking Fund¹			
- Approved index tracking fund	1	<u>26,029,247</u>	<u>386,904</u>
ValueChoice Asia Pacific Equity Tracker Fund			
- Approved pooled investment fund	1	<u>11,208,923</u>	<u>292,589</u>

10 Involvement with unconsolidated structured entities (continued)

30 June 2023 (continued)

<i>Investment in collective investment schemes</i>	<i>Number of collective investment schemes invested</i>	<i>Total net assets \$'000</i>	<i>Carrying amount included in "Investments" \$'000</i>
ValueChoice Balanced Fund			
- Approved pooled investment fund	1	<u>1,230,575</u>	<u>201,799</u>
ValueChoice Europe Equity Tracker Fund			
- Approved pooled investment fund	1	<u>2,120,384</u>	<u>497,861</u>
ValueChoice North America Equity Tracker Fund			
- Approved pooled investment fund	1	<u>9,144,907</u>	<u>1,768,097</u>

During the year, except for the amounts invested in the collective investment schemes, the Scheme did not provide financial support to the collective investment schemes and had no intention of providing financial or other support.

The constituent funds can redeem units in the collective investment schemes on a trade day basis.

11 MPF Conservative Fund

The MPF Conservative Fund is a capital preservation fund. Fees and charges may only be deducted in the following circumstances:

- (a) if the amount of income derived from the investment of funds of the MPF Conservative Fund in a particular month exceeds the amount of interest that would be earned if those funds had been placed on deposit in a HKD savings account at the prescribed savings rate (hereinafter called “the Excess”), an amount equal to the actual fees and charges not exceeding the Excess may be deducted from the MPF Conservative Fund for that month; or
- (b) if for a particular month, no amount is deducted under (a) or the amount that is deducted is less than the actual fees and charges for that month, an amount not exceeding such shortfall may be deducted from the amount of any Excess that may remain in any of the following 12 months after deducting the fees and charges applicable to that following month.

The total amount of fees and charges deducted from the assets of the MPF Conservative Fund for the year ended 30 June 2024 amounted to \$75,917,000 (2023: \$113,934,000).

12 Soft commission arrangements

During the year ended 30 June 2024, the constituent funds have no soft commission arrangements (2023: Nil).

13 Security lending arrangements

During the year ended 30 June 2024, the constituent funds did not enter into any security lending arrangements (2023: Nil).

14 Negotiability of assets

As at 30 June 2024, there were no statutory or contractual requirements restricting the negotiability of the assets of the constituent funds (2023: Nil).

15 Contingent liabilities and capital commitments

As at 30 June 2024, there were no contingent liabilities or capital commitments outstanding (2023: Nil).

16 Marketing expenses

No marketing expenses have been deducted from the constituent funds during the year ended 30 June 2024 (2023: Nil).

17 Maintenance of adequate insurance

During the year ended 30 June 2024, the Trustee maintained adequate insurance coverage in respect of the Scheme. The insurance coverage indemnifies the members and the ultimate beneficiaries of the Scheme against any losses arising from any risk prescribed in section 8 of the General Regulation. The insurance policies can only be terminated by the insurer giving not less than 30 days' written notice in advance.

18 Bank loans and other borrowings

As at 30 June 2024, there were no bank loans or other borrowings (2023: Nil).

19 Financial instruments and associated risks

The Scheme is exposed to various risks which are discussed below.

(a) Market risk

Market risk embodies the potential for both losses and gains and includes currency risk, interest rate risk and other price risk.

Investments of the constituent funds comprise units in collective investment schemes. This is in accordance with the Scheme's investment policies. The underlying investment of the collective investment schemes directly or indirectly invest in a variety of financial instruments, which may expose the Scheme's investments to the market risk.

The Scheme's market price risk is managed through diversification of the investments made by the collective investment schemes.

(i) Currency risk

The Scheme is not subject to direct currency risk as all transactions of the Scheme are denominated in Hong Kong dollar. Investments of the Scheme comprise units in collective investment schemes. The underlying collective investment schemes may directly or indirectly invest in a variety of financial instruments denominated in currencies other than Hong Kong dollar, which may expose the Scheme's investments to indirect currency risk. The investment manager of the underlying collective investment schemes has policies and procedures to manage portfolios effectively and mitigate the currency risk. Details are provided in the financial statements of the underlying collective investment schemes.

19 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The majority of the Scheme's financial assets and liabilities are non-interest bearing. Deposits with banks are placed under current accounts which are not subject to interest rate risk. Indirect interest rate risk from underlying collective investment schemes are managed by respective investment managers. As a result, the Scheme is not subject to significant direct interest rate risk exposure.

(iii) Other price risk

Other price risk is the risk that value of investments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The Scheme is exposed to other price risk arising from changes in net assets of the underlying collective investment schemes.

The underlying collective investment schemes strive to invest in strong businesses with quality management and at sensible prices. Other price risk is mitigated and monitored by the investment manager of the underlying collective investment schemes on a regular basis by constructing a diversified portfolio of investments across different issuers, sectors and markets.

19 Financial instruments and associated risks (continued)

(a) Market risk (continued)

(iii) Other price risk (continued)

Sensitivity analysis

As at the reporting date, the investments in collective investment schemes held by each constituent fund were as follows. A 5% (2023: 5%) increase in prices of the investments held by each constituent fund at the reporting date, with all other variables held constant, would have increased the net assets of the respective constituent fund and the changes in net assets attributable to members by the amount shown below. A 5% (2023: 5%) decrease in prices would have an equal but opposite effect. The analysis is performed on the same basis for 2023.

As at 30 June 2024														
	MPF Conservative Fund \$'000	Guaranteed Fund \$'000	Core Accumulation Fund \$'000	Balanced Fund \$'000	Growth Fund \$'000	Hang Seng Index Tracking Fund \$'000	North American Equity Fund \$'000	European Equity Fund \$'000	Asia Pacific Equity Fund \$'000	Hong Kong and Chinese Equity Fund \$'000	Global Bond Fund \$'000	Age 65 Plus Fund \$'000	Stable Fund \$'000	Chinese Equity Fund \$'000
Investments	10,215,151	2,996,021	5,683,731	5,559,838	8,272,243	9,979,701	5,458,762	1,460,967	3,846,904	3,476,306	1,365,744	1,407,984	984,403	2,903,370
Increase in net assets and changes in net assets attributable to members	510,758	149,801	284,187	277,992	413,612	498,985	272,938	73,048	192,345	173,815	68,287	70,399	49,220	145,169
As at 30 June 2024														
Investments														
Increase in net assets and changes in net assets attributable to members														
As at 30 June 2023														
	MPF Conservative Fund \$'000	Guaranteed Fund \$'000	Core Accumulation Fund \$'000	Balanced Fund \$'000	Growth Fund \$'000	Hang Seng Index Tracking Fund \$'000	North American Equity Fund \$'000	European Equity Fund \$'000	Asia Pacific Equity Fund \$'000	Hong Kong and Chinese Equity Fund \$'000	Global Bond Fund \$'000	Age 65 Plus Fund \$'000	Stable Fund \$'000	Chinese Equity Fund \$'000
Investments	9,644,462	3,005,524	4,666,901	5,513,614	7,990,306	10,421,228	3,936,754	1,256,254	3,436,535	3,612,613	1,211,608	1,205,004	946,249	2,996,993
Increase in net assets and changes in net assets attributable to members	482,223	150,276	233,345	275,681	399,515	521,061	196,838	62,813	171,827	180,631	60,580	60,250	47,312	149,850
As at 30 June 2023														
Investments														
Increase in net assets and changes in net assets attributable to members														

19 Financial instruments and associated risks (continued)

(b) Credit risk

Credit risk is the risk that a counterparty will fail to discharge an obligation or commitment that it has entered into with the Scheme.

At the reporting date, the Scheme is exposed to the following credit risk:

	2024 \$'000	2023 \$'000
Investments	70,036,799	63,707,759
Distribution receivables	159,424	136,862
Amounts receivable from disposal of investments	309,833	302,317
Other receivables	404	156
Cash and cash equivalents	36,307	42,737
Total	<u>70,542,767</u>	<u>64,189,831</u>

Indirect credit risk from underlying collective investment schemes are managed by respective investment managers. The Trustee of the Scheme considers that the credit risk is not significant.

With respect to credit risk arising from the other financial assets of the Scheme, which comprise cash and cash equivalents, other receivables, amounts receivable from disposal of investment and distribution receivables; the Scheme's exposure equal to the carrying amount of these instruments. The Authority requests the Scheme to place deposits with an authorised financial institution or an eligible overseas bank according to the requirement in Schedule 1 to the General Regulation. Distribution receivables represent distributions from Hang Seng Index Tracking Fund, which is with low default risk. The credit risk is not considered to be significant.

As at 30 June 2024 and 2023, there were no significant concentrations of credit risk.

Amounts arising from ECL

Impairment on distribution receivables, amounts receivable from disposal of investments, other receivables and cash and cash equivalents have been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Scheme considers that these exposures have low credit risk based on the external credit ratings and/or review result of the counterparties.

The Scheme monitors changes in credit risk on these exposures by tracking published external credit ratings of the counterparties and/ or performed ongoing review of the counterparties.

19 Financial instruments and associated risks (continued)

(b) Credit risk (continued)

The Managers consider the probability of default to be close to zero as the counterparties have a strong capacity to meet their contractual obligations in the near term. There is no impairment allowance recognised on distribution receivables, amounts receivable from disposal of investments, other receivables and cash and cash equivalents.

(c) Liquidity risk

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

The Scheme's policy is to regularly monitor current and expected liquidity requirements to ensure that they maintain sufficient reserves of cash and readily realisable investments to meet benefit payments and other liquidity requirements in the short and longer term.

The Scheme invests all its assets in collective investment schemes that could be readily converted into cash to meet its liquidity requirement.

All financial liabilities disclosed in the statement of net assets available for benefits of the Scheme and the statement of assets and liabilities of the constituent funds mature within 6 months from the reporting date.

(d) Fair value information

The major methods and assumptions used in estimating the fair values of financial instruments are disclosed in note 2(f)(iii).

The carrying amounts of all the Scheme's financial assets and financial liabilities at the reporting date approximated their fair values. For the quoted collective investment schemes, the fair value is based on their latest net asset value per unit at the reporting date. For other financial instruments, including distribution receivables, contributions receivable, amounts receivable from disposal of investments, other receivables, amounts receivable on subscription of units, amounts payable on purchase of investments, benefits payable, forfeitures payable, accrued expenses and other payables and amounts payable on redemption of units, the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments.

20 Deferred expenses

In accordance with section 37 of the General Regulation, administrative expenses for the MPF Conservative Fund which have not been deducted in the respective months may be deducted in the following twelve months. As at 30 June 2024, no deferred administrative expenses were deducted from the assets of the MPF Conservative Fund (2023: Nil).

21 Payments charged to default investments strategy constituent funds or scheme members who invest in the constituent funds

Core Accumulation fund and Age 65 Plus fund are designated as default investment strategy (“DIS”) constituent funds with effect from 1 April 2017. Payment for services, out-of-pocket expenses and other payments charged to the DIS constituent funds are disclosed below. Payments for services and out-of-pocket expenses are those defined in the MPF Ordinance.

During the year ended 30 June 2024

	Core Accumulation Fund \$'000	Age 65 Plus Fund \$'000
Payments for services		
- Administrator's fees	20,086	5,090
- Fund administration fees	1,119	284
- Sponsor fees	3,865	980
- Trustee's fees	915	232
Total payments for services	25,985	6,586
Out-of-pocket expenses		
- Legal and professional fees	8	2
- Auditor's remuneration	19	5
- Printing and advertising fees	611	168
- Insurance premium expenses	30	8
- Bank charges	3	1
- SFC annual fees	1	-
Total out-of-pocket expenses	672	184
Total payments	26,657	6,770
Out-of-pocket expenses expressed as a percentage of net asset value of the DIS constituent funds ⁽¹⁾	0.013%	0.014%

⁽¹⁾ The net asset value used for calculating the percentage is the average of the net asset value of the DIS constituent funds as at the last dealing day of each month during the year ended 30 June 2024.

21 Payments charged to default investments strategy constituent funds or scheme members who invest in the constituent funds (continued)

During the year ended 30 June 2023

	<i>Core Accumulation Fund \$'000</i>	<i>Age 65 Plus Fund \$'000</i>
Payments for services		
- Administrator's fees	16,826	4,629
- Fund administration fees	937	257
- Sponsor fees	3,237	890
- Trustee's fees	767	211
Total payments for services	<u>21,767</u>	<u>5,987</u>
Out-of-pocket expenses		
- Legal and professional fees	11	3
- Auditor's remuneration	17	5
- Printing and advertising fees	575	172
- Insurance premium expenses	28	8
- Bank charges	3	1
- SFC annual fees	1	-
Total out-of-pocket expenses	<u>635</u>	<u>189</u>
Total payments	<u>22,402</u>	<u>6,176</u>
Out-of-pocket expenses expressed as a percentage of net asset value of the DIS constituent funds ⁽¹⁾	<u>0.015%</u>	<u>0.016%</u>

⁽¹⁾ The net asset value used for calculating the percentage is the average of the net asset value of the DIS constituent funds as at the last dealing day of each month during the year ended 30 June 2023.

22 Possible impact of amendments, new standards and interpretations issued but not yet effective for the year ended 30 June 2024

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and a new standard which are not yet effective for the year ended 30 June 2024 and which have not been adopted in these financial statements. These include the following which may be relevant to the Scheme.

	<i>Effective for accounting periods beginning on or after</i>
Amendments to HKAS 1, <i>Presentation of financial statements</i> <i>Classification of liabilities as current or non-current</i>	1 January 2024
Amendments to HKAS 21, <i>The effects of changes in foreign exchange rates: Lack of exchangeability</i>	1 January 2025

The Scheme is in the process of making an assessment of what the impact of these amendments are expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Scheme's financial statements.

Independent auditor's assurance report to the Trustee of Hang Seng Mandatory Provident Fund – SuperTrust Plus (“the Scheme”)

We have audited the financial statements of the Scheme for the year ended 30 June 2024 in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 860.1 (Revised), *The Audit of Retirement Schemes* (“PN 860.1 (Revised)”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and have issued an unqualified auditor's report thereon dated 3 December 2024.

Pursuant to section 102 of the Mandatory Provident Fund Schemes (General) Regulation (the “General Regulation”), we are required to report whether the Scheme complied with certain requirements of the Mandatory Provident Fund Schemes Ordinance (“the MPF Ordinance”) 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 (“the Authority”) under section 28 of the MPF Ordinance 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 MPF Ordinance 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* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Hong Kong Standard on Quality Management 1 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 to the Trustee of Hang Seng Mandatory Provident Fund – SuperTrust Plus (“the Scheme”) (continued)

Auditor's Responsibility

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

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 PN 860.1 (Revised) 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 in 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 30 June 2024 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 Authority under section 28 of the MPF Ordinance 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 have been complied with, in all material respects, as at 30 November 2023, 28 March 2024 and 30 June 2024; and
 - c. the requirements specified in the MPF Ordinance 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 Hang Seng Mandatory Provident Fund – SuperTrust Plus – Core Accumulation Fund and Hang Seng Mandatory Provident Fund – SuperTrust Plus – Age 65 Plus Fund have been complied with, in all material respects, as at 30 November 2023, 28 March 2024 and 30 June 2024; and

Independent auditor's assurance report to the Trustee of Hang Seng Mandatory Provident Fund – SuperTrust Plus (“the Scheme”) (continued)

Opinion (continued)

Based on the foregoing: (continued)

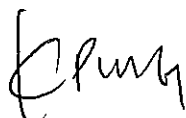
1. in our opinion: (continued)
 - d. the requirements specified in section 34DD(4)(b) of the MPF Ordinance with respect to the controls of out-of-pocket expenses of the Hang Seng Mandatory Provident Fund – SuperTrust Plus – Core Accumulation Fund and Hang Seng Mandatory Provident Fund – SuperTrust Plus – Age 65 Plus Fund have been complied with, in all material respects, as at 30 June 2024.
2. as at 30 June 2024, the Scheme assets were not subject to any encumbrance, otherwise than as permitted by the General Regulation.

Other Matter

The requirement(s) specified in the MPF Ordinance under section(s) 34DI(1) and (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 Hang Seng Mandatory Provident Fund – SuperTrust Plus – Core Accumulation Fund and Hang Seng Mandatory Provident Fund – SuperTrust Plus – Age 65 Plus Fund are not applicable to the Trustee during the year ended 30 June 2024 as the Trustee has completed the relevant transitional provisions and the default investment arrangement of the Scheme prior to 1 April 2017 was not guaranteed funds. Accordingly, there is no reporting on these sections.

Intended Users and Purpose

This report is intended solely for submission by the Trustee to the 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 purposes.



Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
3 December 2024

HANG SENG

**Fund
Expense
Ratio
30-Jun-24**

Hang Seng Mandatory Provident Fund Supertrust Plus

- MPF Conservative Fund	0.77059%
- Guaranteed Fund	2.05658%
- Hang Seng Index Tracking Fund	0.78561%
- Balanced Fund	1.42722%
- Growth Fund	1.52584%
- Core Accumulation Fund	0.77643%
- Hong Kong and Chinese Equity Fund	1.49059%
- North American Equity Fund	1.32250%
- European Equity Fund	1.34422%
- Asia Pacific Equity Fund	1.50289%
- Global Bond Fund	0.82723%
- Age 65 Plus Fund	0.77844%
- Stable Fund	1.32713%
- Chinese Equity Fund	1.49495%
- Hang Seng China Enterprises Index Tracking Fund	0.88854%
- Global Equity Fund	0.81984%
- ValueChoice Balanced Fund	0.92876%
-ValueChoice Asia Pacific Equity Tracker Fund	0.87896%
-ValueChoice Europe Equity Tracker Fund	0.88059%
- ValueChoice North America Equity Tracker Fund	0.82426%

**HANG SENG MANDATORY PROVIDENT FUND – SUPERTRUST PLUS
GOVERNANCE REPORT
FOR THE YEAR ENDED
30 JUNE 2024**

GOVERNANCE REPORT

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GOVERNANCE REPORT

Section 1: Trustee’s Governance Framework

Governance Framework of HSBC Provident Fund Trustee (Hong Kong) Limited (“HPFT” or “Trustee”)

- 1 In fulfilling trustee’s fiduciary duty to protect and act in the interests of members, HPFT, trustee of the Hang Seng Mandatory Provident Fund – SuperTrust Plus (“Scheme”) has in place a well-defined governance structure with appropriately assigned responsibilities and properly established reporting mechanism.
- 2 HPFT has implemented a robust governance framework, which has been endorsed and monitored by the Board, to steer the operation of the Scheme on an ongoing basis together with the various governance committees of HPFT, Hang Seng Bank Limited (“HS” or “Sponsor”), the sponsor of the Scheme, and where appropriate, HSBC Investment Funds (Hong Kong) Limited (“AMHK”) and the Hang Seng Investment Management Limited (“HSVM”) (collectively “Managers”), respective investment managers of the underlying approved pooled investment funds (“APIF”) and the approved index-tracking collective investment schemes (“ITCIS”) of the constituent funds (“CF”) of the Scheme.
- 3 HPFT adopts:
 - the HSBC Risk Management Framework to achieve our strategy, serve our customers and communities, and grow our business safely; and
 - 3 Lines of Defence (“LOD”) approach to define roles and responsibilities within HSBC which delineates accountabilities and responsibilities for risk management and the control environment within each LOD.
- 4 HPFT uses a standardised set of risk types and a specific Risk Appetite Statement (“RAS”) that applies to HPFT’s and its service providers’ responsibilities for the management and operation of the Scheme.
- 5 HPFT and its service providers have put in place service level agreements which define the key obligations and service standards of the delegated functions to service providers for oversight.
- 6 HPFT conducts on-going monitoring of service providers mainly through day to day oversight of operations and monthly review meetings which review service levels and issues arising from daily operations.
- 7 For certain types of service providers (e.g. administrator and custodian etc.), HPFT carries out due diligence reviews on a regular basis to gain comfort on each service provider’s control environment to be in compliance with various relevant regulations.

GOVERNANCE REPORT

Board of Directors of HPFT (the “Board”)

- 1 HPFT’s Board Charter sets out the primary objective of HPFT which is to effectively represent and promote the interests of members of MPF schemes under its trusteeship, including the Scheme, by exercising appropriate oversight of the management of MPF schemes to ensure that member’s accrued benefits are properly safeguarded.
- 2 The Board is collectively responsible for the supervision of the management and operations of HPFT.
- 3 The governance framework of the Board intends to comprise 6 non-executive directors, of which 3 are independent non-executive directors. The structure of the Board demonstrates a high degree of independence in terms of board composition and board oversight. The board mix is considered to have the skill, knowledge, experience and qualifications necessary for the successful administration of the Scheme.
- 4 As set out in the Board Charter, the role of the Chairperson is to provide leadership to the Board together with the Chief Executive Officer (“CEO”) for the overall effective functioning of the Board. The segregation of roles between the CEO and the directors or the Chairperson of the Board avoids concentration of authority within the Board.
- 5 The Board, including the committees and the controllers, will be subject to review at least once a year. Individual directors are also required to declare any conflict of interest to ensure all Board members are fit and proper and are suitably qualified to perform their duties. The Board is satisfied with the current evaluation and declaration process.
- 6 To facilitate the effective supervision of management of HPFT, the Board has established Board committees. All HPFT Board committees operate in compliance with applicable local legal and regulatory requirements. The terms of reference of the HPFT Board committees are documented and approved by the Board.

Investment Committee of HPFT (the “IC”)

- 1 The IC is accountable to the Board and responsible for monitoring matters relating to the investment performance relative to the investment objectives of the funds of the Scheme as well as fee levels, fund range and structure, product initiatives and investment compliance.

Audit & Risk Committee (the “ARC”)

- 1 The ARC is accountable to the Board and responsible for the oversight of matters relating to financial reporting, risk related matters, risk governance, the design and operating effectiveness of the risk management framework and internal controls of HPFT.

GOVERNANCE REPORT

HPFT Executive Committee (the “HPFT EXCO”)

- 1 Led by the CEO of HPFT and comprising of senior executives of HPFT, the HPFT EXCO is accountable to the Board and responsible for the implementation of all the resolutions and decisions of the Board and has the authority to exercise such powers and discretions of the Board as delegated by the Board.

Reporting Mechanism

- 1 Sound monitoring and reporting procedures are in place within HPFT to ensure that risks are properly managed.
- 2 Any issue, including but not only limited to day to day operations, risk and compliance issues, is escalated to the senior executives of HPFT and reported to the Board where necessary through the established governance framework.
- 3 The HPFT Board meetings are held on a quarterly basis and the directors are provided with board papers which usually contain the following MPF related matters:
 - (a) Breaches of MPF legislation
 - (b) Regulatory developments with potential impact on HPFT
 - (c) Complaint Statistics and Summary of Complaint Categories
 - (d) Other internal controls related to MPF compliance

GOVERNANCE REPORT

Section 2: Assessment Areas

Value for Money Assessment

- 1 With the approval of the Board, HPFT adopts an annual assessment of fees, performance, products and services offered to members of the Scheme to assess if the Scheme is offering value for money to scheme members.
- 2 HPFT has established the Sponsor Service Review with the Sponsor to detail HPFT's expectations with the continuous monitoring of the value for money assessment and annual plan of the Scheme and the assessment of fees and performance of the constituent funds ("CFs") of the Scheme and the products and services provided to the members of the Scheme. Sponsor Service Review Meetings between HPFT and the Sponsor are held at least twice a year.

Key considerations in assessing Value for Money of the Scheme

- 1 HPFT is committed to strive to provide a value-for-money MPF scheme to the members of the Scheme on an on-going basis. HPFT continues to work with the Sponsor to take appropriate actions in reviewing and identifying areas to better deliver value to the members of the Scheme. In the value for money assessment of the Scheme, HPFT has reviewed and assessed the Scheme based on the assessment criteria on fees, fund performance, product initiatives and services.

Assessment of Fees -

- 1 Fees: HPFT closely monitors the Management Fees and Fund Expense Ratio ("FER") of CFs under the Scheme and regularly reviews if the fees charged are comparable to the market at a reasonable and appropriate level.
- 2 According to the MPF FERs and Fees Report as of 30 June 2024 issued by a third-party consultant, the average Management Fees of the Scheme was 1.10%, which was lower than the overall industry average Management Fees of 1.35% and the market median of 1.26%. The average FER of the Scheme was 1.21%, which was also lower than the overall industry average FER of 1.40% and the market median of 1.38% in market peer comparison.
- 3 Among the 20 CFs of the Scheme, 11 CFs (over half of 20 CFs), namely, (i) MPF Conservative Fund, (ii) Global Bond Fund, (iii) Age 65 Plus Fund, (iv) Core Accumulation Fund, (v) Global Equity Fund, (vi) ValueChoice Balanced Fund, (vii) ValueChoice North America Equity Tracker Fund, (viii) ValueChoice Europe Equity Tracker Fund, (ix) ValueChoice Asia Pacific Equity Tracker Fund, (x) Hang Seng China Enterprise Index Tracking Fund and (xi) Hang Seng Index Tracking Fund, are the Low Fee Funds with FER lower than or equal to 1.3% p.a. (FER as of 30 June 2024) or with Management Fees lower than or equal to 1% p.a.
- 4 HPFT continuously reviews and compares the FER of the CFs of the Scheme of the current financial year with those of the past. If there is any significant change, particularly higher fees and expenses compared to previous years, such change will be reviewed to ensure the fees and expenses charged are justified.

GOVERNANCE REPORT

Assessment of Performance -

- 1 HPFT IC monitors the fund performance of the CFs of the Scheme on an ongoing basis and conducts deep dive sessions on specific CFs as and when needed during the quarterly and ad hoc HPFT IC meetings. An independent third-party consultant has been appointed by HPFT to provide information and advice in respect of the fund performance of the CFs of the Scheme.
- 2 With regards to the performance of the CFs of the Scheme, HPFT IC scrutinized the performance of each CF and requested the Managers to address and remediate any underperformance against the assessment criteria in consultation with the independent third party consultant. The Trustee Commentary of the financial statement of the Scheme for the financial year ending 30 June 2024 reveals that more than half of the 20 CFs of the Scheme exceed their respective benchmarks. For details of the fund performance of the CFs of the Scheme, please refer to the Trustee Commentary of the financial statement of the Scheme for the financial year ending 30 June 2024.
- 3 For performance comparison against benchmark, the Investment Performance Monitoring Report (“IPMR”) issued by a third-party consultant shows the extent that the fund returns (i.e. gross returns) were above or below the benchmark’s performance.
 - The IPMRs for the 4 quarters of the financial year of the Scheme ended 30 June 2024 reveal that the majority of the CFs of the Scheme of each of the 4 quarters belonged to the “Amber” and “Green” categories.
 - An overall improving trend is also observed in terms of the increasing number of CFs categorized as “Amber” and “Green” towards the end of the financial period.The above information from the IPMRs reveal that the fund performance of the majority of the CFs were generally close to or above benchmark for the financial year of the Scheme ended 30 June 2024.
- 4 For performance comparison against peers, the IPMR denotes the fund position relative to its peer group based on fund performance.
 - From the IPMRs for the 4 quarters of the financial year of the Scheme ended 30 June 2024, the majority of the CFs of the Schemes belonged to the 1st and 2nd quartile positions in peer group for the 3-year and 5-year periods’ fund performance.
 - An improving trend is also observed in terms of the increasing number of CFs in the 1st and 2nd quartile positions in peer group in the last quarter of the financial period.The above data from the IPMRs reveals that the fund performance of the CFs of the Scheme were generally comparable to peers in the 1st and 2nd quartile positions.
- 5 Apart from the monitoring by HPFT IC, the Sponsor advised that the quarterly review on product risk rating (“PRR”) has been conducted and no PRR change was identified for all CFs of the Scheme in 1Q and 2Q 2024. In addition, the Sponsor targets to revisit the Investment Performance Monitoring Protocol by 1H 2025 with an aim to improve the overall performance of the CFs hence bringing long term financial benefit to members of the Scheme.

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- 6 Going forward, the Sponsor and Trustee will continue to closely monitor the investment performance and to have regular and ad-hoc discussions with the Managers in mitigating the underperforming funds and in enhancing the overall fund performance of the Scheme.

Assessment of Product Initiatives and Services –

- 1 HPFT and the Sponsor continue to closely review the members' needs for new fund products and opportunities to enhance the fund structure and the diversity of the fund range of the Scheme.
- 2 The Sponsor and HPFT consider that the fund choices of the Scheme are comprehensive with variety of funds with different fund classes in different markets and the Sponsor continues to review fund range of the Scheme on a regular basis and explore new product initiatives to offer more diversified investment opportunities and fund range and to enhance the Scheme's competitiveness and to meet the needs of the members of the Scheme.
- 3 The Sponsor and the Trustee continue to work closely to ensure compliance with any relevant legislation and regulators' requirements.
- 4 For example, for eMPF, the Sponsor and the Trustee has deployed resources for all necessary developments for the transition and onboarding of the Scheme. Different internal workstreams were established which involved expertise from different area to perform gap analysis as well as constructing new post-eMPF operating models. Regular meetings were scheduled with the eMPF platform service provider to work out progress plan for on-boarding.
- 5 As directed by the MPFA, the Sponsor developed a web page for the Key Scheme Information Document ("KSID") of the Scheme so as to allow members to efficiently access key information about the Scheme and to provide members with interactive experience. Respective KSID webpage of the Scheme was launched on 28 June 2024.
- 6 A social media campaign, which aimed to drive financial education related to different categories of MPF funds and empower customers to make informed investment decisions and perform regular MPF portfolio review, was launched to drive financial education related to different categories of MPF funds in April 2024. Various MPF funds have also been introduced to members based on latest customer behaviour, market dynamics and insights.
- 7 During the year, the Sponsor has launched various campaigns and customer education to members of the Scheme with the adoption of campaign, leaflets, Above-The-Line marketing, Electronic Direct Mails, by-line articles, social media, newsletters etc. to provide education and information:
 - (a) Launched promotions to introduce the benefits of Tax Deductible Voluntary Contributions and Personal Account consolidation.
 - (b) Provided quarterly employer and mid-year employee newsletters to share the Scheme's latest market updates, fund performance, awards, eMPF updates and educational information.

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- (c) Provided articles in AM730 in April and June 2024 to educate public on using electronic means to manage MPF.
- (d) Electronic Direct Mails were blasted in March and June 2024 to educate members to beware of scam and encourage members to use electronic means relating to MPF.
- (e) By-lines articles have been published in different publications covering topics such as Tax Deductible Voluntary Contributions, retirement planning and the criteria to be a value-for-money MPF scheme.
- (f) Seminars, webinars and on-site visits to specific clients were arranged to provide information, e.g. on administrative issue, scheme review, eMPF, Long Service Payment and Severance Payment offset, investment and MPF update.
- (g) There were monthly fund performance update leaflet, publications to introduce Employer Service Guide, Member Service Guide and MPF Overview, Electronic Direct Mails to introduce the Scheme's digital capabilities and other various communications, e.g. newsletters.

Summary

- 1 HPFT strives to continue to provide a value-for-money MPF scheme to the members of the Scheme on an on-going basis. HPFT continues to work with the Sponsor to take appropriate actions in reviewing and identifying areas to better deliver value to the members of the Scheme.

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Sustainable Investing Strategy and Implementation Progress

HPFT's Governance Framework on Environmental, Social and Governance Integration Strategy

- 1 HPFT considers Environmental, Social and Governance (“ESG”) factors can have a financially material impact over the investment risk and return outcomes of the Scheme with respect to their long term nature.
- 2 In the integration of ESG factors into the investment risk management processes for the Scheme, the Managers provide advice which HPFT relies on in determining the relevance and materiality of different ESG factors.
- 3 HPFT has formulated the ESG integration strategy at the Scheme level to align with the Managers’ resources, capabilities and investment approach in this area.
- 4 HPFT will continue to monitor that the Managers, where applicable, have considered relevant and material ESG factors in their management of the CFs of the Scheme.
- 5 HPFT supports the Principles of Responsible Ownership published by the Securities and Futures Commission of Hong Kong and will refer to other international initiatives for input to HPFT’s ESG strategy.
- 6 HPFT’s strategy on the integration of sustainable investing and ESG considerations is to continuously obtain and consider the ESG policies and practices adopted by the Managers, where applicable.
- 7 HPFT also considers the extent that the Managers have adopted the United Nations’ Principles for Responsible Investment (“UNPRI”) and their ratings under the UNPRI scorecard.

The Managers’ Governance of Sustainable Investing

For AMHK:

- 1 Long-term value of clients’ investments is enhanced by integrating responsible investment practices into the relevant investment strategies. It is believed that integrating responsible investment has an impact on financial performance and value creation over the long term. Additionally, responsible investment is viewed as an essential element in fulfilling the fiduciary duty in protecting the best interests of clients.
- 2 It is also believed that ESG risks and opportunities can affect the performance of investment portfolio across companies, sectors, regions and asset classes. Analysts and portfolio managers identify and manage ESG risks and opportunities and consider ESG issues within research and investment processes where appropriate. Such analysis is conducted using proprietary ESG databases and third-party input when screening and rating issuers.

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For HSVM:

- 1 HSVM governance of sustainable investing activities is carried out by the following governance bodies; the Board of Directors, Executive Committee, Risk Management Meeting, ESG Steering Committee and ESG Investment Review Meeting which discusses the continued development of Responsible Investment including stewardship and engagement, the ESG performance of investee companies, and climate-related risks and opportunities.
- 2 The ESG Investment Review Meeting also identifies and monitors key ESG risks, including climate-related risks of the investee companies, and determines the appropriate follow-on actions to ensure clients' investments objectives are met in the long term.

The Managers' Organizational structure

For AMHK:

- 1 AMHK's sustainable investment strategy has a multi-layered governance structure, organized by 2 main pillars:
 - Sustainability Office, overseeing the establishment of overarching policies and corporate initiatives; and
 - Responsible Investment team, focusing on investment processes, capabilities, and product development across asset classes.

For HSVM

- 1 The Manager has two dedicated teams supporting different aspects of ESG:
 - The Responsible Investment team is responsible for developing and implementing a responsible investment strategy for the company. This team prioritizes ESG integration in the investment process and stewardship activities. The team shall report to the CIO.
 - The Sustainability Team develops sustainability policy, governance, and strategy; engagement with regulator and indices companies and, developing an ESG culture in HSVM. The team lead by the Head of Sustainability. The Sustainability Team forms part of the Business and Strategy.
 - As part of the sustainability strategy to develop an ESG culture across the business, each team across the business nominated an ESG Champion that will work closely with the ST to keep abreast of latest ESG developments and bring such knowledge back to their respective team.

Summary of Actions Taken by HPFT regarding ESG

Advancing understanding of the process

- 1 HPFT has developed the strategy for ESG integration in the management of the Scheme which had been endorsed by the Board and HPFT assessed the implementation of the strategy for ESG integration in the management of the Scheme for potential enhancement opportunities.
- 2 HPFT has obtained acknowledgement from the Managers on the ESG principles released by the MPFA and on their compliance with the relevant requirements.

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- 3 HPFT reviewed the Managers' ESG integration strategy, where applicable, in respect of the management of the funds of the Scheme. HPFT understands that the Managers' approach will evolve over time, and the Managers' have been advised to prepared to present ESG-related matters regularly to the Board.
- 4 HPFT has appointed an independent third-party consultant to assist in the review of the Managers' activities and provide further insights on best practices in the industry and an independent view of the Managers' efforts.

Engagement with Managers on ESG issues

- 1 HPFT regularly monitors the Managers' approach and activities, where applicable, through the following:
 - (a) Incorporate ESG integration as a standing agenda item in regular committee meetings.
 - (b) Request to provide an annual summary of their actions, which includes an update on external initiatives, notable engagement with underlying corporations, changes to their investing processes in relation to identifying and acting on ESG risks and opportunities.
 - (c) Request to provide the annual ESG reports.
 - (d) Periodic training sessions on the ESG integration approach and the effectiveness.
 - (e) Proactively request to consider appropriate metrics for further disclosure alongside their performance.
- 2 If the Managers fails to adhere to the Scheme's ESG integration policy, where applicable, there will be further discussions on how the alignment can be improved.

Alignment of the Managers' approach to HPFT ESG strategy

- 1 The Managers' ESG integration progress, where applicable, is aligned to HPFT's ESG strategy for the Scheme and are involved in a large number of sustainability-related initiatives, for example, signing up to the UNPRI. The disclosures by the Managers show active participation in representing the initiatives in engagement with corporations.
- 2 HPFT also takes note of the extensive resources the Managers, where applicable, have put together, both in terms of human capital as well as technology and intellectual capital, focusing on sustainability investing and governance. HPFT expects the Managers' activities and use of the ESG ratings at individual stock level (for equities), where applicable, will contribute to the CFs' alignment to ESG goals.

Statement on Endorsement of the Governance Report

- 1 This Annual Governance Report of the Scheme for the financial year ended 30 June 2024 has been endorsed by the HPFT Board.