

Key Scheme Information Document For

Sun Life MPF Basic Scheme





Trustee: Sun Life Pension Trust Limited
Sponsor: Sun Life Hong Kong Limited
Scheme financial year end: 31 December
Number of constituent funds: 9

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This **Key Scheme Information Document (“KSID”)** provides you with key information about **Sun Life MPF Basic Scheme** (the “Scheme”), which forms part of the offering document. You should not make investment decisions based solely on this KSID. For details of the Scheme, please refer to the **MPF Scheme Brochure** and the **Trust Deed (“Trust Deed”) of the Scheme**.

| Document | Link | QR code | Document | Link | QR code |
|-----------------------------------|---|---|--------------------------|---|---|
| MPF Scheme Brochure of the Scheme | https://sunlife.co/185555 |  | Trust Deed of the Scheme | https://sunlife.co/7094ee |  |



Why is MPF important to you?

The Mandatory Provident Fund (MPF) System aims to assist the Hong Kong’s working population in accumulating retirement savings by making regular contributions. Except certain exempt persons stipulated in the Mandatory Provident Fund Schemes Ordinance, employees (full time or part-time) and self-employed persons (“SEP”) aged 18 to 64 are required to participate in an MPF Scheme. To enroll in the Scheme, please submit the completed Membership Enrolment Form/Participation Form for Self-employed Person to us. The Membership Enrolment Form and Participation Form for Self-employed Person can be downloaded via:

| Document | Link | QR code | Document | Link | QR code |
|---------------------------|---|---|---|---|---|
| Membership Enrolment Form | https://sunlife.co/76bacf |  | Participation Form for Self-employed Person | https://sunlife.co/a284fd |  |

If you have any enquiry about membership enrolment, please contact your MPF intermediary or Sun Life Retirement Scheme Hotline at (852) 3183 1900.



To assist you plan for retirement, Mandatory Provident Fund Schemes Authority (“MPFA”) offers you the **Retirement Planning Calculator** to project if the MPF benefits and other retirement savings you will have at the age of 65 will meet your anticipated retirement needs, based on certain assumptions, including hypothetical data input by you. It allows calculation of:


- (i) **your retirement needs;**
- (ii) **your projected MPF and other retirement savings upon your retirement; and**
- (iii) **how much you need to save to meet your retirement needs.**



<https://minisite.mpfa.org.hk/mpfie/en/retirement-planning-calculator/>



If you are an employer, you are required to perform duties relating to MPF, including joining an MPF scheme after the establishment of a company, enrolling employees in an MPF scheme upon employment, making contributions for employees on time during employment and notify trustees when employees cease employment. If you have any questions relating to employer’s MPF obligation, please contact your MPF intermediary or Sun Life Retirement Scheme Hotline at (852) 3183 1900. To become a participating employer of the Scheme, please submit the completed Participation Form for Employer to us. The Participation Form for Employer can be downloaded via:

| Document | Link | QR code |
|---------------------------------|---|---|
| Participation Form for Employer | https://sunlife.co/78198a |  |



Your MPF contributions

Employees (full time or part-time) and employers who are covered by the MPF System are each required to make regular mandatory contributions calculated at 5% of the employee's relevant income to an MPF scheme, subject to the following minimum and maximum relevant income levels:

| Monthly Relevant Income | Mandatory Contribution Amount | |
|-------------------------|-------------------------------|--------------------------|
| | Employer's Contributions | Employee's Contributions |
| Less than \$7,100 | Relevant income x 5% | Not required |
| \$7,100 - \$30,000 | Relevant income x 5% | Relevant income x 5% |
| More than \$30,000 | \$1,500 | \$1,500 |

"Relevant income" refers to all monetary payments paid or payable by an employer to an employee, including wages, salaries, leave pay, fees, commissions, bonuses, gratuities, perquisites or allowances, but excludes severance payments or long service payments under the Employment Ordinance.

All contributions are immediately vested in you, except for the MPF benefits derived from the employer's contributions for offsetting severance payments or long service payments.

If you are a SEP, you are required to pay 5% of your relevant income as mandatory contributions in a yearly basis or monthly basis. The amount is subject to a maximum level of relevant income and a minimum level of relevant income listed below:


| Relevant Income | | Self-employed Person's Contributions |
|----------------------|--------------------|---|
| Annual | Monthly Average | |
| Less than \$85,200 | Less than \$7,100 | Not required |
| \$85,200 - \$360,000 | \$7,100 - \$30,000 | Relevant income x 5% |
| More than \$360,000 | More than \$30,000 | \$360,000 x 5% = \$18,000 per year or \$30,000 x 5% = \$1,500 per month |

If you want to make your retirement life more secure, you can consider making voluntary contributions to boost your retirement savings. Employers, employees, and SEP are free to make voluntary contributions on top of their mandatory contributions.

There are different types of voluntary contributions to meet your personal retirement needs:

| | Voluntary Contributions | Tax Deductible Voluntary Contributions ("TVC") | Special Voluntary Contributions ("SVC") |
|------------------------|--|---|--|
| How to Open an Account | Your employer helps you open an account under the MPF scheme chosen by the company | You select your own MPF scheme and open an account on your own. (Note: some MPF schemes do not provide TVC accounts. You may check the MPF schemes which offer TVC accounts on MPFA's Trustee Service Comparative Platform (https://tsplatform.mpfa.org.hk/scp/eng/index.jsp)) | You select your own MPF scheme and open an account on your own. (Note: some MPF schemes do not provide SVC accounts. You may check the MPF schemes which offer SVC accounts on MPFA's Trustee Service Comparative Platform. In addition, some MPF schemes provide SVC accounts in different names) |

For details of different types of contributions, you may refer to **Section 6.3 - Contributions of the MPF Scheme Brochure of the Scheme**.

| Document | Link | QR code |
|-----------------------------------|---|---|
| MPF Scheme Brochure of the Scheme | https://sunlife.co/185555 |  |

How do we invest your money?

Upon joining the scheme, if you have not given us any investment instructions, your money will be invested under the Default Investment Strategy (DIS) automatically.. You may refer to **Section 3.3.3 - MPF Default Investment Strategy of the MPF Scheme Brochure of the Scheme** for more details about DIS which is available via the link: <https://sunlife.co/185555>. The Scheme offers a choice of **9 unitized Constituent Funds and the DIS**.

Constituent Fund Choices of Sun Life MPF Basic Scheme:

| No. | Name of Constituent Fund | Name of Investment Manager | Fund Descriptor | Investment Focus | Investment Objectives | Management fees (as a % of p.a. of NAV) |
|-----|--|--|--|---|--|---|
| 1 | Sun Life MPF Basic Scheme Core Accumulation Portfolio | Not Applicable | Mixed Assets Fund - Global - Maximum equity 65% | 60% in higher risk assets (such as global equities), with balance in lower risk assets (such as global fixed income and money market instruments) | To achieve capital growth by investing in a globally diversified manner. | Up to 0.733% |
| 2 | Sun Life MPF Basic Scheme Age 65 Plus Portfolio | Not Applicable | Mixed Assets Fund - Global - Maximum equity 25% | 20% in higher risk assets (such as global equities), with balance in lower risk assets (such as global fixed income and money market instruments) | To achieve stable growth by investing in a globally diversified manner. | Up to 0.733% |
| 3 | Sun Life MPF Basic Scheme MPF Conservative Portfolio | Schroder Investment Management (Hong Kong) Limited | Money Market Fund - Hong Kong | 70% - 100% in deposits and debt securities, 0% - 30% in cash | To provide a return, after administrative expenses, which matches or exceeds the Hong Kong dollar savings rate. | Up to 1.173% |
| 4 | Sun Life MPF Basic Scheme Capital Guaranteed Portfolio | Not Applicable | Guaranteed Fund (please refer to section 3.4 of the Brochure for details of the guarantee features and conditions) | 0% - 33% in equities, 67% - 95% in bonds, 0% - 33% in cash or cash equivalents | To provide capital security at the end of every 5 years and to seek long term capital appreciation. | Up to 1.543% |
| 5 | Sun Life MPF Basic Scheme Stable Growth Portfolio | Not Applicable | Mixed Assets Fund - Global - Maximum equity 60% | 30% - 60% in equities, 20% - 60% in bonds, 0% - 20% in cash or cash equivalents | To achieve a long term return in excess of Hong Kong price inflation. | Up to 1.533% - 1.848% |
| 6 | Sun Life MPF Basic Scheme Balanced Growth Portfolio | Not Applicable | Mixed Assets Fund - Global - Maximum equity 85% | 45% - 85% in equities, 0% - 40% in bonds, 0% - 20% in cash or cash equivalents | To achieve a long term return in excess of salary inflation in Hong Kong. | Up to 1.592% |
| 7 | Sun Life MPF Basic Scheme International Equity Portfolio | Not Applicable | Equity Fund - Global | 100% in equities, 0% in bonds, 0% in cash | To focus investment into the global equity markets, to produce returns that are related to those achieved on the major world stock market indices and to manage the volatility of returns in the short term. | Up to 1.853% - 1.863% |

| No. | Name of Constituent Fund | Name of Investment Manager | Fund Descriptor | Investment Focus | Investment Objectives | Management fees (as a % of p.a. of NAV) |
|-----|---|---|---|--|--|---|
| 8 | Sun Life MPF Basic Scheme US & Hong Kong Equity Portfolio | State Street Global Advisors Asia Limited | Equity Fund - United States & Hong Kong | 90% - 100% in equities, 0% - 10% in cash or cash equivalents | To achieve long term capital appreciation. | Up to 1.283% |
| 9 | Sun Life MPF Basic Scheme Hong Kong Equity Portfolio | Not Applicable | Equity Fund - Hong Kong | 90% - 100% in equities, 0% - 10% in cash or cash equivalents | To achieve long term capital appreciation. | Up to 1.913% |


Note - The management fees shown in the table above include the management fees chargeable by the fund and its underlying fund(s) only. There may be other fees and charges chargeable to the fund and its underlying fund(s) or to you. For details, please refer to **Section 5 - Fees and Charges of the MPF Scheme Brochure of the Scheme**, which is available via the link: <https://sunlife.co/185555>.

To help you make comparisons across different MPF funds and schemes, you may refer to the information on the **MPF Fund Platform** via the link: https://mfp.mpfa.org.hk/eng/mpp_index.jsp


What are the risks of your MPF investment?

Investment involves risks and not all investment choices available under the Scheme would be suitable for everyone. There is no assurance on investment returns and your investments/accrued benefits may suffer significant loss. You may refer to **Section 4.1 - Risk Factors of the MPF Scheme Brochure of the Scheme** to learn more about risk factors associated with investing in which the constituent funds.

Please note the consequences of transferring out of the guaranteed fund, please refer to **Section 3.4 of the MPF Scheme Brochure** for details of the guarantee features and guarantee conditions.

| Document | Link | QR code |
|-----------------------------------|---|---|
| MPF Scheme Brochure of the Scheme | https://sunlife.co/185555 |  |

In addition, a risk class is assigned to each constituent fund according to the seven-point risk classification based on the latest fund risk indicator of the constituent fund. A constituent fund in a higher risk class tends to show a greater volatility of return than a low-risk class constituent fund. Information about the latest risk class of each constituent fund is available in the latest **fund fact sheet of the Scheme (i.e. Quarterly Update)**.

| Document | Link | QR code |
|---|---|---|
| Fund fact sheet of the Scheme (i.e. Quarterly Update) | https://sunlife.co/1bfd85 |  |

How to transfer your MPF?

If you are an employee, under the **Employee Choice Arrangement** (“ECA”), you may opt to transfer your MPF benefits derived from employee mandatory contributions in your contribution account under current employment (Original Scheme) to a MPF scheme of your choice once a calendar year^{1,2}.

If your transfer involves selling your interests in Sun Life MPF Basic Scheme Capital Guaranteed Portfolio, please check with us the terms and conditions of this fund as failure to fulfil some qualifying conditions may cause the loss of guaranteed returns.

Your contribution account under current employment may consist of different parts of MPF benefits derived from different sources and subject to different transfer rules, as follows:

| Parts of MPF in a contribution account (i.e. Types of contributions that the MPF are derived from) | Transfer rule | Type of account receiving the MPF |
|---|---|--|
| Contributions from current employment | | |
| Employer mandatory contributions | Not transferable | N/A |
| Employee mandatory contributions | Transferable once every calendar year ¹ | Personal account |
| Employer voluntary contributions Employee voluntary contributions | Subject to the governing rules of the Original Scheme | |
| Contributions from former employment | | |
| Mandatory contributions transferred to the contribution account under current employment | Transferable at any time | Personal account or other contribution accounts ³ |
| Voluntary contributions transferred to the contribution account under current employment | Subject to the governing rules of the Original Scheme | |

If you are a SEP or personal account holder, you can transfer your MPF benefits held in such account(s) to any other MPF schemes of your choice at any time.

Please note that transfers of MPF benefits involves some potential risks, such as the risk of a “sell low, buy high” scenario occurring during investment time-lag and the loss of entitlement to the guarantee of a guarantee fund.

¹ Calendar year means the period from 1 January to 31 December in any given year..

² Unless the governing rules of Original Scheme provide for more frequent transfer-out.

³ Only applies to employees with two or more contribution accounts. If an employee is employed by more than one employer at the same time, he/she may have more than one contribution account.

How to manage your MPF when changing jobs?

You should proactively manage the MPF benefits accumulated during your previous employment in one of the following ways:

Method 1


Transfer the MPF benefits to your “contribution account” opened under your new employment

Method 2

Transfer the MPF benefits to your existing “personal account”

If you do not hold any personal account, and you are satisfied with the MPF scheme chosen by your former employer, you may consider retaining your MPF benefits in a personal account under the scheme of your previous employment for investment.

Employee Choice Arrangement Transfer Election Form and Scheme Member’s Request For Fund Transfer Form can be downloaded via:

| Form | Link | QR code |
|---|---|---|
| Transfer forms of different types of MPF accounts | https://sunlife.co/find91b6d3 |  |

If you have any questions relating to transfer of MPF benefits, please contact your MPF intermediary or Sun Life Retirement Scheme Hotline at (852) 3183 1900.



When should you adjust your MPF fund choices?

Your MPF investment can span several decades, during which you may go through different life stages. Therefore, you should review your MPF investment regularly to ensure that it is in line with your investment objectives, preferred asset allocation and risk tolerance level. In general, it is good to review your fund choices every 6 to 12 months and consider making adjustments if necessary.

How to adjust your MPF fund choices?

If you want to change your MPF fund choices, you can notify us via one of the following means:

- Online Pension Services Centre (<https://www.sunlife.com.hk/en/online-pension-services-centre/>);
- Interactive Voice Response System at (852) 3183 1900; and
- Submit the "Switching/Change of Investment Mandate Form" by post

If your new investment instructions involve selling your interests in Sun Life MPF Basic Scheme Capital Guaranteed Portfolio, please check with us the terms and conditions of this fund as failure to fulfil some qualifying conditions may cause the loss of guaranteed returns.

If a valid switching or change of investment mandate instruction is received by 5:00 p.m. on a dealing day, it will be processed on that dealing day.

For Sun Life MPF Basic Scheme Capital Guaranteed Portfolio, switches may be made once in each calendar year, with no specific date or period of time being imposed. For all other Constituent Funds, there is currently no limit on the number of switches and change of investment choices which may be made in any calendar year.

For more details, please refer to **Section 6.4 - Switching of the MPF Scheme Brochure of the Scheme** which is available via the link: <https://sunlife.co/185555>.



When can you withdraw your MPF?

Once you reach the age of 65, you can choose any of the following ways to manage your MPF benefits:

- withdraw your MPF benefits by instalments;
- withdraw all your MPF benefits in a lump sum; or
- retain all your MPF benefits in your account for continued investment

Under the law, you can withdraw your MPF benefits before you reach age 65 on one of the following grounds:



The law does not stipulate any deadlines for withdrawing MPF. You should consider your personal needs before making a withdrawal application. If you choose to retain all your MPF in your account, no application is required. Your MPF will continue to be invested in the fund(s) you have selected.

To apply for withdrawal of your MPF benefits, you should complete and submit one of the following claim forms which can be downloaded via:

| Form | Link | QR code |
|---|---|---------|
| Claim Form for Payment of Accrued Benefits on Ground of Attaining the Retirement Age of 65 or Early Retirement [Form MPF(S)-W(R)] | https://sunlife.co/cb323e | |
| Claim Form for Payment of Accrued Benefits on Ground of Permanent Departure from Hong Kong/Total Incapacity/Terminal Illness/Small Balance/Death [Form MPF(S)-W(O)] | https://sunlife.co/31543b | |

For enquiries about withdrawal of MPF benefits, please contact your MPF intermediary or Sun Life Retirement Scheme Hotline at (852) 3183 1900.

Additional information useful to you

Taxation

Employees are allowed to claim salaries tax deduction for their mandatory contributions, subject to a maximum deduction of \$18,000 per year. Contributions that are made to TVC accounts may also be eligible for tax deduction. We recommend that you seek professional advice regarding your own tax circumstances.



Documents from us

Scheme members will receive the following documents:


1. Upon joining the scheme: this KSID, the MPF Scheme Brochure and the Notice of Participation; and
2. Within three months after the scheme financial year end: the Annual Benefit Statement.

Other information

This KSID only provides a summary of the key features of the Scheme. For details of the Scheme, please refer to the **MPF Scheme Brochure** and the **Trust Deed of the Scheme**. Copies of these document are available via:

| Document | Link | QR code | Document | Link | QR code |
|-----------------------------------|---|---|--------------------------|---|---|
| MPF Scheme Brochure of the Scheme | https://sunlife.co/185555 |  | Trust Deed of the Scheme | https://sunlife.co/7094ee |  |

The On-going Cost Illustrations for the Scheme, a document which illustrates the on-going costs on contributions to constituent funds in the Scheme, is available via:

| Document | Link | QR code |
|---|---|--|
| On-going Cost Illustrations of the Scheme | https://sunlife.co/0ccdce |  |

The Fund fact sheet of the Scheme (i.e. Quarterly Update) provide basic information (e.g. fund performance) on individual funds of the Scheme. Copy of this document is available via:

| Document | Link | QR code |
|---|---|---|
| Fund fact sheet of the Scheme (i.e. Quarterly Update) | https://sunlife.co/1bfd85 |  |

Personal data statement

To obtain the latest copy of the personal data statement (i.e. Personal Information Collection Statement), please refer to the application/enrolment forms of the Scheme or contact Sun Life Retirement Scheme Hotline at (852) 3183 1900.

How to make enquiries and complaints?

If you would like to make an enquiry or a complaint, please feel free to contact us.

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|---|---|
| Sun Life Retirement Scheme Hotline | (852) 3183 1900 |
| Customer Service Centre | 10 th Floor, One Harbourfront, 18 Tak Fung Street, Hunghom, Kowloon, Hong Kong |
| Interactive Voice Response System | (852) 3183 1900 |
| Fax number | (852) 3183 1901 |
| Postal address | 16 th Floor, Cheung Kei Center, Tower A, No.18 Hung Luen Road, Hunghom, Kowloon, Hong Kong |
| Website | www.sunlife.com.hk |