Mr Cheng Yan-chee
Managing Director

Managing Director's Review and Outlook

As the MPF System reached its 25th anniversary, we stand at a defining moment in Hong Kong's retirement protection journey. Over the past quarter century, MPF has firmly established itself as an indispensable pillar for basic retirement protection of the Hong Kong working population. This progress has not come easily, nor has it been the result of any single reform. It reflects sustained commitment, resilience in times of challenge, and an unwavering focus on the long-term interests of MPF scheme members.

As at 31 March 2026, MPF provides basic retirement protection for nearly five million scheme members, with their MPF savings held across 11 million accounts. Thanks to the concerted efforts of both employers and employees as well as cumulative years of investment outcomes, MPF total assets have grown to over $1.5 trillion. This progress reflects how deeply MPF has become woven into Hong Kong's financial and social fabric.

The silver jubilee also brings about the most far-reaching reform since MPF's inception, namely the full onboarding of all MPF schemes to the eMPF Platform (eMPF) and its full operation by end April 2026. eMPF modernizes and digitalizes scheme administration, strengthens operational efficiency, reduces costs, and provides greater convenience in managing MPF. As the centralized scheme administration platform for all MPF schemes, eMPF marks a historic chapter for MPF, paves the way for other MPF reform initiatives and further strengthens the efficacy of the MPF System.

Zooming in on our work in this keystone year, we continued our efforts in protecting scheme members' retirement savings and supporting the industry in better servicing the needs of scheme members.

Member Protection

Member protection remains at the heart of our mission. Through rigorous enforcement, proactive engagement and close collaboration with labour unions and trustees, we continue to safeguard employees' rights and recover MPF default contributions (DC) from their employers.

During the year, over 375 000 payment notices were issued in respect of DC, $177 million of DC were recovered for 91 400 employees. In close partnership with labour unions, we proactively and promptly got in touch with affected employees to offer assistance and explain to them their MPF rights.

At the same time, we are strengthening tools and processes to deter non-compliance. We propose enhancing MPFA's process for recovering DC through introducing a two-tier (i.e. the existing level and a new additional level) surcharge mechanism to drive earlier rectification of DC and surcharges. Having completed the stakeholder consultation in April 2026, we will render full support to the Government throughout the legislative amendment process.

Engagement with the Industry

In face of the changes in the operating environment and new trends on various fronts, we continued to work closely with the MPF industry to ensure that MPF trustees and their service providers remain agile and accountable in a rapidly evolving landscape.

eMPF

A key change faced by trustees in the past couple of years was the transition to eMPF. During the process, MPFA and all trustees worked closely together on preparatory work, system testing and data migration, sharing the experience of onboarded trustees and resolving issues unique to individual trustees. Post-onboarding operations were also closely monitored to ensure smooth operations and effective interface with eMPF.

Sustainable Finance

As green and sustainable finance became high on the Government's agenda, MPFA strengthened its commitment to advancing green and sustainable finance through close collaboration with the Government and other local financial regulators under the auspices of the Green and Sustainable Finance Cross-Agency Steering Group. Communication was maintained with the MPF industry regarding the development of sustainability issues. MPFA has also been partnering with the Capacity-building Alliance of Sustainable Investment since December 2025 to step up training on sustainable investing, equipping industry practitioners with updated knowledge and skills to more effectively explain, educate and support scheme members in related matters.

Responsible Use of Innovation and Technology

At a time when technological advancements are evolving at an unprecedented pace, another focus of industry support is on promoting the responsible application of artificial intelligence (AI) and financial technology (fintech) in the MPF market. In collaboration with Cyberport, we organized a training session for the MPF industry in September 2025 which covered updates on fintech developments and solutions applicable to the MPF industry. MPFA also participated in the Generative AI Sandbox++ initiative coordinated by Hong Kong Monetary Authority and Cyberport to invite trustees to leverage on the sandbox to develop, test and pilot their innovative AI-based solutions in a risk-controlled environment.

Training for Intermediaries

To raise standards of the MPF industry, help industry participants stay current and provide useful updates to MPF frontline practitioners on regulatory requirements, continuing professional development (CPD) training modules are updated regularly. Two new core CPD modules were developed during the year, covering conduct issues, updates on the MPF System, environmental, social and governance (ESG) and other compliance issues.

Value-for-Money Assessment

Offering value-for-money (VFM) to MPF scheme members is key for better retirement outcome. Following the deployment of the refined VFM assessment methodology in December 2024, MPFA communicated the results to trustees in Q2 2025, highlighting concerns about investment performance and fee levels, and requiring follow-up actions focused on investment governance, fee level, fund's viability and service to scheme members.

Meanwhile, MPFA participated in the VFM project of the International Organisation of Pension Supervisors (IOPS) and took a proactive role in supporting the IOPS Secretariat to push forward the project. In addition to contributing toward the body of knowledge in the international pension regulatory community, this has helped MPFA stay abreast of the latest international trends in regulation and supervision of private pensions in relation to VFM and consider their applicability to Hong Kong.

MPFA Managing Director makes a point at the joint meetings organized by IOPS and Organisation for Economic Co-operation and Development (OECD) in Paris


MPFA Managing Director engages in tripartite exchanges with the representatives of the Administration of Social Insurance Fund of Guangdong and the Social Security Fund of Macao SAR

Education, Publicity and Engagement

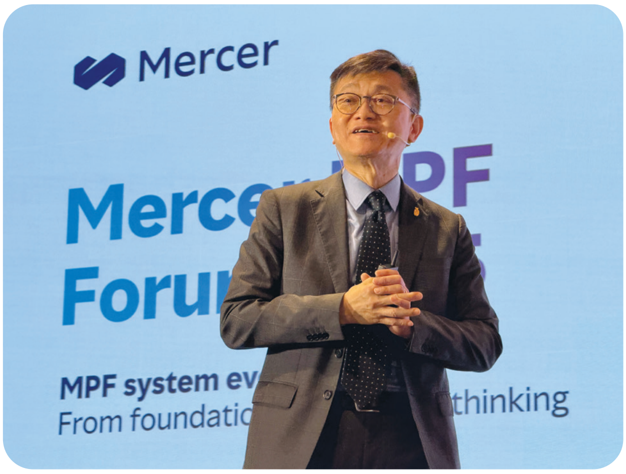
For the mass public, education, outreach and engagement continue to be the foundation of their trust and understanding of MPFA's work. Through extensive district-level engagement and targeted initiatives, we are proactively bringing important MPF messages closer to the community and supporting employers and employees.

During the year, a total of 116 sessions of customized MPF education programmes were held; and Chairman and the executives participated in over 240 engagement activities with various stakeholder groups to promote the latest MPF initiatives and eMPF, and listen to their views.

To publicize the onboarding arrangements and promote the digital take-up of eMPF, a major media campaign tying in with the onboarding of the larger trustees was implemented from August 2025 to March 2026. Outreach efforts were expanded, with over 260 engagement sessions and 130 eMPF registration counters arranged in 2025-26, alongside targeted training, and various support measures for stakeholder groups. The eMPF Fleet was launched in October 2025, completing over 140 sessions across the territory and helping over 5 000 scheme members to complete their eMPF registrations. Regular meetings had also been arranged with onboarded scheme members to collect feedback to enhance user experience and services of eMPF continuously.

To mark the 25th anniversary of the MPF System, we highlighted the achievements over the years through a newspaper supplement, social media posts and a dedicated webpage on the MPFA website. Messages related to the anniversary will continue to be featured in other publicity events in 2026, culminating in the OECD/IOPS/MPFA Global Forum on Private Pensions to be held in Hong Kong in December 2026.

MPFA Managing Director in dialogue with future financial leaders introducing the features of eMPF



MPFA Managing Director delivers a speech at an MPF Forum sharing the achievements of MPF over the past 25 years and the roadmap for further reforms

MPFA Managing Director attends a radio programme interview to talk about the latest development on eMPF, the proposed implementation arrangements for MPF full portability and MPFA's enforcement actions against employers who have defaulted on MPF contributions

Corporate Development

This year, MPFA deepened its focus on supporting our people and strengthening organizational capability, prioritizing both staff well-being and operational enhancement. These initiatives position us to adopt the right work model and deploy resources effectively as we prepare for the future.

As a caring employer, MPFA is committed to supporting the diverse family needs of our colleagues. The implementation of Family Leave effective from September 2025 aims to help colleagues fulfil some of their family obligations, thereby furthering our efforts in promoting a more supportive workplace culture.

At the same time, we pressed ahead with initiatives to streamline workflows, re-engineer core business processes and digitalize daily operations through system upgrades, new technology development and the adoption of AI-enabled solutions. Building on these efforts, we have begun formulating a corporate digitalization strategy with a clear roadmap to guide future enhancements and drive long-term organizational productivity.

MPFA held a lecture on the "Two Sessions" for the third consecutive year in March 2026. Mr Leung Chun-ying, Vice Chairman of the National Committee of the Chinese People's Political Consultative Conference, attended for the second year to share the key contents of this year's "Two Sessions" and the National 15th Five-Year Plan. The lecture aimed to deepen understanding of national policies and future development among colleagues, thereby facilitating better integration into the overall national development.

"Doing more with less" is the guiding principle in our resource management. In line with the Government's expenditure control measures, following a 1% reduction in operating expenditure in the 2024-25 financial year, MPFA took another proactive step in 2025-26 to cut down 2% of its total expenditure compared with the approved budget in the last financial year, and will continue to do the same in 2026-27.

Outlook

As the MPF System marks 25 years of development, we continue our journey with a clear sense of mission, to enhance value, strengthen MPF protection and safeguard scheme members' interests.

With eMPF in full operation, MPFA will oversee eMPF Platform Company Limited (eMPF Company)'s efforts to ensure the smooth functioning of eMPF and optimize its services. Looking ahead, eMPF Company will intensify its efforts to boost the digital usage rate while maintaining strict cost control to create more room for further eMPF fee reduction to benefit scheme members.

Meanwhile, we will review and refine supervision strategies to help the industry adapt to the new ecosystem in the new MPF era and enhance trustees' governance and the transparency of their activities.

In parallel, we will continue to support the Government in advancing important policy initiatives, including MPF full portability and enhancing MPFA's enforcement tools and powers, to ensure the MPF System remains resilient, responsive to changing conditions and, most importantly, able to serve the best interest of our scheme members.

MPF is, at its heart, a people centred endeavour. We will continue to engage openly with stakeholders and scheme members, listening to their views and expectations as we refine policies and initiatives. Within MPFA, we will continue to strengthen organizational capability and effectiveness, invest in our people, and foster a culture that values professionalism, innovation and resilience.

Vote of Thanks

The progress we have made over the past 25 years reflects a collective commitment to safeguarding the basic retirement protection of the working population in Hong Kong.

I am grateful to our Chairman Mrs Ayesha Macpherson Lau for her guidance and active engagement with stakeholders across the community. My appreciation also extends to the Management Board, committees and working groups, as well as the Government, MPF trustees and business partners. Their counsel, support, insights and ongoing exchange with us have been instrumental in shaping our initiatives and strengthening the MPF System.

Above all, I thank my MPFA colleagues for their good work and commitment in delivering the various targets amidst the challenges encountered in the past year. Their dedication has been a vital driving force behind the progress and achievement of MPFA. With this solid backing, we move forward with confidence, determined to reinforce MPF and make it an ever stronger pillar for the basic retirement protection of the Hong Kong working population.

Cheng Yan-chee
Managing Director