

BCT (MPF) PRO CHOICE (the “Plan”)

NOTICE TO PARTICIPATING EMPLOYERS AND MEMBERS

This document is important and requires your immediate attention. If you are in any doubt about the contents of this document, you should seek independent professional advice. Bank Consortium Trust Company Limited (the “Trustee”), being the trustee of the Plan accepts responsibility for the information contained in this document. This document is only a summary of the key changes relating to the Plan. Members should also carefully review the MPF Scheme Brochure. A copy of the MPF Scheme Brochure as amended can be obtained free of charge by calling the Employer Hotline at 2298 9388 or the Member Hotline at 2298 9333 or accessing the website at www.bcthk.com.

Unless otherwise defined herein, terms used in this document bear the same meaning as in the MPF Scheme Brochure of the Plan dated 23 March 2020 as amended (the “MPF Scheme Brochure”).

October 2021

Dear Participating Employer / Member,

Thank you for your continued support of the Plan. We are writing to inform you of the following new constituent funds that will be introduced to the Plan with effect from 23 November 2021 (“Effective Date”).

Introduction of three new constituent funds

- BCT (Pro) SaveEasy 2045 Fund
- BCT (Pro) SaveEasy 2050 Fund
- BCT (Pro) U.S. Equity Fund

BCT (Pro) SaveEasy 2045 Fund and BCT (Pro) SaveEasy 2050 Fund

The addition of BCT (Pro) SaveEasy 2045 Fund and BCT (Pro) SaveEasy 2050 Fund is an extension of the Plan’s offering of Target Date Mixed Asset Funds which currently consist of the following constituent funds:

- BCT (Pro) SaveEasy 2020 Fund
- BCT (Pro) SaveEasy 2025 Fund
- BCT (Pro) SaveEasy 2030 Fund
- BCT (Pro) SaveEasy 2035 Fund
- BCT (Pro) SaveEasy 2040 Fund

(collectively, the “SaveEasy Funds”)

The SaveEasy Funds, through investing in their respective underlying APIFs, invest in a variety of equities, bonds and cash. The SaveEasy Funds are designed to shift their underlying investments from equities towards a greater exposure to bonds and cash as the relevant SaveEasy Fund gets closer to its particular target year.

The target year for a SaveEasy Fund is the year specified in its name. For example, the target year for BCT (Pro) SaveEasy 2045 Fund is the year 2045 and the target year for BCT (Pro) SaveEasy 2050 Fund is the year 2050. Each SaveEasy Fund aims to provide long-term capital growth for Members planning to dispose of their investment in such fund in the target year. This may coincide with choosing a target year which comes closest before the Member’s expected retirement age of 65.

Please refer to the MPF Scheme Brochure for further information on the features of the SaveEasy Funds.

The statements of investment policy of BCT (Pro) SaveEasy 2045 Fund and BCT (Pro) SaveEasy 2050 Fund are set out in the Appendix hereto.

In light of the introduction of BCT (Pro) SaveEasy 2045 Fund and BCT (Pro) SaveEasy 2050 to the range of Target Date Mixed Asset Funds, the table illustrating the applicable SaveEasy Funds for different age groups are updated as follows:

Year-of-birth	Applicable Constituent Fund
After 1989*	BCT (Pro) SaveEasy 2050 Fund
1985 – 1989*	BCT (Pro) SaveEasy 2050 Fund
1980 – 1984*	BCT (Pro) SaveEasy 2045 Fund
1975 – 1979	BCT (Pro) SaveEasy 2040 Fund
1970 – 1974	BCT (Pro) SaveEasy 2035 Fund
1965 – 1969	BCT (Pro) SaveEasy 2030 Fund
1960 – 1964	BCT (Pro) SaveEasy 2025 Fund
1955 – 1959	BCT (Pro) SaveEasy 2020 Fund

* Currently, the applicable constituent fund for Members in the age group with the year-of-birth being later than 1979 is the SaveEasy 2040 Fund. With effect from the Effective Date, such age group is sub-divided into three age groups (being 1980 – 1984, 1985 – 1989, and after 1989) and the respective applicable constituent fund within the range of the Target Date Mixed Asset Funds is as set out in the table above (i.e. BCT (Pro) SaveEasy 2045 Fund, BCT (Pro) SaveEasy 2050 Fund, and BCT (Pro) SaveEasy 2050 Fund, respectively).

As a reminder, SaveEasy Funds are not saving deposits but MPF products. Age should not be the sole determining factors when choosing the funds and the fact that a person's age falls within the age range of fund as suggested in the MPF Scheme Brochure should only be one of the determining factors. Members should also consider factors other than age (such as their own investment objectives) and seek financial advice as appropriate.

BCT (Pro) U.S. Equity Fund

The objective of BCT (Pro) U.S. Equity Fund is to provide Members with capital appreciation over the long term by investing in a portfolio of index tracking collective investment schemes which in turn invest in the U.S. equity markets. The BCT (Pro) U.S. Equity Fund is not itself an index tracking fund. For details, please refer to the statement of investment policy of BCT (Pro) U.S. Equity Fund set out in the Appendix hereto.

The addition of BCT (Pro) U.S. Equity Fund to the Plan is aimed to provide Members with a wider range of investment choices and the opportunity to diversify their investment portfolios by obtaining exposure to the U.S. equity markets.

Alignment of fee presentation

For alignment of presentation of fees with that for BCT (Pro) U.S. Equity Fund, in the section headed "5.1.3.2. Underlying Funds" under the section headed "5.1.3 EXPLANATORY NOTES" under the section headed "5.1 FEE TABLE" in the section headed "5. FEES AND CHARGES" in the MPF Scheme Brochure, the "Trustee, administration and custodian fee" and the "Investment management fee" for the BCT (Pro) Greater China Equity Fund and the BCT (Pro) World Equity Fund will be merged into one item. Notwithstanding the alignment of presentation, there is no change in the level of fees payable in respect of the BCT (Pro) Greater China Equity Fund and the BCT (Pro) World Equity Fund.

General

The MPF Scheme Brochure will be amended by way of a second addendum ("**Second Addendum**") to the MPF Scheme Brochure to include information relating to BCT (Pro) SaveEasy 2045 Fund, BCT (Pro) SaveEasy 2050 Fund and BCT (Pro) U.S. Equity Fund with effect from the Effective Date and to make other consequential amendments. The changes described in this document are in summary form only. Members should review the Second Addendum for further details.

The MPF Scheme Brochure, as amended will be available at www.bcthk.com or may be obtained by calling the Member Hotline at 2298 9333.

Should you have any enquiries regarding the changes, please contact the Employer Hotline at 2298 9388 or the Member Hotline at 2298 9333.

Yours faithfully,
Bank Consortium Trust Company Limited
銀聯信託有限公司

This is a computer-generated letter and no signature is required.

Appendix

The statements of investment policy of BCT (Pro) SaveEasy 2045 Fund, BCT (Pro) SaveEasy 2050 Fund and BCT (Pro) U.S. Equity Fund are set out as follows. Unless otherwise defined below, capitalised terms used in the below paragraphs of the statements of investment policy shall have the same meaning as those defined in the MPF Scheme Brochure.

BCT (Pro) SaveEasy 2045 Fund

Statement of investment policy

(a) Objective and policy

The objective of the SaveEasy 2045 Fund is to provide members with capital growth over the long term by investing as a feeder fund solely in "Fidelity Global Investment Fund – Fidelity SaveEasy 2045 Fund" an underlying APIF which, in turn (through its investment in other APIFs managed by Fidelity) invests in a wide range of investments (equities, bonds and cash) covering markets throughout the world.

It is expected that the SaveEasy 2045 Fund will achieve long term capital growth to year 2045. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

(b) Balance of investments

The underlying APIF will initially invest around 100% of its net assets in equities and will maintain an asset allocation appropriate to achieving a combination of income and long term capital growth (i.e. greater exposure to bonds and cash) as the year 2045 is approaching.

The underlying APIF will maintain an effective currency exposure to Hong Kong dollars of not less than 30%.

(c) Security lending and repurchase agreements

The fund will not engage in any securities lending or repurchase agreements. The underlying APIF will not engage in securities lending and repurchase agreements.

(d) Futures and options

The fund may not enter into financial futures contracts and financial option contracts. The underlying APIF may enter into financial futures contracts and financial option contracts for hedging purposes only.

(e) Risks

The performance of the SaveEasy 2045 Fund is subject to a number of risks, including the following: general investment risk, currency risk, risk of changes in laws, regulations, policies and practices, emerging markets risks, risk of default of financial institutions, risks of default of issuer of debt securities, equity market risk, risks of China A shares market and Stock Connect, as well as the risks described under section 4.2.1.

Please refer to section 4 entitled "Risks" for a detailed description of the relevant risks.

BCT (Pro) SaveEasy 2050 Fund

Statement of investment policy

(a) Objective and policy

The objective of the SaveEasy 2050 Fund is to provide members with capital growth over the long term by investing as a feeder fund solely in “Fidelity Global Investment Fund – Fidelity SaveEasy 2050 Fund” an underlying APIF which, in turn (through its investment in other APIFs managed by Fidelity) invests in a wide range of investments (equities, bonds and cash) covering markets throughout the world.

It is expected that the SaveEasy 2050 Fund will achieve long term capital growth to year 2050. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

(b) Balance of investments

The underlying APIF will initially invest around 100% of its net assets in equities and will maintain an asset allocation appropriate to achieving a combination of income and long term capital growth (i.e. greater exposure to bonds and cash) as the year 2050 is approaching.

The underlying APIF will maintain an effective currency exposure to Hong Kong dollars of not less than 30%.

(c) Security lending and repurchase agreements

The fund will not engage in any securities lending or repurchase agreements. The underlying APIF will not engage in securities lending and repurchase agreements.

(d) Futures and options

The fund may not enter into financial futures contracts and financial option contracts. The underlying APIF may enter into financial futures contracts and financial option contracts for hedging purposes only.

(e) Risks

The performance of the SaveEasy 2050 Fund is subject to a number of risks, including the following: general investment risk, currency risk, risk of changes in laws, regulations, policies and practices, emerging markets risks, risk of default of financial institutions, risks of default of issuer of debt securities, equity market risk, risks of China A shares market and Stock Connect, as well as the risks described under section 4.2.1.

Please refer to section 4 entitled “Risks” for a detailed description of the relevant risks.

BCT (Pro) U.S. Equity Fund

Statement of investment policy

(a) Objective and policy

The U.S. Equity Fund is a portfolio management fund. The objective of the U.S. Equity Fund is to provide members with capital appreciation over the long term by investing in a portfolio of ITCISs which, in turn, invests in the U.S. equity markets.

Whilst the U.S. Equity Fund is an equity fund which solely invests in ITCISs, it is not an index tracking fund. The underlying ITCISs it invests in will only invest in the U.S. and track the relevant equity market indices in the U.S. such as the S&P 500 Index and the Nasdaq 100 Index.

It is expected that the U.S. Equity Fund will provide investment results that correspond generally to the performance of U.S. equity markets. (Note: short-term performance of the fund may be higher or lower than the long-term expected results.)

The underlying ITCISs will be selected from those available in the market (regardless of whether they are managed by the same investment manager or its connected persons of the U.S. Equity Fund) provided that they can achieve the above objective.

(b) Balance of investments

No prescribed allocations for investments in any specific indices, however, apply to the U.S. Equity Fund.

The U.S. Equity Fund will maintain an effective currency exposure to Hong Kong dollars of not less than 30%. In order for the U.S. Equity Fund to maintain the required effective currency exposure, it may enter into currency forward contracts for hedging purposes.

(c) Security lending and repurchase agreements

The U.S. Equity Fund will not engage in any securities lending or repurchase agreements.

(d) Futures and options

The U.S. Equity Fund may enter into financial futures contracts and financial option contracts for hedging purposes only.

(e) Risks

The inherent risk and return of the U.S. Equity Fund will be associated with the U.S. equity markets. The performance of the U.S. Equity Fund is subject to a number of risks, including the following: general investment risk, currency risk, risk of changes in laws, regulations, policies and practices, risk of default of financial institutions, equity market risk, as well as the risks described under section 4.2.6.

Please refer to section 4 entitled “Risks” for a detailed description of the relevant risks.