



BCT  
銀聯集團



## BCT (MPF) Pro Choice

# 2020

**Reports and Financial Statements**

(From 1 January to 31 December 2020)

**BCT (MPF) PRO CHOICE**  
**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

## BCT (MPF) PRO CHOICE

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## BCT (MPF) PRO CHOICE

### PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. Overview

The BCT (MPF) Pro Choice (the “Plan”), a Master Trust Scheme, was established by Bank Consortium Trust Company Limited (the “Trustee” or “BCT”) with the contribution commencement date of 1 December 2000. The Plan was registered under the Mandatory Provident Fund Schemes Ordinance (“MPFSO”) with the Mandatory Provident Fund Schemes Authority (“MPFA”) and authorised by the Securities and Futures Commission (“SFC”) in January 2000\*. It is constituted by a trust deed (the “Deed”) dated 31 January 2000 and is governed by the laws of the Hong Kong SAR. The Deed was subsequently amended and superseded by a deed of substitution and adherence dated 1 June 2011, which was further amended by first supplemental deed dated 24 November 2011, second supplemental deed dated 29 May 2012, third supplemental deed dated 1 November 2012, fourth supplemental deed dated 19 March 2014, fifth supplemental deed dated 21 December 2015, sixth supplemental deed dated 1 December 2016, seventh supplemental deed dated 22 June 2017, eighth supplemental deed dated 1 April 2019, ninth supplemental deed dated 15 October 2019 and tenth supplemental deed dated 10 January 2020.

The Plan is a defined contribution provident fund scheme that is open for participation by all employers, employees, self-employed persons and personal account members in Hong Kong. The Plan has introduced Default Investment Strategy under the MPFSO. As at 31 December 2020, the Plan offered twenty-three constituent funds, namely, BCT (Pro) MPF Conservative Fund, BCT (Pro) E30 Mixed Asset Fund, BCT (Pro) E50 Mixed Asset Fund, BCT (Pro) E70 Mixed Asset Fund, BCT (Pro) Global Bond Fund, BCT (Pro) Global Equity Fund, BCT (Pro) Asian Equity Fund, BCT (Pro) Flexi Mixed Asset Fund, BCT (Pro) China and Hong Kong Equity Fund, BCT (Pro) European Equity Fund, BCT (Pro) E90 Mixed Asset Fund, 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, BCT (Pro) Hang Seng Index Tracking Fund, BCT (Pro) Hong Kong Dollar Bond Fund, BCT (Pro) World Equity Fund, BCT (Pro) Greater China Equity Fund, BCT (Pro) RMB Bond Fund, BCT (Pro) Core Accumulation Fund and BCT (Pro) Age 65 Plus Fund. Each of them, with a different investment objective and risk profile, is offered to Plan members exclusively. Plan members can choose to invest their accrued benefit balances in any combination of the above.

*[\*Such registration and authorisation do not constitute official recommendation of the Plan by the MPFA and the SFC.]*

**BCT (MPF) PRO CHOICE****PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2020****2. Financial Highlights**

During the year ended 31 December 2020, the total contributions received and receivable including transfers in from participating employers and members of the Plan amounted to HK\$6,881 million, while the total benefits paid and payable including transfers out and forfeitures amounted to HK\$4,724 million. As at 31 December 2020, the market values of the Plan's constituent funds were as follows:

|   | Market Value<br>(HK\$) |
|---|------------------------|
| BCT (Pro) MPF Conservative Fund           | 8,733,064,418          |
| BCT (Pro) E30 Mixed Asset Fund            | 2,982,635,082          |
| BCT (Pro) E50 Mixed Asset Fund            | 3,451,689,575          |
| BCT (Pro) E70 Mixed Asset Fund            | 6,194,044,138          |
| BCT (Pro) Global Bond Fund                | 1,968,508,701          |
| BCT (Pro) Global Equity Fund              | 3,817,716,228          |
| BCT (Pro) Asian Equity Fund               | 4,689,574,916          |
| BCT (Pro) Flexi Mixed Asset Fund          | 1,340,299,211          |
| BCT (Pro) China and Hong Kong Equity Fund | 10,283,859,647         |
| BCT (Pro) European Equity Fund            | 703,889,638            |
| BCT (Pro) E90 Mixed Asset Fund            | 854,177,722            |
| BCT (Pro) SaveEasy 2020 Fund              | 494,395,120            |
| BCT (Pro) SaveEasy 2025 Fund              | 585,543,159            |
| BCT (Pro) SaveEasy 2030 Fund              | 711,306,192            |
| BCT (Pro) SaveEasy 2035 Fund              | 672,769,265            |
| BCT (Pro) SaveEasy 2040 Fund              | 1,636,003,330          |
| BCT (Pro) Hang Seng Index Tracking Fund   | 2,952,616,995          |
| BCT (Pro) Hong Kong Dollar Bond Fund      | 1,518,508,834          |
| BCT (Pro) World Equity Fund               | 1,716,022,156          |
| BCT (Pro) Greater China Equity Fund       | 1,497,441,431          |
| BCT (Pro) RMB Bond Fund                   | 789,389,305            |
| BCT (Pro) Core Accumulation Fund          | 1,421,363,640          |
| BCT (Pro) Age 65 Plus Fund                | 680,787,823            |
| Total                                     | 59,695,606,526         |

After taking into account the operating expenses of HK\$579 million and overseas withholding tax of HK\$5 million, the net income of the Plan during the year ended 31 December 2020 was HK\$6,031 million.

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### **PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **3. Changes to the Governing Rules of the Plan**

Set out below is a brief summary of the key amendments to the governing rules / MPF scheme brochure of the Plan in relation to:

- the restructuring of the special voluntary contribution account;
- changes relating to partial withdrawal of special voluntary contributions and tax deductible voluntary contributions;
- changes to the investment policy of the BCT (Pro) Global Bond Fund and enhancement of related risk factors;
- the removal of the reference of “Easy Gold Plan”;
- the compliance of Part G of the Code on Disclosure for MPF Investment Funds which sets out the requirements on the presentation of information and risk disclosure in the offering document of a registered scheme;
- changes to the investment policy of the underlying ITCISs of the BCT (Pro) Greater China Equity Fund that the underlying ITCISs will invest in and be exposed to the Greater China region comprising of stocks listed in Hong Kong, Taiwan, Shanghai (A shares and B shares), Shenzhen (A shares and B shares) and Singapore, and track the relevant equity market indices;
- changes to the investment policy of the BCT (Pro) Hong Kong Dollar Bond Fund to replace references to “non-cash assets” with “net asset value”; and
- administrative changes arising from the implementation of Automatic Exchange of Financial Account Information.

For the details, please refer to the relevant parts of the MPF scheme brochure.

#### **4. Client Services**

BCT and/or BCT Financial Limited\* (“BCTF”) provide(s) a wide range of client services to support employers and members in managing their MPF accounts. Key services provided through various channels include:

*(\*Associate of the Trustee and wholly-owned subsidiary of Bank Consortium Holding Limited)*

## **BCT (MPF) PRO CHOICE**

### **PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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- 4.1 The branch network of the servicing banks (as set out below) where employers can make contribution payments through Direct Deposit (by cash, cheque or bank transfer) at the teller counter, Cheque Drop-in Box or Internet Banking of “Designated Banks”. The branches also help to refer clients to contact BCT directly for services that cannot render.

The “Designated Banks” are Chong Hing Bank Limited, Fubon Bank (Hong Kong) Limited, Industrial and Commercial Bank of China (Asia) Limited, Public Bank (Hong Kong) Limited, Shanghai Commercial Bank Limited and CMB Wing Lung Bank Limited.

- 4.2 The Customer Service Counter at the BCT office where employers and members can enjoy one-stop MPF services in relation to managing their MPF accounts, obtaining Plan information and other MPF related administrative information and support.
- 4.3 Direct Debit Authorization (DDA), Internet Banking Bill Payment Service and PPS where employers can make contribution payments.
- 4.4 The BCT client relationship teams which are dedicated to providing quality services and assistance to employers in matters relating to MPF management as well as latest information about their participating plans and MPF regulation.
- 4.5 Employer Hotline 2298 9388 and Member Hotline 2298 9333 where employers and members can enquire about their accounts, obtain Plan information, performance of investment funds and other related information.
- 4.6 A 24-hour interactive voice response system which members can access their accounts with their PINs to obtain administrative forms and fund information via fax-on-demand facility.
- 4.7 The BCT website ([www.bcthk.com](http://www.bcthk.com)) where employers and members can manage their accounts online with their PINs, such as checking contribution history, download related statements / receipts, member can also check account balances as well as performing change of investment mandate and fund switching. They can also access comprehensive plan information, fund prices and investment knowledge, as well as download statements, MPF scheme brochure, administrative guides, forms, fund performance publications, newsletters and leaflets etc. BCT website also provides “Retirement Calculator” and “Risk Assessment” to help members understand their financial needs. The interactive Chatbot service, “BCT Smart Assistant – Macy” featuring Artificial Intelligence (AI) technology on BCT website and BCT MPF app to answer MPF enquiries in 24 x 7, alongside the customer hotline during business hours. On top of it, “Live Chat” function for customers to talk to on-duty customer service officer directly to cater some complicated enquiries.

**BCT (MPF) PRO CHOICE**  
**PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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- 4.8 Smart phone apps which allow members access their accounts with their PINs, for checking account balance and transaction history as well as performing change of investment mandate and fund switching. Monthly SMS service for account balance is available for members' subscription.
- 4.9 E-Alert service is offered to employers who subscribed the service. E-mail and SMS are sent to employers for reminding them to make timely contributions before the statutory due day in order to avoid late contribution surcharge. Employers could also make contribution payment conveniently via PPS/ Direct Debit Authorisation / Internet Banking Bill Payment Service/ Direct Deposit at branch of "Designated Banks" / E-Cheque / Post to BCT office etc.
- 4.10 E-news covering the latest corporate, MPF and fund performance information updated on participating plans services and MPF regulatory changes are regularly sent to employers and members who have registered their e-mail addresses with BCT.
- 4.11 Regular publications, member communications and investor education information are available for employers and members to better understand the features, fund performance, investment basics and latest financial market outlook and other relevant information of their participating plans. These include Monthly Fund Performance Table, Fund Performance Fact Sheet, BCT Express (employer news) and BCT Connect (member news), MPF service days, member briefings, seminars and investment forums.

**5. Trustee, Administrator, Custodian, Sponsor, Auditor, Legal Adviser, Investment Managers, Sub-custodian and Banks**

5.1 Trustee, Administrator and Custodian

Bank Consortium Trust Company Limited  
18/F, Cosco Tower, 183 Queen's Road Central, Hong Kong

5.2 Sponsor

BCT Financial Limited\*  
18/F, Cosco Tower, 183 Queen's Road Central, Hong Kong

5.3 Auditor

PricewaterhouseCoopers  
22/F, Prince's Building, Central, Hong Kong

*( \*Associate of the Trustee and wholly-owned subsidiary of Bank Consortium Holding Limited)*



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### PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 5.4 Legal Adviser

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5/F, Alexandra House, 18 Chater Road, Central, Hong Kong

#### 5.5 Investment Managers

The following investment managers have been appointed by the Trustee:

- ◆ Amundi Hong Kong Limited  
901 – 908, One Pacific Place, No. 88 Queensway, Hong Kong
- ◆ Allianz Global Investors Asia Pacific Limited  
27/F, ICBC Tower, 3 Garden Road, Central, Hong Kong
- ◆ Invesco Hong Kong Limited  
41/F, Champion Tower, 3 Garden Road, Central, Hong Kong
- ◆ FIL Investment Management (Hong Kong) Limited  
Level 21, Two Pacific Place, 88 Queensway, Admiralty, Hong Kong
- ◆ State Street Global Advisors Asia Limited  
68/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong  
Delegate  
State Street Global Advisors, Australia, Limited  
(for the currency hedging pertaining to the World Equity Fund only)  
Level 17, 420 George Street, Sydney,  
NSW 2000, Australia
- ◆ JPMorgan Funds (Asia) Limited  
21/F, Chater House, 8 Connaught Road Central, Hong Kong

#### 5.6 Sub-custodian

The following sub-custodian has been appointed by the Trustee:

- ◆ The Bank of New York Mellon Corporation  
240 Greenwich Street, New York, NY 10286, United States of America

#### 5.7 Banks

The following are the principal banks with which accounts have been maintained in connection with the operation of the Plan:

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### PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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- ◆ Chong Hing Bank Limited  
Chong Hing Bank Centre, 24 Des Voeux Road Central, Hong Kong
- ◆ Dah Sing Bank, Limited  
26/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong  
(formerly: 36/F, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong)
- ◆ Fubon Bank (Hong Kong) Limited  
Fubon Bank Building, 38 Des Voeux Road Central, Hong Kong
- ◆ Industrial and Commercial Bank of China (Asia) Limited  
33/F, ICBC Tower, 3 Garden Road, Central, Hong Kong
- ◆ Public Bank (Hong Kong) Limited  
Public Bank Centre, 120 Des Voeux Road Central, Hong Kong
- ◆ Shanghai Commercial Bank Limited  
Shanghai Commercial Bank Tower, 12 Queen's Road Central, Hong Kong
- ◆ OCBC Wing Hang Bank Limited\*  
161 Queen's Road Central, Hong Kong
- ◆ CMB Wing Lung Bank Limited  
45 Des Voeux Road Central, Hong Kong

*(\* Associate of the Trustee and wholly-owned subsidiary of OCBC Bank)*

#### 6. Board of Directors of the Trustee

|  |  |
|--|--|
| Mr. TAN Stephen  | Executive Director<br>Asia Financial Holdings Limited<br>16/F, Worldwide House<br>19 Des Voeux Road Central<br>Hong Kong   |
| Ms. KO Sog Yee Karen<br>(Alternate Director to<br>Mr. TAN Stephen) | Chief Operating Officer &<br>Senior Executive Vice President<br>Asia Financial Holdings Limited<br>16/F, Worldwide House<br>19 Des Voeux Road Central<br>Hong Kong |

## BCT (MPF) PRO CHOICE

### PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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|  |   |
|--|---|
| Mr. LAU Wai Man  | Executive Director &<br>Deputy Chief Executive<br>Chong Hing Bank Limited<br>26/F, Chong Hing Bank Centre<br>24 Des Voeux Road Central<br>Hong Kong   |
| Mr. WONG Hon Hing  | Vice Chairman<br>Dah Sing Bank, Limited<br>26/F, Dah Sing Financial Centre<br>248 Queen's Road East, Wanchai<br>Hong Kong<br>(formerly: 36/F, Everbright Centre<br>108 Gloucester Road, Wanchai<br>Hong Kong)   |
| Mr. WANG Pak Ling Gary<br>(Alternate Director to<br>Mr. WONG Hon Hing)<br>(Appointed on 3 November 2020) | Executive Director, Deputy Chief Executive &<br>Group Chief Financial and Operating Officer<br>Dah Sing Bank, Limited<br>26/F, Dah Sing Financial Centre<br>248 Queen's Road East, Wanchai<br>Hong Kong<br>(formerly: 36/F, Everbright Centre<br>108 Gloucester Road, Wanchai<br>Hong Kong) |
| Mr. KWOK Sek-chi, David  | Deputy Chairman, Managing Director &<br>Chief Executive<br>Shanghai Commercial Bank Limited<br>7/F, Shanghai Commercial Bank Tower<br>12 Queen's Road Central<br>Hong Kong  |
| Mr. LI Yiu Ki<br>(Alternate Director to<br>Mr. KWOK Sek-chi, David)                                      | Head of MPF Service Centre Department<br>Shanghai Commercial Bank Limited<br>28/F, Landmark East<br>100 How Ming Street, Kwun Tong, Kowloon<br>Hong Kong  |

## **BCT (MPF) PRO CHOICE**

### **PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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|  |   |
|--|---|
| Mr. WANG Frank John<br>(Ceased/Resigned on 11 September 2020)  | Authorised Representative<br>OCBC Wing Hang Bank Limited<br>4/F, 161 Queen's Road Central<br>Hong Kong  |
| Ms. AU-YEUNG Lai Ling Ivy<br>(Appointed on 11 September 2020)  | Deputy Chief Executive<br>OCBC Wing Hang Bank Limited<br>4/F, 161 Queen's Road Central<br>Hong Kong   |
| Mr. WOO Lap Hoi  | Director & Chief Executive Officer<br>CMB Wing Lung Insurance Brokers Limited<br>1/F, CMB Wing Lung Bank Building<br>45 Des Voeux Road Central<br>Hong Kong |
| Mr. HUI Cheong Ming<br>(Alternate Director to<br>Mr. WOO Lap Hoi)<br>(Appointed on 10 December 2020) | Head of Life Insurance and MPF<br>CMB Wing Lung Bank Limited<br>1/F, CMB Wing Lung Bank Building<br>45 Des Voeux Road Central<br>Hong Kong                  |
| Ms. LAU Ka Shi   | Managing Director & CEO<br>Bank Consortium Trust Company Limited<br>18/F, Cosco Tower<br>183 Queen's Road Central<br>Hong Kong                              |
| Mr. LECKIE Stuart Hamilton, OBE, JP<br>(Independent Director)  | Chairman<br>Stirling Finance Limited<br>2802 Tower 2, Lippo Centre, 89 Queensway<br>Hong Kong   |
| Mr. TAM Po Chiu<br>(Independent Director)  | c/o Bank Consortium Trust Company Limited<br>18/F, Cosco Tower<br>183 Queen's Road Central<br>Hong Kong   |

**BCT (MPF) PRO CHOICE**  
**PLAN REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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**7. Board of Directors of the Sponsor**

Mr. TAN Stephen  
Ms. KO Sog Yee Karen (Alternate Director to Mr. TAN Stephen)  
Mr. LAU Wai Man  
Mr. WONG Hon Hing  
Mr. WANG Pak Ling Gary (Alternate Director to Mr. WONG Hon Hing)  
(Appointed on 3 November 2020)  
Mr. KWOK Sek-chi, David  
Mr. LI Yiu Ki (Alternate Director to Mr. KWOK Sek-chi, David)  
Mr. WANG Frank John (Ceased/Resigned on 11 September 2020)  
Ms. AU-YEUNG Lai Ling Ivy (Appointed on 11 September 2020)  
Mr. WOO Lap Hoi  
Mr. HUI Cheong Ming (Alternate Director to Mr. WOO Lap Hoi)  
(Appointed on 10 December 2020)  
Ms. LAU Ka Shi  
Mr. LECKIE Stuart Hamilton, OBE, JP (Independent Director)  
Mr. TAM Po Chiu (Independent Director)

Please refer to the item 6 above for the business address of the directors.

**8. Board of Directors of OCBC Wing Hang Bank Limited**

Dr FUNG Yuk Bun Patrick JP  
Mr NA Wu Beng  
Mr Frank John WANG (Retired on 8 May 2019)  
Ms KNG Hwee Tin (Resigned on 30 September 2019)  
Mr SOON Tit Koon  
Mr Samuel N TSIEN  
Mr CHIM Wai Kin  
Mr OOI Sang Kuang  
Mr TSE Hau Yin Aloysius

The business address of the above directors in Note 8 is 161 Queen's Road Central, Hong Kong.

## BCT (MPF) PRO CHOICE

### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. Overview

##### Constituent Funds

The Plan has introduced Default Investment Strategy under the MPFSO. During the reporting year, the Plan offered twenty-three constituent funds for the Plan members to choose from. Each member may invest his or her accrued benefit balance in one or more of the following twenty-three constituent funds:

1. BCT (Pro) MPF Conservative Fund (“MPF Conservative Fund”)
2. BCT (Pro) E30 Mixed Asset Fund (“E30 Mixed Asset Fund”)
3. BCT (Pro) E50 Mixed Asset Fund (“E50 Mixed Asset Fund”)
4. BCT (Pro) E70 Mixed Asset Fund (“E70 Mixed Asset Fund”)
5. BCT (Pro) Global Bond Fund (“Global Bond Fund”)
6. BCT (Pro) Global Equity Fund (“Global Equity Fund”)
7. BCT (Pro) Asian Equity Fund (“Asian Equity Fund”)
8. BCT (Pro) Flexi Mixed Asset Fund (“Flexi Mixed Asset Fund”)
9. BCT (Pro) China and Hong Kong Equity Fund (“China and Hong Kong Equity Fund”)
10. BCT (Pro) European Equity Fund (“European Equity Fund”)
11. BCT (Pro) E90 Mixed Asset Fund (“E90 Mixed Asset Fund”)
12. BCT (Pro) SaveEasy 2020 Fund (“SaveEasy 2020 Fund”)
13. BCT (Pro) SaveEasy 2025 Fund (“SaveEasy 2025 Fund”)
14. BCT (Pro) SaveEasy 2030 Fund (“SaveEasy 2030 Fund”)
15. BCT (Pro) SaveEasy 2035 Fund (“SaveEasy 2035 Fund”)
16. BCT (Pro) SaveEasy 2040 Fund (“SaveEasy 2040 Fund”)
17. BCT (Pro) Hang Seng Index Tracking Fund (“Hang Seng Index Tracking Fund”)
18. BCT (Pro) Hong Kong Dollar Bond Fund (“Hong Kong Dollar Bond Fund”)
19. BCT (Pro) World Equity Fund (“World Equity Fund”)
20. BCT (Pro) Greater China Equity Fund (“Greater China Equity Fund”)
21. BCT (Pro) RMB Bond Fund (“RMB Bond Fund”)
22. BCT (Pro) Core Accumulation Fund (“Core Accumulation Fund”)
23. BCT (Pro) Age 65 Plus Fund (“Age 65 Plus Fund”)

## BCT (MPF) PRO CHOICE

### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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The four constituent funds (1) to (4) were launched on 1 December 2000, three constituent funds (5) to (6) on 1 October 2002, constituent fund (7) on 1 May 2004, constituent fund (8) on 1 August 2005, two constituent funds (9) to (10) on 1 January 2008, six constituent funds (11) to (16) on 27 October 2008, two constituent funds (17) to (18) on 1 October 2009, two constituent funds (19) to (20) on 28 June 2012, one constituent fund (21) on 4 March 2013 and the remaining two constituent funds (22) to (23) on 1 April 2017.

The investment objective and other relevant information relating to each of the constituent funds have been set out in the MPF scheme brochure of the Plan. The operation of each of the constituent funds during the year is discussed in the following sections.

#### Investment Managers

The twenty-two constituent funds (excluding MPF Conservative Fund) are feeder funds / portfolio management funds and their assets are invested in the respective approved pooled investment funds (“APIFs”) or index tracking collective investment schemes (“ITCISs”). Amundi Hong Kong Limited has been appointed as the investment manager for the Asian Equity Fund, China and Hong Kong Equity Fund, European Equity Fund, Global Equity Fund, E30 Mixed Asset Fund, E50 Mixed Asset Fund, E70 Mixed Asset Fund, E90 Mixed Asset Fund and Global Bond Fund. Allianz Global Investors Asia Pacific Limited has been appointed as the investment manager of the Flexi Mixed Asset Fund. Invesco Hong Kong Limited has been appointed as the investment manager of the RMB Bond Fund, Core Accumulation Fund and Age 65 Plus Fund. FIL Investment Management (Hong Kong) Limited has been appointed as the investment manager of the SaveEasy 2020 Fund, SaveEasy 2025 Fund, SaveEasy 2030 Fund, SaveEasy 2035 Fund and SaveEasy 2040 Fund. State Street Global Advisors Asia Limited has been appointed as the investment manager of the Hang Seng Index Tracking Fund, World Equity Fund and Greater China Equity Fund. JPMorgan Funds (Asia) Limited has been appointed as the investment manager of the Hong Kong Dollar Bond Fund.

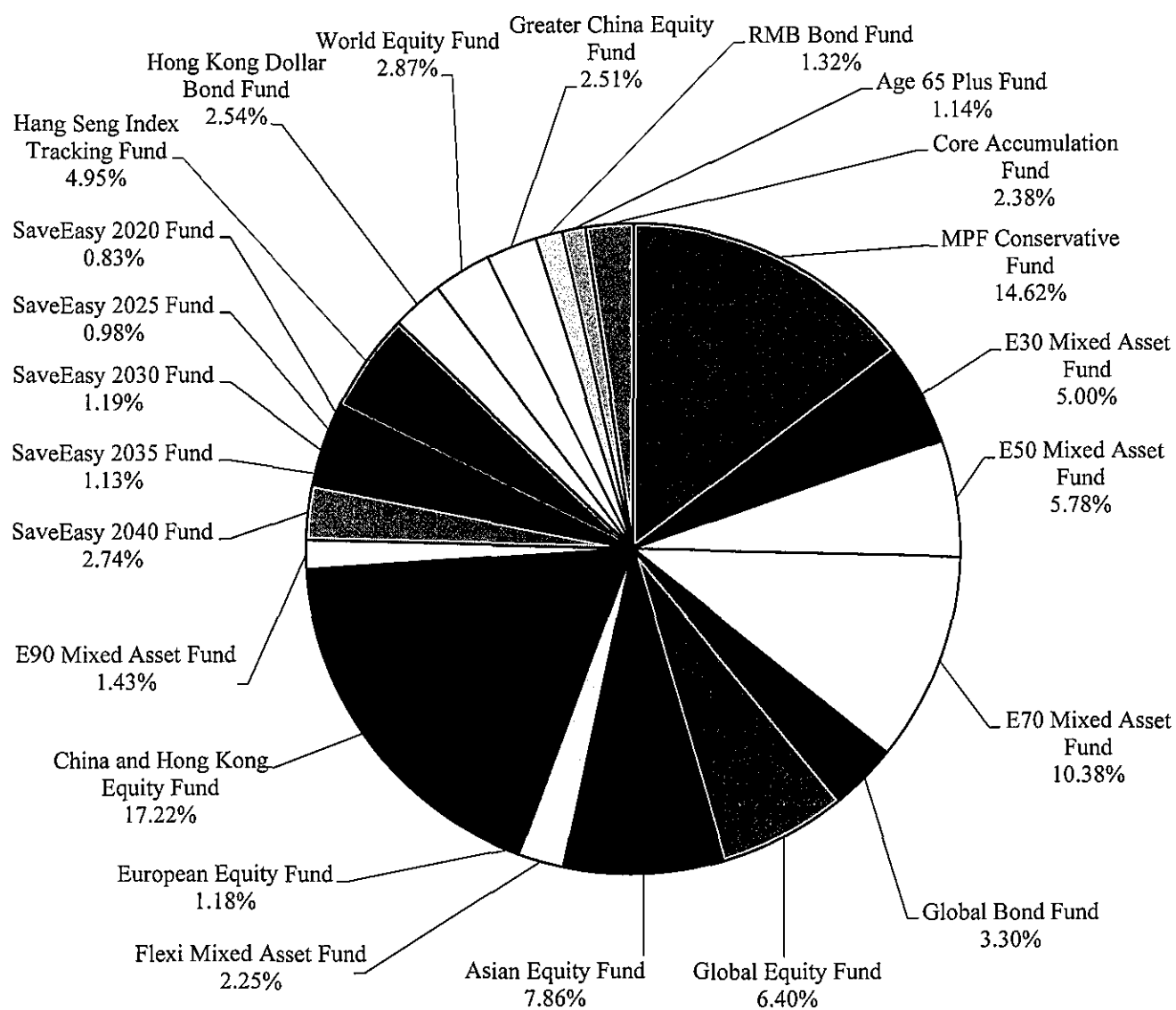
MPF Conservative Fund is managed by Invesco Hong Kong Limited.

## BCT (MPF) PRO CHOICE

### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

#### Distribution of Constituent Funds

As at 31 December 2020, the proportion of each constituent fund in compared with the total constituent funds is as follows:





# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### 2. Investment Income and Performance

|  | <u>MPF Conservative Fund</u> |                |               | <u>E30 Mixed Asset Fund</u> |             |              |
|--|------------------------------|----------------|---------------|-----------------------------|-------------|--------------|
|  | <u>2020</u>                  | <u>2019</u>    | <u>2018</u>   | <u>2020</u>                 | <u>2019</u> | <u>2018</u>  |
|  | (HK\$'000)                   | (HK\$'000)     | (HK\$'000)    | (HK\$'000)                  | (HK\$'000)  | (HK\$'000)   |
| Interest income  | 97,823                       | 125,674        | 87,728        | 81                          | 191         | 149          |
| Dividend income  | -                            | -              | -             | -                           | -           | 5,880        |
| Other income   | -                            | -              | -             | 317                         | 37          | 703          |
| Total income   | <u>97,823</u>                | <u>125,674</u> | <u>87,728</u> | <u>398</u>                  | <u>228</u>  | <u>6,732</u> |
| Net income/(loss) – excluding capital appreciation and depreciation  | 26,583                       | 53,752         | 24,904        | (37,261)                    | (37,663)    | (34,374)     |
| Net investment appreciation/(depreciation) – realised and unrealised | 32,404                       | 39,134         | 28,254        | 319,283                     | 266,950     | (119,893)    |

|  | <u>E50 Mixed Asset Fund</u> |             |               | <u>E70 Mixed Asset Fund</u> |             |               |
|--|-----------------------------|-------------|---------------|-----------------------------|-------------|---------------|
|  | <u>2020</u>                 | <u>2019</u> | <u>2018</u>   | <u>2020</u>                 | <u>2019</u> | <u>2018</u>   |
|  | (HK\$'000)                  | (HK\$'000)  | (HK\$'000)    | (HK\$'000)                  | (HK\$'000)  | (HK\$'000)    |
| Interest income  | 69                          | 165         | 122           | 76                          | 179         | 133           |
| Dividend income  | -                           | -           | 10,587        | -                           | -           | 26,663        |
| Other income   | 555                         | 76          | 804           | 1,411                       | 154         | 1,487         |
| Total income   | <u>624</u>                  | <u>241</u>  | <u>11,513</u> | <u>1,487</u>                | <u>333</u>  | <u>28,283</u> |
| Net income/(loss) – excluding capital appreciation and depreciation  | (42,038)                    | (42,611)    | (35,641)      | (72,473)                    | (74,963)    | (58,165)      |
| Net investment appreciation/(depreciation) – realised and unrealised | 410,660                     | 374,055     | (217,928)     | 791,606                     | 785,063     | (529,908)     |

|  | <u>Global Bond Fund</u> |             |              | <u>Global Equity Fund</u> |             |              |
|--|-------------------------|-------------|--------------|---------------------------|-------------|--------------|
|  | <u>2020</u>             | <u>2019</u> | <u>2018</u>  | <u>2020</u>               | <u>2019</u> | <u>2018</u>  |
|  | (HK\$'000)              | (HK\$'000)  | (HK\$'000)   | (HK\$'000)                | (HK\$'000)  | (HK\$'000)   |
| Interest income  | 48                      | 101         | 45           | 66                        | 145         | 72           |
| Dividend income  | -                       | -           | -            | -                         | -           | 529          |
| Other income   | -                       | -           | 1,345        | -                         | -           | 2,555        |
| Total income   | <u>48</u>               | <u>101</u>  | <u>1,390</u> | <u>66</u>                 | <u>145</u>  | <u>3,156</u> |
| Net income/(loss) – excluding capital appreciation and depreciation  | (22,778)                | (18,332)    | (12,309)     | (42,504)                  | (38,589)    | (28,822)     |
| Net investment appreciation/(depreciation) – realised and unrealised | 152,359                 | 80,216      | 2,254        | 474,131                   | 583,069     | (362,327)    |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | <u>Asian Equity Fund</u>               |                           |                           | <u>Flexi Mixed Asset Fund</u> |                           |                           |
|--|--|---------------------------|---------------------------|-------------------------------|---------------------------|---------------------------|
|  | <u>2020</u><br>(HK\$'000)              | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000)     | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Interest income  | -                                      | -                         | 5                         | 3                             | 3                         | 1                         |
| Dividend income  | -                                      | -                         | 911                       | -                             | -                         | -                         |
| Other income   | -                                      | -                         | -                         | -                             | -                         | -                         |
| Total income   | -                                      | -                         | 916                       | 3                             | 3                         | 1                         |
| Net income/(loss) – excluding capital appreciation and depreciation  | (51,948)                               | (50,240)                  | (45,304)                  | (10,149)                      | (9,801)                   | (9,413)                   |
| Net investment appreciation/(depreciation) – realised and unrealised | 910,070                                | 504,216                   | (445,109)                 | 107,289                       | 106,746                   | (49,329)                  |
|  |  |                           |                           |                               |                           |                           |
|  | <u>China and Hong Kong Equity Fund</u> |                           |                           | <u>European Equity Fund</u>   |                           |                           |
|  | <u>2020</u><br>(HK\$'000)              | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000)     | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Interest income  | 1                                      | -                         | 5                         | 40                            | 97                        | 49                        |
| Dividend income  | -                                      | -                         | 736                       | -                             | -                         | -                         |
| Other income   | -                                      | -                         | -                         | -                             | -                         | -                         |
| Total income   | 1                                      | -                         | 741                       | 40                            | 97                        | 49                        |
| Net income/(loss) – excluding capital appreciation and depreciation  | (115,064)                              | (111,023)                 | (101,096)                 | (8,263)                       | (7,993)                   | (8,665)                   |
| Net investment appreciation/(depreciation) – realised and unrealised | 1,901,129                              | 1,300,675                 | (1,316,228)               | 4,730                         | 99,928                    | (88,124)                  |
|  |  |                           |                           |                               |                           |                           |
|  | <u>E90 Mixed Asset Fund</u>            |                           |                           | <u>SaveEasy 2020 Fund</u>     |                           |                           |
|  | <u>2020</u><br>(HK\$'000)              | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000)     | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Interest income  | 11                                     | 29                        | 13                        | 3                             | 2                         | 1                         |
| Dividend income  | -                                      | -                         | 79                        | -                             | -                         | -                         |
| Other income   | -                                      | -                         | 569                       | -                             | 52                        | 1,116                     |
| Total income   | 11                                     | 29                        | 661                       | 3                             | 54                        | 1,117                     |
| Net income/(loss) – excluding capital appreciation and depreciation  | (9,693)                                | (9,340)                   | (7,661)                   | (2,842)                       | (2,658)                   | (2,469)                   |
| Net investment appreciation/(depreciation) – realised and unrealised | 114,795                                | 112,502                   | (87,451)                  | 45,890                        | 53,381                    | (26,316)                  |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | <u>SaveEasy 2025 Fund</u> |                           |                           | <u>SaveEasy 2030 Fund</u> |                           |                           |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|  | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Interest income  | 2                         | 2                         | 1                         | 3                         | 2                         | 1                         |
| Dividend income  | -                         | -                         | -                         | -                         | -                         | -                         |
| Other income   | -                         | 52                        | 1,156                     | -                         | 60                        | 1,368                     |
| Total income   | <u>2</u>                  | <u>54</u>                 | <u>1,157</u>              | <u>3</u>                  | <u>62</u>                 | <u>1,369</u>              |
| Net income/(loss) – excluding capital appreciation and depreciation  | (3,059)                   | (2,759)                   | (2,559)                   | (3,644)                   | (3,232)                   | (3,024)                   |
| Net investment appreciation/(depreciation) – realised and unrealised | 73,792                    | 78,898                    | (47,835)                  | 93,187                    | 97,704                    | (60,840)                  |

|  | <u>SaveEasy 2035 Fund</u> |                           |                           | <u>SaveEasy 2040 Fund</u> |                           |                           |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|  | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Interest income  | 3                         | 2                         | 1                         | 7                         | 5                         | 2                         |
| Dividend income  | -                         | -                         | -                         | -                         | -                         | -                         |
| Other income   | -                         | 57                        | 1,273                     | -                         | 130                       | 2,856                     |
| Total income   | <u>3</u>                  | <u>59</u>                 | <u>1,274</u>              | <u>7</u>                  | <u>135</u>                | <u>2,858</u>              |
| Net income/(loss) – excluding capital appreciation and depreciation  | (3,397)                   | (3,057)                   | (2,815)                   | (8,180)                   | (7,042)                   | (6,299)                   |
| Net investment appreciation/(depreciation) – realised and unrealised | 89,557                    | 94,222                    | (59,504)                  | 214,872                   | 219,668                   | (135,480)                 |

|  | <u>Hang Seng Index Tracking Fund</u> |                           |                           | <u>Hong Kong Dollar Bond Fund</u> |                           |                           |
|--|--------------------------------------|---------------------------|---------------------------|-----------------------------------|---------------------------|---------------------------|
|  | <u>2020</u><br>(HK\$'000)            | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000)         | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Interest income  | 32                                   | 29                        | 10                        | 14                                | 9                         | 3                         |
| Dividend income  | 84,857                               | 85,764                    | 74,679                    | -                                 | -                         | -                         |
| Other income   | -                                    | -                         | -                         | -                                 | 63                        | 1,214                     |
| Total income   | <u>84,889</u>                        | <u>85,793</u>             | <u>74,689</u>             | <u>14</u>                         | <u>72</u>                 | <u>1,217</u>              |
| Net income/(loss) – excluding capital appreciation and depreciation  | 63,952                               | 66,598                    | 57,966                    | (14,032)                          | (12,325)                  | (9,318)                   |
| Net investment appreciation/(depreciation) – realised and unrealised | (62,800)                             | 218,423                   | (310,698)                 | 95,556                            | 46,395                    | 20,040                    |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | <u>World Equity Fund</u>  |                           |                           | <u>Greater China Equity Fund</u> |                           |                           |
|--|---------------------------|---------------------------|---------------------------|----------------------------------|---------------------------|---------------------------|
|  | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000)        | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Interest income  | 17                        | 14                        | 5                         | 14                               | 11                        | 4                         |
| Dividend income  | 26,773                    | 23,800                    | 15,889                    | 7,314                            | 6,288                     | 5,629                     |
| Other income   | -                         | -                         | -                         | -                                | 30                        | 682                       |
| Total income   | <u>26,790</u>             | <u>23,814</u>             | <u>15,894</u>             | <u>7,328</u>                     | <u>6,329</u>              | <u>6,315</u>              |
| Net income/(loss) – excluding capital appreciation and depreciation  | 9,398                     | 12,056                    | 7,804                     | (1,113)                          | (773)                     | (804)                     |
| Net investment appreciation/(depreciation) – realised and unrealised | 181,055                   | 163,327                   | (79,774)                  | 190,167                          | 133,379                   | (94,945)                  |

|  | <u>RMB Bond Fund</u>      |                           |                           | <u>Core Accumulation Fund</u> |                           |                           |
|--|---------------------------|---------------------------|---------------------------|-------------------------------|---------------------------|---------------------------|
|  | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000)     | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Interest income  | 2                         | 2                         | 1                         | 3                             | 2                         | 1                         |
| Dividend income  | -                         | -                         | -                         | -                             | -                         | -                         |
| Other income   | -                         | 48                        | 1,005                     | -                             | -                         | -                         |
| Total income   | <u>2</u>                  | <u>50</u>                 | <u>1,006</u>              | <u>3</u>                      | <u>2</u>                  | <u>1</u>                  |
| Net income/(loss) – excluding capital appreciation and depreciation  | (7,314)                   | (6,806)                   | (6,325)                   | (6,708)                       | (4,524)                   | (2,852)                   |
| Net investment appreciation/(depreciation) – realised and unrealised | 49,393                    | 14,687                    | 280                       | 156,736                       | 107,653                   | (37,325)                  |

|  | <u>Age 65 Plus Fund</u>   |                           |                           |
|--|---------------------------|---------------------------|---------------------------|
|  | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Interest income  | 2                         | 1                         | -                         |
| Dividend income  | -                         | -                         | -                         |
| Other income   | -                         | -                         | -                         |
| Total income   | <u>2</u>                  | <u>1</u>                  | <u>-</u>                  |
| Net income/(loss) – excluding capital appreciation and depreciation  | (3,127)                   | (1,927)                   | (1,123)                   |
| Net investment appreciation/(depreciation) – realised and unrealised | 50,559                    | 26,206                    | (2,425)                   |

## **BCT (MPF) PRO CHOICE**

### **INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Introduction**

2020 was an unprecedented year in modern history, with the COVID-19 pandemic leading to the deepest global recession post World War II, which affected most countries simultaneously. Hopes for a fast vaccine distribution, monetary and fiscal stimulus, and decreasing geopolitical tensions drove to a strong recovery over the second half of the year. As a result, despite the recession, most markets closed the year with positive performances.

#### **United States**

The COVID-19 pandemic has severely hit the U.S. economy. The first part of the year's GDP was led by the pandemic and restrictions imposed by the authorities: we saw sharp declines in Q1 and Q2; -5% and -31.4% respectively, at an annualized rate. It was followed by a very strong rebound in Q3 (+ 33.4%), thanks to significant monetary easing and fiscal stimulus implemented by the Federal Reserve (Fed). The support plans were worth about 14% of GDP. Although services were more affected than manufacturing, the recovery was for the entire economy. After massive job destruction at the beginning of the year, the unemployment rate began to decline, from a peak of 14.7% in April to 6.7% in December. Inflation slowed down in the middle of the year, before picking up again but staying far from the 2% target. Joe Biden was elected the President of the U.S. in November, pushing U.S. equities to reach new highs.

#### **Europe**

In the Eurozone, GDP growth was already on a decelerating trend when the pandemic disrupted many sectors at the end of Q1. Affected by lockdowns and COVID-19 restrictions, the economic activity contracted by -3.7% in Q1 and -11.7% in Q2, and then rebounded by +12.5% in Q3. It was mainly driven by governments' massive fiscal measures and significant supports from the Support to mitigate Unemployment Risks in an Emergency (SURE) and Next Generation EU programs. The European Central Bank helped as well, with expansionary measures, notably a new asset purchase plan. The inflation progressively decreased and went into negative territory in the latest part of the year.

## **BCT (MPF) PRO CHOICE**

### **INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Japan**

The COVID-19 pandemic hit Japanese economy very hard in 2020: the Government declared the state of emergency in April and GDP plunged 28.1% quarter-over-quarter in Q2, dragged down by both domestic and external demand. The fiscal package which the Government delivered was massive, above 10% of GDP and the Bank of Japan (BoJ) also adopted extra dovish monetary policy, introducing special loan programs to support financing and extending them into 2021. As overseas economies started to recover in the second part of the year, exports showed signs of rebound and Japanese economy resumed, although it remained in a severe situation. We expect negative GDP growth for 2020 to be in the range of -5.6% to -5% year-over-year. Inflation remained subdued, the BoJ has launched an overall review of its monetary policy expected for March 2021 in response to stagnant price dynamics. But there will be no change of the “Quantitative and Qualitative Monetary Easing with Yield curve control” framework.

#### **Asia ex Japan**

In a year with an unprecedented pandemic and ongoing geopolitical tensions, Asia ex-Japan equities did surprisingly well. They returned almost +30% between April and September after a tough Q1. North Asia led the rally thanks to effective containments and faster economic recovery while the rest of Asia also rebounded despite still fighting the initial waves of the pandemic. Even though there are many uncertainties at this point, investors are looking at Asia to enjoy an improving economic prospect in 2021 as governments continue to balance between growth pressure and public health risk. In terms of sectors, Technology and Healthcare stood out in the region as the trend of digitalization and higher demand for health facilities, equipment and solutions emerged over the pandemic year. Meanwhile, Asian consumers are likely to take the lead in driving growth recovery on the back of cyclical and intact structural drivers.

#### **China and Hong Kong**

China and Hong Kong equities markets staged a strong run in 2020. “First in, first out” summed up the Chinese economy’s COVID-19 story. Having suffered its slump early in the year and avoided a significant second wave, China rebounded earlier and quicker than other major economies and staged a V-shaped recovery, led mainly by investment and exports. Despite the global pandemic, exports held up surprisingly well in 2020 due to strong global demand on healthcare products and China’s fast resumption of industrial activities. China’s solid economic recovery was also supported by the unprecedented levels of fiscal and monetary stimulus by the Government. This, in turn, dramatically reduced bankruptcy risks and allowed investors to look through the current slump in earnings towards a more normal operating environment into 2021.

## **BCT (MPF) PRO CHOICE**

### **INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **Global Bond**

2020 was an exceptional year in many ways. The whole world was marked by the COVID-19 pandemic. Containment measures to contain the virus severely impacted economic activity in manned proportions in peacetime. In addition, governments and central banks stood out for the speed, coordination and breadth of measures taken to deal with the crisis. Central banks put in place asset buyback programs on an unprecedented scale. Central bankers kept rates unchanged while modulating asset purchases to keep funding terms hosted. In the fixed income stance, the U.S. and German 10-year bond yields declined from 1.92% to 0.91% and -0.23% to -0.57% respectively. The sharp decrease in rate was explained by the global economic recession and the actions taken by central banks and governments.

Note: Index performance is expressed on a total return basis, in local currency terms for 2020 (from the closing price of the last trading day of December 2019 to the closing price of the last trading day of December 2020) unless otherwise stated.

*[Note: The above market commentary was prepared by Bank Consortium Trust Company Limited and only reflects the situation at the time of writing as of the approval date of the financial statements. Please be reminded that past performance is not indicative of future performance.]*

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

| <b>A. Trustee's commentary on analysis of the investments held by the scheme and supporting information of its commentary</b>   |  |                |                 |                     |
|---|--|----------------|-----------------|---------------------|
|   | <b>Annualized return (in terms of %)</b> |                |                 |                     |
|   | <b>1 year*</b>                           | <b>5 years</b> | <b>10 years</b> | <b>Since Launch</b> |
| <b>BCT (Pro) MPF Conservative Fund</b><br><i>Launch date: 01/12/2000</i>  | 0.72                                     | 0.54           | 0.34            | 0.70                |
| <b>Performance Target</b><br><i>[MPF Prescribed Savings Rates]</i>  | 0.001                                    | 0.03           | 0.02            | 0.43                |
| <b>Deviation from the performance Target</b>  | 0.719                                    | 0.51           | 0.32            | 0.27                |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to the overweight positions in 3-6 months tenor of term deposits / certificates of deposit on the back of HIBOR curve steepening.  |  |                |                 |                     |
|   | <b>Annualized return (in terms of %)</b> |                |                 |                     |
|   | <b>1 year*</b>                           | <b>5 years</b> | <b>10 years</b> | <b>Since Launch</b> |
| <b>BCT (Pro) E30 Mixed Asset Fund</b><br><i>Launch date: 01/12/2000</i>   | 10.45                                    | 5.02           | 2.78            | 3.77                |
| <b>Performance Target</b><br><i>[Willis Towers Watson MPF Benchmark (Equity 20% -40%) (FER adjusted^)]</i>  | 8.52                                     | 4.80           | 2.64            | 3.80                |
| <b>Deviation from the performance target</b>  | 1.93                                     | 0.22           | 0.14            | -0.03               |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to stock selection in the Hong Kong / China and Asian markets, and asset allocation with, relative to the benchmark, overweight positions in the global bond. As of 31 December 2020, the fund's exposure in respect of those markets/asset class was as follows: <ul style="list-style-type: none"> <li>- Hong Kong / China: 10.0%</li> <li>- Asia: 3.6%</li> <li>- Global Bond: 67.5%</li> </ul> |  |                |                 |                     |



# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Annualized return (in terms of %) |         |          |              |
|--|-----------------------------------|---------|----------|--------------|
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) E50 Mixed Asset Fund</b><br><i>Launch date: 01/12/2000</i>  | 12.01                             | 6.44    | 3.90     | 4.41         |
| <b>Performance Target</b><br><i>[Willis Towers Watson MPF Benchmark (Equity 40% -60%) (FER adjusted^)]</i>   | 10.16                             | 6.37    | 3.79     | 4.58         |
| <b>Deviation from the performance target</b>   | 1.85                              | 0.07    | 0.11     | -0.17        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to stock selection in the Hong Kong / China and Asian markets, and asset allocation with, relative to the benchmark, overweight position in the global bond. As of 31 December 2020, the fund's exposure in respect of those markets/asset class was as follows: <ul style="list-style-type: none"> <li>- Hong Kong / China: 16.9%</li> <li>- Asia: 5.8%</li> <li>- Global Bond: 48.0%</li> </ul> |                                   |         |          |              |

## BCT (MPF) PRO CHOICE

### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|   | Annualized return (in terms of %) |         |          |              |
|---|-----------------------------------|---------|----------|--------------|
|   | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) E70 Mixed Asset Fund</b><br><i>Launch date: 01/12/2000</i>   | 13.34                             | 7.73    | 4.87     | 4.76         |
| <b>Performance Target</b><br><i>[Willis Towers Watson MPF Benchmark (Equity 60% -80%) (FER adjusted^)]</i>  | 11.15                             | 7.63    | 4.73     | 5.03         |
| <b>Deviation from the performance target</b>  | 2.19                              | 0.10    | 0.14     | -0.27        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to the stock selection in the Hong Kong / China and Asian markets, and asset allocation with, relative to the benchmark, overweight positions in the global bond and North American equity. As of 31 December 2020, the fund's exposure in respect of those markets/asset class was as follows: <ul style="list-style-type: none"> <li>- Hong Kong / China: 23.9%</li> <li>- Asia: 8.1%</li> <li>- North America: 13.8%</li> <li>- Global Bond: 28.6%</li> </ul> |                                   |         |          |              |
|   | Annualized return (in terms of %) |         |          |              |
|   | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) Global Bond Fund</b><br><i>Launch date: 01/10/2002</i>   | 7.76                              | 2.39    | 0.99     | 3.12         |
| <b>Performance Target</b><br><i>[FTSE World Government Bond Index TR USD 35% Hedged HKD (FER adjusted^)]</i>  | 7.37                              | 3.06    | 1.46     | 2.77         |
| <b>Deviation from the performance target</b>  | 0.39                              | -0.67   | -0.47    | 0.35         |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to the long duration strategy and overweight position in USD bonds as well as the selection of corporate bonds within the Technology and Communications and Banking sectors.   |                                   |         |          |              |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|   | Annualized return (in terms of %) |         |          |              |
|---|-----------------------------------|---------|----------|--------------|
|   | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) Global Equity Fund</b><br><i>Launch date: 01/10/2002</i>   | 12.48                             | 8.15    | 6.91     | 7.14         |
| <b>Performance Target</b><br><i>[FTSE MPF All World Hedged TR (FER adjusted<sup>^</sup>)]</i>   | 14.15                             | 10.78   | 8.21     | 8.03         |
| <b>Deviation from the performance target</b>  | -1.67                             | -2.63   | -1.30    | -0.89        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to stock selection in the European, North American and Japanese markets. |                                   |         |          |              |
|   |                                   |         |          |              |
|   | Annualized return (in terms of %) |         |          |              |
|   | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) Asian Equity Fund</b><br><i>Launch date: 01/05/2004</i>  | 23.07                             | 11.93   | 6.31     | 9.40         |
| <b>Performance Target</b><br><i>[FTSE MPF Asia Pacific excluding Japan, Australia and New Zealand TR (FER adjusted<sup>^</sup>)]</i>  | 19.86                             | 11.14   | 4.59     | 8.85         |
| <b>Deviation from the performance target</b>  | 3.21                              | 0.79    | 1.72     | 0.55         |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to stock selection in the China/Hong Kong, Korea and Taiwan markets.     |                                   |         |          |              |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Annualized return (in terms of %) |         |          |              |
|--|-----------------------------------|---------|----------|--------------|
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) Flexi Mixed Asset Fund</b><br><i>Launch date: 01/08/2005</i>  | 8.17                              | 3.74    | 3.09     | 3.63         |
| <b>Performance Target</b><br><i>[Year End 5-Year Average Composite Consumer Price Index Hong Kong (FER adjusted^)]</i>   | 1.54                              | 1.73    | 1.91     | 1.88         |
| <b>Deviation from performance target</b>   | 6.63                              | 2.01    | 1.18     | 1.75         |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to outperformance of the global bonds, as well as the Hong Kong/China, Asian, North American, and Japanese equity exposure over the period.   |                                   |         |          |              |
|  |                                   |         |          |              |
|  | Annualized return (in terms of %) |         |          |              |
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) China and Hong Kong Equity Fund</b><br><i>Launch date: 01/01/2008</i>   | 20.94                             | 10.95   | 5.02     | 2.68         |
| <b>Performance Target</b><br><i>[FTSE MPF Hong Kong TR (FER adjusted^)]</i>  | 10.20                             | 9.03    | 4.57     | 2.40         |
| <b>Deviation from the performance target</b>   | 10.74                             | 1.92    | 0.45     | 0.28         |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to stock selection in the Healthcare, Consumer Goods, Industrials and Financials sectors, and sector allocation with an overweight in Consumer Services and Consumer Goods sectors, and underweight in the Financials sector. |                                   |         |          |              |

## BCT (MPF) PRO CHOICE

### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Annualized return (in terms of %) |         |          |              |
|--|-----------------------------------|---------|----------|--------------|
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) European Equity Fund</b><br><i>Launch date: 01/01/2008</i>  | -1.85                             | 2.75    | 4.71     | 2.08         |
| <b>Performance Target</b><br><i>[FTSE MPF Europe Hedged TR (FER adjusted<sup>^</sup>)]</i>   | 2.89                              | 6.03    | 4.82     | 1.45         |
| <b>Deviation from the performance target</b>   | -4.74                             | -3.28   | -0.11    | 0.63         |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to stock selection in the United Kingdom, Italy, Netherland and France; and country allocation with an underweight in Switzerland, which performed well in 2020.  |                                   |         |          |              |
|  |                                   |         |          |              |
|  | Annualized return (in terms of %) |         |          |              |
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) E90 Mixed Asset Fund</b><br><i>Launch date: 27/10/2008</i>  | 14.20                             | 8.29    | 5.64     | 8.41         |
| <b>Performance Target</b><br><i>[Willis Towers Watson MPF Benchmark (Equity &gt;80%) (FER adjusted<sup>^</sup>)]</i>   | 12.21                             | 8.91    | 5.65     | 6.48         |
| <b>Deviation from the performance target</b>   | 1.99                              | -0.62   | -0.01    | 1.93         |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to stock selection in the Hong Kong / China and Asian markets, and asset allocation with, relative to the benchmark, overweight positions in the North American equity. As of 31 December 2020, the fund's exposure in respect of those markets was as follows: <ul style="list-style-type: none"> <li>- Hong Kong / China: 29.9%</li> <li>- Asia: 10.5%</li> <li>- North America: 17.7%</li> </ul> |                                   |         |          |              |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Annualized return (in terms of %) |         |          |              |
|--|-----------------------------------|---------|----------|--------------|
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) SaveEasy 2020 Fund</b><br><i>Launch date: 27/10/2008</i>  | 9.78                              | 7.56    | 5.30     | 8.38         |
| <b>Performance Target</b><br><i>[55.00% of FTSE MPF World Government Bond Index, hedge to HK\$ + 11.90% of FTSE MPF Hong Kong + 7.00% of FTSE AW North America Index + 7.00% of FTSE AW Europe Index + 4.55% of FTSE AW Japan Index + 4.55% FTSE AW Asia Pacific Ex Jap Ex HK + 10.00% of 1 Month HIBOR (FER adjusted<sup>^</sup>)]</i>  | 8.22                              | 7.60    | 5.49     | 9.73         |
| <b>Deviation from the performance target</b>   | 1.56                              | -0.04   | -0.19    | -1.35        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to security selection in (a) the Hong Kong, Japanese and European equity markets and (b) global bonds. As of 31 December 2020, the fund's exposures through investment in underlying APIFs to these markets/asset class amounted to about 23.8% (in respect of (a) above) and 54.3% (in respect of (b) above) respectively.                     |                                   |         |          |              |
|  |                                   |         |          |              |
|  | Annualized return (in terms of %) |         |          |              |
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) SaveEasy 2025 Fund</b><br><i>Launch date: 27/10/2008</i>  | 14.05                             | 9.18    | 6.12     | 9.18         |
| <b>Performance Target</b><br><i>[17.90% of FTSE MPF World Government Bond Index, hedge to HK\$ + 27.92% of FTSE MPF Hong Kong + 16.42% of FTSE AW North America Index + 16.42% of FTSE AW Europe Index + 10.67% of FTSE AW Japan Index + 10.67% of FTSE AW Asia Pacific Ex Jap Ex HK (FER adjusted<sup>^</sup>)]</i>   | 11.82                             | 9.35    | 6.32     | 10.60        |
| <b>Deviation from the performance target</b>   | 2.23                              | -0.17   | -0.20    | -1.42        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to (a) stock selection in the Hong Kong/China, Japanese and European markets and (b) the underweight position in global bonds. As of 31 December 2020, the fund's exposures through investment in underlying APIFs to these markets/asset class amounted to about 57% (in respect of (a) above) and 14% (in respect of (b) above) respectively. |                                   |         |          |              |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|   | Annualized return (in terms of %) |         |          |              |
|---|-----------------------------------|---------|----------|--------------|
|   | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) SaveEasy 2030 Fund</b><br><i>Launch date: 27/10/2008</i>   | 14.60                             | 9.55    | 6.29     | 9.23         |
| <b>Performance Target</b><br><i>[7.40% of FTSE MPF World Government Bond Index, hedge to HK\$ + 31.48% of FTSE MPF Hong Kong + 18.52% of FTSE AW North America Index + 18.52% of FTSE AW Europe Index + 12.04% of FTSE AW Japan Index + 12.04% of FTSE AW Asia Pacific Ex Jap Ex HK (FER adjusted^)]</i>  | 12.37                             | 9.53    | 6.27     | 10.59        |
| <b>Deviation from the performance target</b>  | 2.23                              | 0.02    | 0.02     | -1.36        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to stock selection in the Hong Kong/China, Japanese and European markets. As of 31 December 2020, the fund's equity exposure through investment in underlying APIFs to these markets amounted to about 64.10%. |                                   |         |          |              |
|   |                                   |         |          |              |
|   | Annualized return (in terms of %) |         |          |              |
|   | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) SaveEasy 2035 Fund</b><br><i>Launch date: 27/10/2008</i>   | 14.90                             | 9.64    | 6.33     | 9.15         |
| <b>Performance Target</b><br><i>[3.40% of FTSE MPF World Government Bond Index, hedge to HK\$ + 32.84% of FTSE MPF Hong Kong + 19.32% of FTSE AW North America Index + 19.32% of FTSE AW Europe Index + 12.56% of FTSE AW Japan Index + 12.56% of FTSE AW Asia Pacific Ex Jap Ex HK (FER adjusted^)]</i>  | 12.70                             | 9.71    | 6.31     | 10.72        |
| <b>Deviation from the performance target</b>  | 2.20                              | -0.07   | 0.02     | -1.57        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to stock selection in the Hong Kong/China, Japanese and European markets. As of 31 December 2020, the fund's equity exposure through investment in underlying APIFs to these markets amounted to about 66.30%. |                                   |         |          |              |

## BCT (MPF) PRO CHOICE

### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Annualized return (in terms of %) |         |          |              |
|--|-----------------------------------|---------|----------|--------------|
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) SaveEasy 2040 Fund</b><br><i>Launch date: 27/10/2008</i>  | 14.86                             | 9.68    | 6.37     | 9.46         |
| <b>Performance Target</b><br><i>[1.50% of FTSE MPF World Government Bond Index, hedge to HK\$ + 33.50% of FTSE MPF Hong Kong + 19.70% of FTSE AW North America Index + 19.70% of FTSE AW Europe Index + 12.80% of FTSE AW Japan Index + 12.80% of FTSE AW Asia Pacific Ex Jap Ex HK (FER adjusted^)]</i>   | 12.79                             | 9.80    | 6.36     | 10.77        |
| <b>Deviation from the performance target</b>   | 2.07                              | -0.12   | 0.01     | -1.31        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to stock selection in the Hong Kong/China, Japanese and European markets. As of 31 December 2020, the fund's equity exposure through investment in underlying APIFs to these markets amounted to about 66.50%.  |                                   |         |          |              |
|  |                                   |         |          |              |
|  | Annualized return (in terms of %) |         |          |              |
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) Hang Seng Index Tracking Fund</b><br><i>Launch date: 01/10/2009</i>   | -1.53                             | 7.12    | 4.16     | 4.51         |
| <b>Performance Target</b><br><i>[Hang Seng Index TR Index (FER adjusted^)]</i>   | -1.15                             | 7.38    | 4.53     | 5.11         |
| <b>Deviation from the performance target</b>   | -0.38                             | -0.26   | -0.37    | -0.60        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was generally regarded as "tracking difference" due to the nature of passive investments of the underlying fund invested by the constituent fund, for example, holding of idle cash to meet scheme members' redemption/switching request and the calculation of performance of the constituent fund on an after-fee basis. |                                   |         |          |              |



# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Annualized return (in terms of %) |         |          |              |
|--|-----------------------------------|---------|----------|--------------|
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) Hong Kong Dollar Bond Fund</b><br><i>Launch date: 01/10/2009</i>  | 6.13                              | 2.30    | 2.20     | 2.18         |
| <b>Performance Target</b><br><i>[Markit iBoxx Asian Local Bond Index Hong Kong (FER adjusted^)]</i>  | 6.26                              | 2.20    | 2.24     | 3.87         |
| <b>Deviation from the performance target</b>   | -0.13                             | 0.10    | -0.04    | -1.69        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to the carry and spread positioning of the fund, relative to the benchmark, in general.   |                                   |         |          |              |
|  |                                   |         |          |              |
|  | Annualized return (in terms of %) |         |          |              |
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) World Equity Fund</b><br><i>Launch date: 28/06/2012</i>   | 10.94                             | 10.16   | n/a      | 9.24         |
| <b>Performance Target</b><br><i>[FTSE MPF All World Hedged TR (FER adjusted^)]</i>   | 14.65                             | 11.28   | n/a      | 11.05        |
| <b>Deviation from the performance target</b>   | -3.71                             | -1.12   | n/a      | -1.81        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to asset allocation among the underlying passive investment fund(s) invested by the constituent fund, and also other factors such as fees and expenses of the underlying passive investment funds, liquidity of the market, timing difference for the portfolio rebalancing and the effect of currency hedging. |                                   |         |          |              |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Annualized return (in terms of %) |         |          |              |
|--|-----------------------------------|---------|----------|--------------|
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) Greater China Equity Fund</b><br><i>Launch date: 28/06/2012</i>   | 15.23                             | 11.34   | n/a      | 8.06         |
| <b>Performance Target</b><br><i>[FTSE MPF Greater China TR (FER adjusted<sup>^</sup>)]</i>   | 17.14                             | 12.08   | n/a      | 9.35         |
| <b>Deviation from the performance target</b>   | -1.91                             | -0.74   | n/a      | -1.29        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to asset allocation among the underlying passive investment fund(s) invested by the constituent fund, and also other factors such as fees and expenses of the underlying passive investment funds, liquidity of the market and timing difference for the portfolio rebalancing. |                                   |         |          |              |
|  |                                   |         |          |              |
|  | Annualized return (in terms of %) |         |          |              |
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) RMB Bond Fund</b><br><i>Launch date: 04/03/2013</i>   | 6.24                              | 1.97    | n/a      | 0.52         |
| <b>Performance Target</b><br><i>[Markit iBoxx ALBI China Offshore Non-Government Investment Grade 30% Hedged HKD (FER adjusted<sup>^</sup>)]</i>   | 5.86                              | 2.68    | n/a      | 0.96         |
| <b>Deviation from the performance target</b>   | 0.38                              | -0.71   | n/a      | -0.44        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to the positive contribution from credit selection primarily in the Real Estate and Diversified Financial Services sectors.   |                                   |         |          |              |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|  | Annualized return (in terms of %) |         |          |              |
|--|-----------------------------------|---------|----------|--------------|
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) Core Accumulation Fund</b><br><i>Launch date: 01/04/2017</i>  | 12.53                             | n/a     | n/a      | 7.86         |
| <b>Performance Target</b><br><i>[FTSE MPF Default Investment Strategy Core Accumulation Fund Reference Portfolio]</i>  | 12.06                             | n/a     | n/a      | 8.46         |
| <b>Deviation from the performance target</b>   | 0.47                              | n/a     | n/a      | -0.60        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to the positive contribution from the overweight in equities, and underweight in fixed income and cash. However, security selection in the United States in terms of countries, and Industrials in terms of sectors partly offset the outperformance contributed by the allocation effects. As of 31 December 2020, the asset allocations between equities, and fixed income securities and cash were about 61.6% and 38.4% respectively. |                                   |         |          |              |
|  | Annualized return (in terms of %) |         |          |              |
|  | 1 year*                           | 5 years | 10 years | Since Launch |
| <b>BCT (Pro) Age 65 Plus Fund</b><br><i>Launch date: 01/04/2017</i>  | 9.56                              | n/a     | n/a      | 5.21         |
| <b>Performance Target</b><br><i>[FTSE MPF Default Investment Strategy Age 65 Plus Fund Reference Portfolio]</i>  | 8.21                              | n/a     | n/a      | 5.24         |
| <b>Deviation from the performance target</b>   | 1.35                              | n/a     | n/a      | -0.03        |
| <b>Trustee's commentary</b><br>According to the Investment Manager/Sponsor, the deviation of the 1-year performance in respect of the financial period ended 31 December 2020 was mainly due to the positive contribution from the overweight in equities, and underweight in fixed income and cash. However, security selection in the United States in terms of countries, and Industrials in terms of sectors partly offset the outperformance contributed by the allocation effects. As of 31 December 2020, the asset allocations between equities, and fixed income securities and cash were about 22.1% and 77.9% respectively. |                                   |         |          |              |

^ FER adjustment was done by simple deduction of 2020 FER from the benchmark of the respective periods of the fund.

\*The above one year annualized return is calculated with a simple return on a unit NAV-to-NAV basis based on the last dealing day of the relevant year while the net annualized investment return as shown in the performance table is calculated based on the last calendar day of the relevant year if the year-end day is not a dealing day.

## BCT (MPF) PRO CHOICE

### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

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

Fund performance is monitored by the Trustee on a regular basis and which involves a BCT's Board committee composed of members with experience in investment, including Board members. In the event of underperformance of fund(s), the Trustee would routinely (and with the involvement of the Board committee, as appropriate) follow up with relevant sponsor/fund manager(s) to ensure that appropriate action(s) are taken to enhance investment returns.

Our performance monitoring mechanism operates in such a way so that for any of the constituent funds, if its 1-year performance is below the benchmark/target and the market median, no immediate action would be required unless the underperformance persists.

We also monitor performance of appointed investment managers from perspectives other than fund performance. Other factors such as compliance cultures and experience/investment philosophy of the investment managers for delivering sustainable performance to scheme members on a long-term basis are also taken into account.

To seek to enhance fund performance, the following measures have been/will be implemented.

In relation to BCT (Pro) European Equity Fund, the fund performance might have been distracted by the value investing approach of an investment delegate at the underlying fund level. With effect from 15 January 2021, an additional investment delegate was appointed to one of the underlying funds to allow diversification in investment styles of investment delegates within the investment objective and policy of the underlying fund.

In relation to BCT (Pro) RMB Bond Fund, with effect from 2 July 2021, the investment objective and policy of the constituent fund will be amended to reflect that the underlying fund will also invest into RMB denominated debt instruments and money market instruments issued or distributed within the mainland China, and may invest in debt securities traded on the China Interbank Bond Market ("CIBM") through the Bond Connect (and / or such other means as permitted by the relevant regulations from time to time) as it is considered to be beneficial to have access to such market.

In relation to BCT (Pro) Greater China Equity Fund and BCT (Pro) World Equity Fund, the two constituent funds categorized under the market tracking series, the underperformance was due to the structural overweight in a particular market (through investments in index tracking collective investment schemes) relative to performance targets. The Trustee and Sponsor will review relevant structural matters, including investment allocation between underlying passive investment funds.

In relation to BCT (Pro) Hang Seng Index Tracking Fund, because of its index tracking nature, investment manager has no discretion to adapt to market changes. Tracking error (underperformance) resulted from cash holding and fee charges would also not be unavoidable.

In relation to BCT (Pro) Global Equity Fund, the operation of the "Rule based Investment Strategy" (as referred to in the statement of investment policy of the fund) has been enhanced. The appointment of additional investment delegate abovementioned may also help improve the fund performance given the fact that BCT (Pro) Global Equity Fund also invests in the underlying fund of BCT (Pro) European Equity Fund.

In relation to BCT (Pro) Hong Kong Dollar Bond Fund, through investments in its underlying fund, exposure to government agency bonds and USD denominated bonds increased.

## **BCT (MPF) PRO CHOICE**

### **INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Trustee and the Sponsor will continue monitor the situations and take actions as appropriate.

The investment objectives and policies of all the constituent funds have been complied with in all material respects and the general market climate which impacts the financial performance of the funds (as set out in this report) is true and accurate as of the reporting date.

## BCT (MPF) PRO CHOICE

### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The following tables summarise the performance of the twenty-three constituent funds:

#### MPF Conservative Fund

(Date of launch: 1 December 2000)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 8,733.06    | 8,174.94    | 7,515.31    | 5,564.93    | 4,430.98    | 3,977.29    | 3,767.19    | 3,637.84    | 3,422.16    | 3,175.89    |
| Net asset value per unit (HK\$)  | 1.1511      | 1.1429      | 1.1296      | 1.1210      | 1.1205      | 1.1204      | 1.1201      | 1.1170      | 1.1168      | 1.1129      |
| Highest issue Price (HK\$)       | 1.1512      | 1.1429      | 1.1296      | 1.1211      | 1.1206      | 1.1204      | 1.1201      | 1.1172      | 1.1168      | 1.1133      |
| Lowest redemption price (HK\$)   | 1.1430      | 1.1297      | 1.1210      | 1.1205      | 1.1203      | 1.1201      | 1.1170      | 1.1168      | 1.1130      | 1.1129      |
| Net annualised investment return | 0.72%       | 1.18%       | 0.77%       | 0.04%       | 0.01%       | 0.03%       | 0.28%       | 0.02%       | 0.35%       | 0.00%       |

#### E30 Mixed Asset Fund

(Date of launch: 1 December 2000)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 2,982.64    | 2,835.25    | 2,715.55    | 2,964.03    | 2,716.89    | 2,618.33    | 2,694.71    | 2,646.89    | 2,546.61    | 2,349.82    |
| Net asset value per unit (HK\$)  | 2.1038      | 1.9048      | 1.7547      | 1.8527      | 1.6457      | 1.6466      | 1.6980      | 1.6996      | 1.6682      | 1.5564      |
| Highest issue Price (HK\$)       | 2.1038      | 1.9055      | 1.9175      | 1.8533      | 1.7435      | 1.7573      | 1.7475      | 1.7064      | 1.6723      | 1.6563      |
| Lowest redemption price (HK\$)   | 1.7047      | 1.7509      | 1.7400      | 1.6430      | 1.5962      | 1.6267      | 1.6687      | 1.6008      | 1.5590      | 1.5209      |
| Net annualised investment return | 10.45%      | 8.55%       | -5.29%      | 12.58%      | -0.05%      | -3.03%      | -0.09%      | 1.88%       | 7.18%       | -2.66%      |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### E50 Mixed Asset Fund

(Date of launch: 1 December 2000)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 3,451.69    | 3,277.47    | 3,016.98    | 3,340.40    | 2,860.14    | 2,818.69    | 2,945.47    | 2,938.75    | 2,748.45    | 2,458.32    |
| Net asset value per unit (HK\$)  | 2.3825      | 2.1270      | 1.9147      | 2.0741      | 1.7496      | 1.7442      | 1.7968      | 1.7972      | 1.6955      | 1.5293      |
| Highest issue price (HK\$)       | 2.3825      | 2.1282      | 2.1792      | 2.0742      | 1.8486      | 1.9074      | 1.8576      | 1.7972      | 1.7003      | 1.6945      |
| Lowest redemption price (HK\$)   | 1.7906      | 1.9025      | 1.8919      | 1.7509      | 1.6448      | 1.6972      | 1.7345      | 1.6353      | 1.5359      | 1.4632      |
| Net annualised investment return | 12.01%      | 11.09%      | -7.69%      | 18.55%      | 0.31%       | -2.93%      | -0.02%      | 6.00%       | 10.87%      | -5.91%      |

### E70 Mixed Asset Fund

(Date of launch: 1 December 2000)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 6,194.04    | 5,770.26    | 5,279.51    | 6,151.55    | 5,125.58    | 5,130.54    | 5,391.53    | 5,390.16    | 4,896.87    | 4,284.81    |
| Net asset value per unit (HK\$)  | 2.5456      | 2.2460      | 1.9756      | 2,1946      | 1.7622      | 1.7547      | 1.8084      | 1.8085      | 1.6428      | 1.4343      |
| Highest issue price (HK\$)       | 2.5456      | 2.2482      | 2.3410      | 2.1952      | 1.8521      | 1.9693      | 1.8793      | 1.8085      | 1.6480      | 1.6588      |
| Lowest redemption price (HK\$)   | 1.7675      | 1.9542      | 1.9450      | 1.7664      | 1.5917      | 1.6815      | 1.7162      | 1.5931      | 1.4376      | 1.3423      |
| Net annualised investment return | 13.34%      | 13.69%      | -9.98%      | 24.54%      | 0.43%       | -2.97%      | -0.01%      | 10.09%      | 14.54%      | -9.33%      |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### Global Bond Fund

(Date of launch: 1 October 2002)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 1,968.51    | 1,567.30    | 1,220.01    | 1,058.54    | 937.36      | 890.14      | 983.40      | 955.60      | 862.44      | 656.88      |
| Net asset value per unit (HK\$)  | 1.7519      | 1.6258      | 1.5490      | 1.5607      | 1.5105      | 1.5568      | 1.6606      | 1.6950      | 1.7152      | 1.5895      |
| Highest issue price (HK\$)       | 1.7519      | 1.6643      | 1.5840      | 1.5863      | 1.5781      | 1.6626      | 1.7332      | 1.7381      | 1.7157      | 1.6748      |
| Lowest redemption price (HK\$)   | 1.5777      | 1.5514      | 1.5147      | 1.5066      | 1.5077      | 1.5497      | 1.6588      | 1.6536      | 1.5931      | 1.5678      |
| Net annualised investment return | 7.76%       | 4.96%       | -0.75%      | 3.32%       | -2.97%      | -6.25%      | -2.03%      | -1.18%      | 7.91%       | 0.10%       |

### Global Equity Fund

(Date of launch: 1 October 2002)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 3,817.72    | 3,234.47    | 2,530.97    | 1,993.22    | 1,559.90    | 1,365.73    | 1,376.72    | 1,167.84    | 810.24      | 646.64      |
| Net asset value per unit (HK\$)  | 3.5225      | 3.1316      | 2.5854      | 2.9829      | 2.5594      | 2.3807      | 2.4879      | 2.4694      | 1.9731      | 1.6719      |
| Highest issue price (HK\$)       | 3.5225      | 3.1408      | 3.1849      | 2.9868      | 2.5850      | 2.7385      | 2.6262      | 2.4694      | 1.9861      | 1.9778      |
| Lowest redemption price (HK\$)   | 2.1228      | 2.5412      | 2.4871      | 2.5872      | 2.0200      | 2.2355      | 2.3279      | 2.0039      | 1.6051      | 1.5252      |
| Net annualised investment return | 12.48%      | 21.13%      | -13.33%     | 16.55%      | 7.51%       | -4.31%      | 0.75%       | 25.15%      | 18.02%      | -7.39%      |



# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### Asian Equity Fund

(Date of launch: 1 May 2004)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 4,689.57    | 3,820.74    | 3,283.22    | 3,924.78    | 2,741.21    | 2,499.25    | 2,622.02    | 2,241.29    | 2,086.78    | 1,497.02    |
| Net asset value per unit (HK\$)  | 4.4761      | 3.6371      | 3.1974      | 3.6706      | 2.6333      | 2.5481      | 2.7821      | 2.5304      | 2.5500      | 2.0661      |
| Highest issue price (HK\$)       | 4.4761      | 3.6557      | 3.9405      | 3.6978      | 2.8961      | 3.0699      | 2.8812      | 2.6541      | 2.5531      | 2.5648      |
| Lowest redemption price (HK\$)   | 2.5925      | 3.1121      | 3.0558      | 2.6564      | 2.2688      | 2.4345      | 2.3936      | 2.3028      | 2.0865      | 1.8935      |
| Net annualised investment return | 23.07%      | 13.75%      | -12.89%     | 39.39%      | 3.34%       | -8.41%      | 9.95%       | -0.77%      | 23.42%      | -14.86%     |

### Flexi Mixed Asset Fund

(Date of launch: 1 August 2005)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 1,340.30    | 1,237.96    | 1,123.73    | 1,043.86    | 821.45      | 718.44      | 663.06      | 564.31      | 458.95      | 333.10      |
| Net asset value per unit (HK\$)  | 1.7324      | 1.6016      | 1.4746      | 1.5509      | 1.4566      | 1.4420      | 1.4570      | 1.4145      | 1.3803      | 1.2776      |
| Highest issue price (HK\$)       | 1.7324      | 1.6026      | 1.5756      | 1.5510      | 1.4820      | 1.5081      | 1.4590      | 1.4250      | 1.3805      | 1.3172      |
| Lowest redemption price (HK\$)   | 1.4189      | 1.4712      | 1.4656      | 1.4591      | 1.4189      | 1.4066      | 1.3984      | 1.3588      | 1.2792      | 1.2465      |
| Net annualised investment return | 8.17%       | 8.61%       | -4.92%      | 6.47%       | 1.01%       | -1.03%      | 3.00%       | 2.48%       | 8.04%       | -0.06%      |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### China and Hong Kong Equity Fund

(Date of launch: 1 January 2008)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 10,283.86   | 8,610.87    | 7,619.70    | 5,224.61    | 3,770.88    | 3,671.01    | 3,557.02    | 3,173.79    | 2,716.70    | 1,897.26    |
| Net asset value per unit (HK\$)  | 1.4116      | 1.1672      | 1.0082      | 1.1973      | 0.8359      | 0.8396      | 0.8987      | 0.8720      | 0.8180      | 0.6568      |
| Highest issue price (HK\$)       | 1.4116      | 1.1940      | 1.3143      | 1.2120      | 0.9248      | 1.1061      | 0.9376      | 0.8834      | 0.8180      | 0.8999      |
| Lowest redemption price (HK\$)   | 0.9106      | 0.9777      | 0.9665      | 0.8379      | 0.6962      | 0.7919      | 0.7924      | 0.7306      | 0.6570      | 0.5785      |
| Net annualised investment return | 20.94%      | 15.77%      | -15.79%     | 43.23%      | -0.44%      | -6.58%      | 3.06%       | 6.60%       | 24.54%      | -24.05%     |

### European Equity Fund

(Date of launch: 1 January 2008)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 703.89      | 649.73      | 522.56      | 618.97      | 461.25      | 447.27      | 398.96      | 262.55      | 102.30      | 74.59       |
| Net asset value per unit (HK\$)  | 1.3073      | 1.3319      | 1.1379      | 1.3462      | 1.1334      | 1.1415      | 1.1588      | 1.2190      | 0.8940      | 0.7445      |
| Highest issue price (HK\$)       | 1.3488      | 1.3391      | 1.4376      | 1.3496      | 1.1335      | 1.3283      | 1.2921      | 1.2190      | 0.9062      | 0.9396      |
| Lowest redemption price (HK\$)   | 0.8417      | 1.1241      | 1.1078      | 1.1257      | 0.9179      | 1.0835      | 1.0831      | 0.9163      | 0.6959      | 0.6840      |
| Net annualised investment return | -1.85%      | 17.05%      | -15.47%     | 18.78%      | -0.71%      | -1.49%      | -4.94%      | 36.35%      | 20.08%      | -9.80%      |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### E90 Mixed Asset Fund

(Date of launch: 27 October 2008)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 854.18      | 749.13      | 625.76      | 659.26      | 431.84      | 372.74      | 315.06      | 225.77      | 131.14      | 76.57       |
| Net asset value per unit (HK\$)  | 2.6769      | 2.3440      | 2.0160      | 2.3204      | 1.8102      | 1.7980      | 1.8333      | 1.8064      | 1.5430      | 1.3227      |
| Highest issue price (HK\$)       | 2.6769      | 2.3471      | 2.5054      | 2.3205      | 1.8977      | 2.0720      | 1.9046      | 1.8064      | 1.5499      | 1.6189      |
| Lowest redemption price (HK\$)   | 1.7158      | 1.9858      | 1.9774      | 1.8132      | 1.5626      | 1.6867      | 1.6958      | 1.5390      | 1.3029      | 1.2178      |
| Net annualised investment return | 14.20%      | 16.27%      | -13.12%     | 28.18%      | 0.68%       | -1.93%      | 1.49%       | 17.07%      | 16.66%      | -14.49%     |

### SaveEasy 2020 Fund

(Date of launch: 27 October 2008)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 494.40      | 448.32      | 380.42      | 376.40      | 271.83      | 233.43      | 212.75      | 178.13      | 122.14      | 77.02       |
| Net asset value per unit (HK\$)  | 2.6660      | 2.4284      | 2.1479      | 2.3123      | 1.8735      | 1.8517      | 1.8777      | 1.8485      | 1.5878      | 1.3561      |
| Highest issue price (HK\$)       | 2.6660      | 2.4329      | 2.4535      | 2.3124      | 1.9583      | 2.1122      | 1.9501      | 1.8485      | 1.5945      | 1.6638      |
| Lowest redemption price (HK\$)   | 2.1632      | 2.1366      | 2.1248      | 1.8752      | 1.6346      | 1.7457      | 1.7400      | 1.5778      | 1.3380      | 1.2468      |
| Net annualised investment return | 9.78%       | 13.06%      | -7.11%      | 23.42%      | 1.18%       | -1.38%      | 1.58%       | 16.42%      | 17.09%      | -14.76%     |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### SaveEasy 2025 Fund

(Date of launch: 27 October 2008)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 585.54      | 492.73      | 380.46      | 386.28      | 250.66      | 210.84      | 187.14      | 144.84      | 94.87       | 60.30       |
| Net asset value per unit (HK\$)  | 2.9175      | 2.5580      | 2.1418      | 2.4287      | 1.8964      | 1.8810      | 1.9160      | 1.8877      | 1.6065      | 1.3659      |
| Highest issue price (HK\$)       | 2.9175      | 2.5608      | 2.6187      | 2.4288      | 1.9882      | 2.1734      | 1.9935      | 1.8877      | 1.6141      | 1.6901      |
| Lowest redemption price (HK\$)   | 1.9603      | 2.1105      | 2.1031      | 1.8989      | 1.6298      | 1.7602      | 1.7683      | 1.5980      | 1.3423      | 1.2497      |
| Net annualised investment return | 14.05%      | 19.43%      | -11.81%     | 28.07%      | 0.82%       | -1.83%      | 1.50%       | 17.50%      | 17.61%      | -15.21%     |

### SaveEasy 2030 Fund

(Date of launch: 27 October 2008)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 711.31      | 584.63      | 440.72      | 452.31      | 269.35      | 221.49      | 194.99      | 148.63      | 93.20       | 56.93       |
| Net asset value per unit (HK\$)  | 2.9340      | 2.5601      | 2.1209      | 2.4280      | 1.8744      | 1.8595      | 1.8940      | 1.8669      | 1.5854      | 1.3448      |
| Highest issue price (HK\$)       | 2.9340      | 2.5620      | 2.6281      | 2.4281      | 1.9664      | 2.1556      | 1.9730      | 1.8669      | 1.5929      | 1.6683      |
| Lowest redemption price (HK\$)   | 1.8948      | 2.0859      | 2.0794      | 1.8777      | 1.6017      | 1.7363      | 1.7462      | 1.5770      | 1.3208      | 1.2287      |
| Net annualised investment return | 14.60%      | 20.71%      | -12.65%     | 29.53%      | 0.80%       | -1.82%      | 1.45%       | 17.76%      | 17.89%      | -15.61%     |

## BCT (MPF) PRO CHOICE

### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

#### SaveEasy 2035 Fund

(Date of launch: 27 October 2008)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 672.77      | 543.83      | 415.78      | 412.00      | 250.01      | 203.80      | 176.63      | 141.06      | 88.63       | 53.86       |
| Net asset value per unit (HK\$)  | 2.9086      | 2.5315      | 2.0893      | 2.4034      | 1.8512      | 1.8356      | 1.8724      | 1.8439      | 1.5681      | 1.3277      |
| Highest issue price (HK\$)       | 2.9086      | 2.5325      | 2.6032      | 2.4035      | 1.9424      | 2.1319      | 1.9498      | 1.8439      | 1.5764      | 1.6482      |
| Lowest redemption price (HK\$)   | 1.8500      | 2.0540      | 2.0485      | 1.8544      | 1.5787      | 1.7136      | 1.7251      | 1.5572      | 1.3034      | 1.2109      |
| Net annualised investment return | 14.90%      | 21.16%      | -13.07%     | 29.83%      | 0.85%       | -1.97%      | 1.55%       | 17.59%      | 18.11%      | -15.69%     |

#### SaveEasy 2040 Fund

(Date of launch: 27 October 2008)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 1,636.00    | 1,298.99    | 941.97      | 911.17      | 525.22      | 431.68      | 363.95      | 273.71      | 172.11      | 103.22      |
| Net asset value per unit (HK\$)  | 3.0093      | 2.6200      | 2.1586      | 2.4859      | 1.9117      | 1.8958      | 1.9322      | 1.9019      | 1.6155      | 1.3671      |
| Highest issue price (HK\$)       | 3.0093      | 2.6211      | 2.6929      | 2.4860      | 2.0061      | 2.2030      | 2.0116      | 1.9019      | 1.6239      | 1.6981      |
| Lowest redemption price (HK\$)   | 1.9040      | 2.1216      | 2.1160      | 1.9150      | 1.6293      | 1.7699      | 1.7777      | 1.6050      | 1.3411      | 1.2463      |
| Net annualised investment return | 14.86%      | 21.37%      | -13.17%     | 30.04%      | 0.84%       | -1.88%      | 1.59%       | 17.73%      | 18.17%      | -15.76%     |

## BCT (MPF) PRO CHOICE

### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

#### Hang Seng Index Tracking Fund

(Date of launch: 1 October 2009)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 2,952.62    | 2,750.02    | 2,227.89    | 2,085.77    | 1,383.72    | 1,122.23    | 924.06      | 678.39      | 432.57      | 259.10      |
| Net asset value per unit (HK\$)  | 1.6431      | 1.6686      | 1.4879      | 1.6701      | 1.1986      | 1.1651      | 1.2265      | 1.1780      | 1.1203      | 0.8921      |
| Highest issue price (HK\$)       | 1.7120      | 1.7383      | 1.8529      | 1.6787      | 1.3129      | 1.4814      | 1.3094      | 1.2140      | 1.1229      | 1.1587      |
| Lowest redemption price (HK\$)   | 1.2912      | 1.4421      | 1.4228      | 1.2066      | 0.9773      | 1.0953      | 1.0706      | 0.9974      | 0.8931      | 0.7881      |
| Net annualised investment return | -1.53%      | 12.14%      | -10.91%     | 39.34%      | 2.88%       | -5.01%      | 4.12%       | 5.15%       | 25.58%      | -18.41%     |

#### Hong Kong Dollar Bond Fund

(Date of launch: 1 October 2009)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 1,518.51    | 1,308.13    | 1,033.97    | 784.43      | 596.24      | 377.47      | 278.16      | 238.27      | 231.30      | 150.75      |
| Net asset value per unit (HK\$)  | 1.2750      | 1.2014      | 1.1667      | 1.1568      | 1.1203      | 1.1380      | 1.1139      | 1.0670      | 1.1022      | 1.0644      |
| Highest issue price (HK\$)       | 1.2750      | 1.2219      | 1.1667      | 1.1802      | 1.1780      | 1.1466      | 1.1228      | 1.1069      | 1.1037      | 1.0855      |
| Lowest redemption price (HK\$)   | 1.1990      | 1.1632      | 1.1297      | 1.1212      | 1.1148      | 1.1119      | 1.0631      | 1.0494      | 1.0616      | 1.0171      |
| Net annualised investment return | 6.13%       | 2.97%       | 0.86%       | 3.26%       | -1.56%      | 2.16%       | 4.40%       | -3.19%      | 3.55%       | 3.76%       |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### World Equity Fund

(Date of launch: 28 June 2012)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 1,716.02    | 1,172.25    | 645.11      | 523.12      | 216.25      | 113.15      | 70.08       | 29.88       | 5.08        | -           |
| Net asset value per unit (HK\$)  | 2.1223      | 1.9130      | 1.5487      | 1.7130      | 1.4004      | 1.3085      | 1.3000      | 1.2646      | 1.0923      | -           |
| Highest issue price (HK\$)       | 2.1223      | 1.9195      | 1.8276      | 1.7142      | 1.4214      | 1.4513      | 1.3559      | 1.2646      | 1.0954      | -           |
| Lowest redemption price (HK\$)   | 1.3265      | 1.5216      | 1.4836      | 1.4124      | 1.1594      | 1.2222      | 1.1772      | 1.0649      | 0.9601      | -           |
| Net annualised investment return | 10.94%      | 23.52%      | -9.59%      | 22.32%      | 7.02%       | 0.65%       | 2.80%       | 15.77%      | 9.23%*      | -           |

### Greater China Equity Fund

(Date of launch: 28 June 2012)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 1,497.44    | 1,049.45    | 823.71      | 789.44      | 438.39      | 332.09      | 230.45      | 112.79      | 26.60       | -           |
| Net asset value per unit (HK\$)  | 1.9347      | 1.6790      | 1.4548      | 1.6195      | 1.1796      | 1.1307      | 1.2152      | 1.1504      | 1.0932      | -           |
| Highest issue price (HK\$)       | 1.9347      | 1.6802      | 1.7938      | 1.6485      | 1.2776      | 1.4567      | 1.2801      | 1.1786      | 1.0932      | -           |
| Lowest redemption price (HK\$)   | 1.2626      | 1.4134      | 1.3768      | 1.1811      | 0.9599      | 1.0493      | 1.0535      | 0.9811      | 0.9536      | -           |
| Net annualised investment return | 15.23%      | 15.41%      | -10.17%     | 37.29%      | 4.32%       | -6.95%      | 5.63%       | 5.23%       | 9.32%*      | -           |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### RMB Bond Fund

(Date of launch: 4 March 2013)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 789.39      | 633.11      | 576.82      | 418.61      | 277.81      | 244.38      | 231.11      | 149.71      | -           | -           |
| Net asset value per unit (HK\$)  | 1.0417      | 0.9805      | 0.9667      | 0.9702      | 0.9170      | 0.9447      | 0.9943      | 1.0051      | -           | -           |
| Highest issue price (HK\$)       | 1.0417      | 0.9959      | 0.9992      | 0.9731      | 0.9580      | 1.0011      | 1.0098      | 1.0079      | -           | -           |
| Lowest redemption price (HK\$)   | 0.9708      | 0.9613      | 0.9553      | 0.9154      | 0.9170      | 0.9447      | 0.9881      | 0.9859      | -           | -           |
| Net annualised investment return | 6.24%       | 1.43%       | -0.36%      | 5.80%       | -2.93%      | -4.99%      | -1.07%      | 0.51%*      | -           | -           |

### Core Accumulation Fund

(Date of launch: 1 April 2017)

| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Net asset value (HK\$ million)   | 1,421.36    | 944.12      | 562.42      | 307.48      | -           | -           | -           | -           | -           | -           |
| Net asset value per unit (HK\$)  | 1.3285      | 1.1806      | 1.0193      | 1.0906      | -           | -           | -           | -           | -           | -           |
| Highest issue price (HK\$)       | 1.3285      | 1.1840      | 1.1370      | 1.0914      | -           | -           | -           | -           | -           | -           |
| Lowest redemption price (HK\$)   | 0.9610      | 1.0113      | 0.9933      | 0.9986      | -           | -           | -           | -           | -           | -           |
| Net annualised investment return | 12.53%      | 15.82%      | -6.54%      | 9.06%*      | -           | -           | -           | -           | -           | -           |



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## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

| <u>Age 65 Plus Fund</u>          |             |             |             |             |             |             |             |             |             |             |
|----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| (Date of launch: 1 April 2017)   |             |             |             |             |             |             |             |             |             |             |
| Financial year                   | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
| Net asset value (HK\$ million)   | 680.79      | 393.89      | 232.23      | 96.24       | -           | -           | -           | -           | -           | -           |
| Net asset value per unit (HK\$)  | 1.2103      | 1.1047      | 1.0135      | 1.0300      | -           | -           | -           | -           | -           | -           |
| Highest issue price (HK\$)       | 1.2103      | 1.1078      | 1.0399      | 1.0320      | -           | -           | -           | -           | -           | -           |
| Lowest redemption price (HK\$)   | 1.0527      | 1.0142      | 1.0037      | 0.9999      | -           | -           | -           | -           | -           | -           |
| Net annualised investment return | 9.56%       | 9.00%       | -1.60%      | 3.00% *     | -           | -           | -           | -           | -           | -           |

*[ Note: the net annualised investment return is based on the percentage change in net asset value per unit for the financial year. For the constituent fund launched in its first year (marked with an asterisk\*), it is based on the percentage change in net asset value per unit from its launch date to the year-end date. ]*

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The following table summarises the fund expense ratio ("FER") and transaction costs of the twenty-three constituent funds:

| Financial year                  | <u>FER</u><br><u>2020</u> | <u>Transaction costs</u><br><u>2020</u><br>(HK\$) |
|---------------------------------|---------------------------|---|
| MPF Conservative Fund           | 0.84%                     | -   |
| E30 Mixed Asset Fund            | 1.49%                     | -   |
| E50 Mixed Asset Fund            | 1.50%                     | -   |
| E70 Mixed Asset Fund            | 1.51%                     | -   |
| Global Bond Fund                | 1.43%                     | -   |
| Global Equity Fund              | 1.50%                     | -   |
| Asian Equity Fund               | 1.59%                     | -   |
| Flexi Mixed Asset Fund          | 1.36%                     | -   |
| China and Hong Kong Equity Fund | 1.49%                     | -   |
| European Equity Fund            | 1.59%                     | -   |
| E90 Mixed Asset Fund            | 1.51%                     | -   |
| SaveEasy 2020 Fund              | 1.24%                     | -   |
| SaveEasy 2025 Fund              | 1.24%                     | -   |
| SaveEasy 2030 Fund              | 1.49%                     | -   |
| SaveEasy 2035 Fund              | 1.50%                     | -   |
| SaveEasy 2040 Fund              | 1.49%                     | -   |
| Hang Seng Index Tracking Fund   | 0.86%                     | 500,709   |
| Hong Kong Dollar Bond Fund      | 1.07%                     | -   |
| World Equity Fund               | 1.00%                     | 325,201   |
| Greater China Equity Fund       | 1.15%                     | 486,518   |
| RMB Bond Fund                   | 1.23%                     | -   |
| Core Accumulation Fund          | 0.81%                     | -   |
| Age 65 Plus Fund                | 0.79%                     | -   |

Note: Pursuant to letter dated 1 November 2019 ("Issue Date of the Circular Letter") from the Mandatory Provident Fund Schemes Authority (the "MPFA") in relation to the calculation of fund expense ratio, an amendment was made on the treatment of listed real estate investment trusts (REITs) for the purposes of Fund Expense Ratio calculation. Further to the consideration of the views of the Hong Kong Trustees' Association (the "HKTA") and the MPFA, the fees and charges of a listed REIT need not be regarded as "underlying fund costs" of a constituent fund. The amendment was effective for the financial periods ending on or after the Issue Date of the Circular Letter.

### 3. Investment Policies

#### MPF Conservative Fund

The objective of the MPF Conservative Fund is to provide members with a rate of return which matches or exceeds the Hong Kong dollar savings rate with a view to minimizing the exposure of the principal amount invested to market fluctuation and volatility.

The fund is an internal portfolio fund which seeks to achieve its investment objective by investing in a portfolio of Hong Kong dollar denominated bank deposits and short-term debt securities in conformity with the requirements set out in section 37(2) of the Mandatory Provident Fund Schemes (General) Regulation (“the Regulation”). In summary, these include:

- (a) deposits, less than 12 months’ maturity with banks meeting specific requirements; or
- (b) debt securities, with a remaining maturity of 2 years or less issued by or guaranteed by the Hong Kong Government; the Exchange Fund; a company wholly owned by the Hong Kong Government; or a government, the central bank of a country or a multilateral international agency (such as the World Bank) all with the highest credit rating determined by a credit rating agency approved by the Mandatory Provident Fund Schemes Authority (“the Authority”); or
- (c) debt securities, with a remaining maturity period of 1 year or less and that satisfy the minimum credit rating set by the Authority, based on the credit rating of the securities as determined by a credit rating agency approved by the Authority.

The average remaining maturity of all securities must not exceed 90 days. The direct holdings of the fund must be wholly in Hong Kong dollars.

The fund is designed as a low risk investment option with minimal exposure to market fluctuations or volatility. The return of the fund over the long term is expected to approximate the interest rate payable from time to time by major banks in Hong Kong on Hong Kong dollar savings accounts.

#### E30 Mixed Asset Fund

The E30 Mixed Asset Fund is a portfolio management fund. The objective of the E30 Mixed Asset Fund is to provide members with capital growth over the long term with a view to minimizing the risk of capital loss by investing primarily in fixed income securities and maintaining a limited exposure to global equities, through investments in a portfolio of APIFs selected from the BCT Pooled Investment Fund Series, which comprises APIFs managed either by an active investment strategy (“Dynamic APIFs”) or a “Rule-based Investment Strategy” (“Smart APIFs”). Target allocation percentages for respectively the Dynamic APIFs and the Smart APIFs (“Target Dynamic / Smart Allocation Percentages”) are fixed for the fund (and reviewed annually at least) by the investment manager (in consultation with the Sponsor), and whilst deviations from such target percentages may occur, such deviations are not expected to exceed plus / minus 10%.

A Smart APIF which adopts a “Rule-based Investment Strategy” makes use of proprietary rule-based quantitative screening of securities in the selection of constituents (or proxies of the same) from the designated index (taking into account the characteristics such as attractive valuation, high quality, and low return volatility of such constituents). Such a strategy does not invest by replicating designated index (i.e. it is not a typical index tracking fund with a passive investment strategy). The weighting of the constituent securities of the portfolio may be different from those of the reference index. The portfolio will also seek to maintain a relatively low performance variation between it and the reference index with a view to delivering a risk-and-return profile which is similar to that of the reference index. While the Rule-based Investment Strategy will be adhered to without discretion in the said selection process, the relevant rules will be subject to reviews and may be changed from time to time.

It is expected that the fund will achieve a long term return which is in line with Hong Kong’s price inflation. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

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Investors should regard the fund as a low to medium risk investment. As the majority of the fund will be invested in fixed income securities, the fund is expected to exhibit a relatively lower level of risk in the investment in the short term.

#### E50 Mixed Asset Fund

The E50 Mixed Asset Fund is a portfolio management fund. The objective of the E50 Mixed Asset Fund is to provide members with capital appreciation and a stable level of income over the long term by investing primarily in bank deposits, global bonds and global equities, through investments in a portfolio of APIFs selected from the BCT Pooled Investment Fund Series, which comprises APIFs managed either by an active investment strategy (“Dynamic APIFs”) or a “Rule-based Investment Strategy” (“Smart APIFs”). Target Dynamic / Smart Allocation Percentages for respectively Dynamic APIFs and Smart APIFs are fixed for the fund (and reviewed annually at least) by the investment manager (in consultation with the Sponsor); and whilst deviations from such target percentages may occur, such deviations are not expected to exceed plus / minus 10%.

A Smart APIF which adopts a “Rule-based Investment Strategy” makes use of proprietary rule-based quantitative screening of securities in the selection of constituents (or proxies of the same) from the designated index (taking into account the characteristics such as attractive valuation, high quality, and low return volatility of such constituents). Such a strategy does not invest by replicating a designated index (i.e. it is not a typical index tracking fund with a passive investment strategy). The weighting of the constituent securities of the portfolio may be different from those of the reference index. The portfolio will also seek to maintain a relatively low performance variation between it and the reference index with a view to delivering a risk-and-return profile which is similar to that of the reference index. While the Rule-based Investment Strategy will be adhered to without discretion in the said selection process, the relevant rules will be subject to reviews and may be changed from time to time.

It is expected that the fund will achieve a long term return which exceeds Hong Kong’s price inflation. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

As the fund will be invested equally in fixed income securities and equities, the fund is suitable for investors who are willing to assume a moderate level of risk to achieve higher returns in the medium to long term.

#### E70 Mixed Asset Fund

The E70 Mixed Asset Fund is a portfolio management fund. The objective of the E70 Mixed Asset Fund is to provide members with capital appreciation over the long term through diversified investments in global equities where higher rates of returns are usually available, through investments in a portfolio of APIFs selected from the BCT Pooled Investment Fund Series, which comprises APIFs managed either by an active investment strategy (“Dynamic APIFs”) or a “Rule-based Investment Strategy” (“Smart APIFs”). Target Dynamic / Smart Allocation Percentages for respectively Dynamic APIFs and Smart APIFs are fixed for the fund (and reviewed annually at least) by the investment manager (in consultation with the Sponsor); and whilst deviations from such target percentages may occur, such deviations are not expected to exceed plus / minus 10%.

A Smart APIF which adopts a “Rule-based Investment Strategy” makes use of proprietary rule-based quantitative screening of securities in the selection of constituents (or proxies of the same) from the designated index (taking into account the characteristics such as attractive valuation, high quality, and low return volatility of such constituents). Such a strategy does not invest by replicating a designated index (i.e. it is not a typical index tracking fund with a passive investment strategy). The weighting of the constituent securities of the portfolio may be different from those of the reference index. The portfolio will also seek to maintain a relatively low performance variation between it and the reference index with a view to delivering a risk-and-return profile which is similar to that of the reference index. While the Rule-based Investment Strategy will be adhered to without discretion in the said selection process, the relevant rules will be subject to reviews and may be changed from time to time.

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In addition, the fund will also maintain a limited exposure to global fixed income securities through investments in the aforementioned relevant APIFs.

It is expected that the fund will achieve a long term return which exceeds the salary inflation in Hong Kong. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

As a substantial portion of the fund will be invested in the equities market, the fund is expected to be subject to the higher level of volatility of the equity markets in the short to medium term. Accordingly, the fund is suitable for members who are willing to take a relatively longer term of investment and assume a higher level of risk to achieve potentially higher returns in the long term.

#### Global Bond Fund

The Global Bond Fund is a portfolio management fund. The objective of the Global Bond Fund is to provide members with total investment return over the medium to long term by investing primarily into investment-grade global fixed income securities (including bonds traded on the China interbank bond market via the Bond Connect) issued by governments, governmental agencies, local and public authorities as well as corporates, through investments in a portfolio of APIFs selected from the BCT Pooled Investment Fund Series, which, in turn invests globally and may invest in emerging markets such as Thailand and Poland. The BCT Pooled Investment Fund Series comprises APIFs managed either by an active investment strategy (“Dynamic APIFs”) or a “Rule-based Investment Strategy” (“Smart APIFs”). Target Dynamic / Smart Allocation Percentages for respectively Dynamic APIFs and Smart APIFs are fixed for the fund (and reviewed annually at least) by the investment manager (in consultation with the Sponsor); and whilst deviations from such target percentages may occur, such deviations are not expected to exceed plus / minus 10%.

A Smart APIF which adopts a “Rule-based Investment Strategy” makes use of proprietary rule-based quantitative screening of securities in the selection of constituents (or proxies of the same) from the designated index (taking into account the characteristics such as attractive valuation, high quality, and low return volatility of such constituents). Such a strategy does not invest by replicating a designated index (i.e. it is not a typical index tracking fund with a passive investment strategy). The weighting of the constituent securities of the portfolio may be different from those of the reference index. The portfolio will also seek to maintain a relatively low performance variation between it and the reference index with a view to delivering a risk-and-return profile which is similar to that of the reference index. While the Rule-based Investment Strategy will be adhered to without discretion in the said selection process, the relevant rules will be subject to reviews and may be changed from time to time.

The fund aims to achieve as high a return as possible through global fixed income investments that commensurate with the lower level of risk considered appropriate for retirement scheme investors.

It is expected that the Global Bond Fund will achieve a long term return in line with Hong Kong’s price inflation. (Note: short term performance of the Global Bond Fund may be higher or lower than the long term expected return.)

#### Global Equity Fund

The Global Equity Fund is a portfolio management fund. The objective of the Global Equity Fund is to provide members with capital growth over the medium to long term by investing mainly into global equity markets, through investments in a portfolio of APIFs selected from the BCT Pooled Investment Fund Series, which comprises APIFs managed either by an active investment strategy (“Dynamic APIFs”) or a “Rule-based Investment Strategy” (“Smart APIFs”). Target Dynamic / Smart Allocation Percentages for respectively Dynamic APIFs and Smart APIFs are fixed for the fund (and reviewed annually at least) by the investment manager (in consultation with the Sponsor); and whilst deviations from such target percentages may occur, such deviations are not expected to exceed plus / minus 10%.

A Smart APIF which adopts a “Rule-based Investment Strategy” makes use of proprietary rule-based quantitative screening of securities in the selection of constituents (or proxies of the same) from the designated

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index (taking into account the characteristics such as attractive valuation, high quality, and low return volatility of such constituents). Such a strategy does not invest by replicating a designated index (i.e. it is not a typical index tracking fund with a passive investment strategy). The weighting of the constituent securities of the portfolio may be different from those of the reference index. The portfolio will also seek to maintain a relatively low performance variation between it and the reference index with a view to delivering a risk-and-return profile which is similar to that of the reference index. While the Rule-based investment strategy will be adhered to without discretion in the said selection process, the relevant rules will be subject to reviews and may be changed from time to time.

The fund aims to achieve as high a return as possible through global equity investments that commensurate with the lower level of risk considered appropriate for retirement scheme investors.

It is expected that the Global Equity Fund will achieve a long term return which exceeds the salary inflation in Hong Kong. (Note: short term performance of the Global Equity Fund may be higher or lower than the long term expected return.)

#### Asian Equity Fund

The Asian Equity Fund is a portfolio management fund. The objective of the Asian Equity Fund is to provide members with long term capital growth by investing in a portfolio of APIFs selected from the BCT Pooled Investment Fund Series, which in turn invests primarily in equity securities listed on the stock exchanges of Asia Pacific markets (excluding Japan, Australia and New Zealand). The equity securities to be invested primarily include equity securities listed in Hong Kong, China (including, but not limited to, China A-Shares via the Stock Connect), Taiwan, Korea, Thailand, Philippines, Singapore, Malaysia, Indonesia and India. The fund may invest up to 10% of its Net Asset Value in equity securities listed on stock exchanges that are not approved stock exchanges as defined in the Regulation.

The BCT Pooled Investment Fund Series comprises APIFs managed either by an active investment strategy (“Dynamic APIFs”) or a “Rule-based Investment Strategy” (“Smart APIFs”). Target Dynamic / Smart Allocation Percentages for respectively Dynamic APIFs and Smart APIFs are fixed for the fund (and reviewed annually at least) by the investment manager (in consultation with the Sponsor); and whilst deviations from such target percentages may occur, such deviations are not expected to exceed plus / minus 10%.

A Smart APIF which adopts a “Rule-based Investment Strategy” makes use of proprietary rule-based quantitative screening of securities in the selection of constituents (or proxies of the same) from the designated index (taking into account the characteristics such as attractive valuation, high quality, and low return volatility of such constituents). Such a strategy does not invest by replicating a designated index (i.e. it is not a typical index tracking fund with a passive investment strategy). The weighting of the constituent securities of the portfolio may be different from those of the reference index. The portfolio will also seek to maintain a relatively low performance variation between it and the reference index with a view to delivering a risk-and-return profile which is similar to that of the reference index. While the Rule-based Investment Strategy will be adhered to without discretion in the said selection process, the relevant rules will be subject to reviews and may be changed from time to time.

It is expected that the Asian Equity Fund will achieve a long term capital growth which modestly exceeds Hong Kong price inflation (as measured by the Consumer Price Index Type A).

#### Flexi Mixed Asset Fund

The objective of the Flexi Mixed Asset Fund is to provide members with long-term capital preservation not related to an index by investing solely in Allianz Choice Flexi Balanced Fund which is an APIF which in turn invests primarily in a diversified portfolio of global equities and fixed-interest securities. The underlying APIF adopts a dynamic asset allocation strategy.

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#### China and Hong Kong Equity Fund

The China and Hong Kong Equity Fund is a portfolio management fund. The objective of the China and Hong Kong Equity Fund is to provide members with long term capital appreciation through investments in a portfolio of APIFs selected from the BCT Pooled Investment Fund Series and in turn invests in a portfolio of (a) Hong Kong and China-related equity securities (including common / preferred stocks, depository receipts / certificates and China A-Shares via the Stock Connect) and (b) other Hong Kong and China-related listed instruments (namely equities related ITCIS, equity real estate investment trusts (“REITs”) and other equity stapled securities / investment units), provided that such securities and listed instruments are permitted for the purposes of the MPFS Ordinance. The BCT Pooled Investment Fund Series comprises APIFs managed either by an active investment strategy (“Dynamic APIFs”) or a “Rule-based Investment Strategy” (“Smart APIFs”). Target Dynamic / Smart Allocation Percentages for respectively Dynamic APIFs and Smart APIFs are fixed for the fund (and reviewed annually at least) by the investment manager (in consultation with the Sponsor); and whilst deviations from such target percentages may occur, such deviations are not expected to exceed plus / minus 10%.

A Smart APIF which adopts a “Rule-based Investment Strategy” makes use of proprietary rule-based quantitative screening of securities in the selection of constituents (or proxies of the same) from the designated index (taking into account the characteristics such as attractive valuation, high quality, and low return volatility of such constituents). Such a strategy does not invest by replicating a designated index (i.e. it is not a typical index tracking fund with a passive investment strategy). The weighting of the constituent securities of the portfolio may be different from those of the reference index. The portfolio will also seek to maintain a relatively low performance variation between it and the reference index with a view to delivering a risk-and-return profile which is similar to that of the reference index. While the Rule-based investment strategy will be adhered to without discretion in the said selection process, the relevant rules will be subject to reviews and may be changed from time to time.

Hong Kong and China-related equity securities / listed instruments are defined as equity securities and the above-described instruments listed on the Hong Kong Stock Exchange or other exchanges of issuers generating a substantial portion of their revenues and / or profits in the People’s Republic of China (including, but not limited to, China A-Shares via the Stock Connect). Investment in China A-Shares will not exceed 10% of its net asset value at all times.

It is expected that the China and Hong Kong Equity Fund will achieve a long term return which follows the trend of the Hong Kong and China-related equity markets. (Note: short term performance of the China and Hong Kong Equity Fund may be higher or lower than the long-term expected return.)

#### European Equity Fund

The European Equity Fund is a portfolio management fund. The objective of the European Equity Fund is to provide members with long term capital appreciation by investing primarily in a portfolio of equity securities listed in Europe (including the United Kingdom), through investments in a portfolio of APIFs selected from the BCT Pooled Investment Fund Series, which comprises APIFs managed either by an active investment strategy (“Dynamic APIFs”) or a “Rule-based Investment Strategy” (“Smart APIFs”). Target Dynamic / Smart Allocation Percentages for respectively Dynamic APIFs and Smart APIFs are fixed for the fund (and reviewed annually at least) by the investment manager (in consultation with the Sponsor); and whilst deviations from such target percentages may occur, such deviations are not expected to exceed plus / minus 10%.

A Smart APIF which adopts a “Rule-based Investment Strategy” makes use of proprietary rule-based quantitative screening of securities in the selection of constituents (or proxies of the same) from the designated index (taking into account the characteristics such as attractive valuation, high quality, and low return volatility of such constituents). Such a strategy does not invest by replicating a designated index (i.e. it is not a typical index tracking fund with a passive investment strategy). The weighting of the constituent securities of the portfolio may be different from those of the reference index. The portfolio will also seek to maintain a relatively low performance variation between it and the reference index with a view to delivering a risk-and-return profile

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which is similar to that of the reference index. While the Rule-based Investment Strategy will be adhered to without discretion in the said selection process, the relevant rules will be subject to reviews and may be changed from time to time.

The fund may invest in emerging markets such as Russia and Poland. The fund may invest up to 10% of its Net Asset Value in equity securities listed on stock exchanges that are not approved stock exchanges as defined in the Regulation.

It is expected that the European Equity Fund will achieve a long term return which follows the trend of the European equity market. (Note: short term performance of the European Equity Fund may be higher or lower than the long-term expected return.)

#### E90 Mixed Asset Fund

The E90 Mixed Asset Fund is a portfolio management fund. The objective of the E90 Mixed Asset Fund is to provide members with capital appreciation over the long term by investing primarily in global equities with the flexibility to invest in fixed income securities, through investments in a portfolio of APIFs selected from the BCT Pooled Investment Fund Series, which comprises APIFs managed either by an active investment strategy ("Dynamic APIFs") or a "Rule-based Investment Strategy" ("Smart APIFs"). Target Dynamic / Smart Allocation Percentages for respectively Dynamic APIFs and Smart APIFs are fixed for the fund (and reviewed annually at least) by the investment manager (in consultation with the Sponsor); and whilst deviations from such target percentages may occur, such deviations are not expected to exceed plus / minus 10%.

A Smart APIF which adopts a "Rule-based Investment Strategy" makes use of proprietary rule-based quantitative screening of securities in the selection of constituents (or proxies of the same) from the designated index (taking into account the characteristics such as attractive valuation, high quality, and low return volatility of such constituents). Such a strategy does not invest by replicating a designated index (i.e. it is not a typical index tracking fund with a passive investment strategy). The weighting of the constituent securities of the portfolio may be different from those of the reference index. The portfolio will also seek to maintain a relatively low performance variation between it and the reference index with a view to delivering a risk-and-return profile which is similar to that of the reference index. While the Rule-based Investment Strategy will be adhered to without discretion in the said selection process, the relevant rules will be subject to reviews and may be changed from time to time.

It is expected that the E90 Mixed Asset Fund will build real wealth over the long term. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

#### SaveEasy 2020 Fund

The objective of the SaveEasy 2020 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 2020 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 2020 Fund will achieve long term capital growth to year 2020. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

#### SaveEasy 2025 Fund

The objective of the SaveEasy 2025 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 2025 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.



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It is expected that the SaveEasy 2025 Fund will achieve long term capital growth to year 2025. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

#### SaveEasy 2030 Fund

The objective of the SaveEasy 2030 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 2030 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 2030 Fund will achieve long term capital growth to year 2030. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

#### SaveEasy 2035 Fund

The objective of the SaveEasy 2035 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 2035 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 2035 Fund will achieve long term capital growth to year 2035. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

#### SaveEasy 2040 Fund

The objective of the SaveEasy 2040 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 2040 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 2040 Fund will achieve long term capital growth to year 2040. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

#### Hang Seng Index Tracking Fund

The objective of the Hang Seng Index Tracking Fund, which is an equity fund, is to provide members with long term capital appreciation by investing as a feeder fund solely in a single ITCIS (currently, the Tracker Fund of Hong Kong (“TraHK”) which invests all, or substantially all, of its assets in the shares of constituent companies of the Hang Seng Index in substantially similar composition and weighting as they appear therein), and thereby aims to achieve investment results that closely track the performance of the Hang Seng Index.

#### Hong Kong Dollar Bond Fund

The objective of the Hong Kong Dollar Bond Fund is to provide members with long term capital appreciation by investing as a feeder fund solely in “JPMorgan SAR HK\$ Bond Fund”, an APIF which in turn invests in a portfolio consisting primarily of Hong Kong dollar denominated bonds (including government and corporate bonds).

It is expected that the Hong Kong Dollar Bond Fund will provide members with long term capital growth in Hong Kong dollar terms. (Note: short term performance of the fund may be higher or lower than the long term expected return.)

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#### World Equity Fund

The World Equity Fund is a portfolio management fund. The objective of the World 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 global equity markets.

Whilst the World 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 America, Europe, Australasia and Asia but not Africa and track the relevant equity market indices.

It is expected that the World Equity Fund will provide investment results that correspond generally to the performance of global 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 World Equity Fund) provided that they can achieve the above objective.

#### Greater China Equity Fund

The Greater China Equity Fund is a portfolio management fund. The objective of the Greater China Equity Fund is to provide members with capital appreciation over the long term by investing in two or more ITCISs which, in turn, invest in Greater China equity markets.

Whilst the Greater China 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 invest in and be exposed to the Greater China region comprising of stocks listed in Hong Kong, Taiwan, Shanghai (A shares and B shares), Shenzhen (A shares and B shares) and Singapore, and track the relevant equity market indices.

It is expected that the Greater China Equity Fund will provide investment results that correspond generally to the performance of Greater China 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 Greater China Equity Fund) provided that they can achieve the above objective.

#### RMB Bond Fund

The objective of the RMB Bond Fund, a bond fund, is to provide members with steady growth over the long term by investing as a feeder fund solely in “Invesco Pooled Investment Fund – RMB Bond Fund”, an APIF which in turn invests primarily into RMB denominated debt instruments and money market instruments (including but not limited to commercial papers, certificates of deposit and bank deposits) issued or distributed outside the mainland China.

It is expected that the RMB Bond Fund will achieve a long term return which exceeds Hong Kong inflation (Note: short term performance of the RMB Bond Fund may be higher or lower than the long-term expected return).

## BCT (MPF) PRO CHOICE

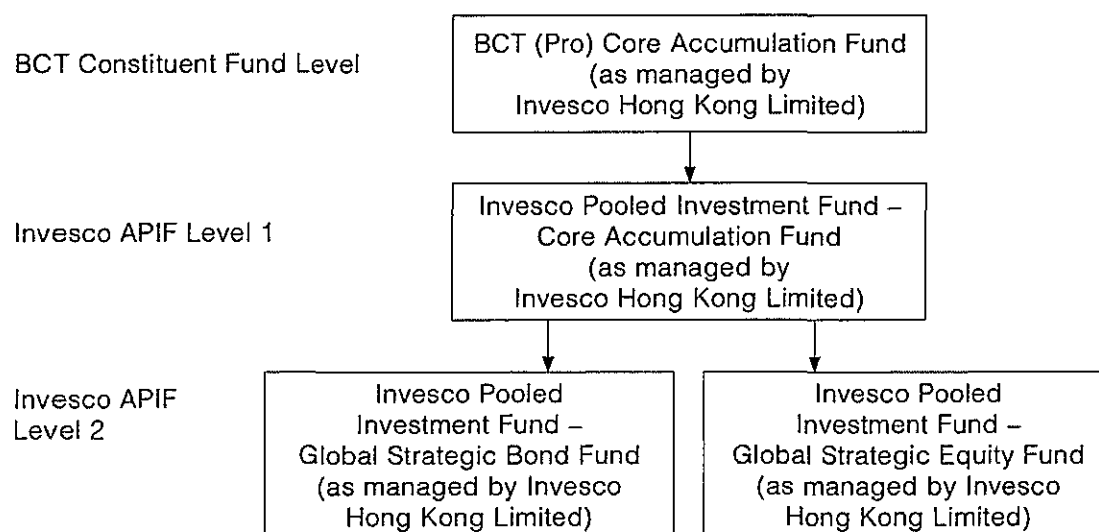
### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

#### Core Accumulation Fund

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

The Core Accumulation Fund will invest solely in “Invesco Pooled Investment Fund – Core Accumulation Fund” an underlying APIF which, in turn (through its investment in two other APIFs, namely Invesco Pooled Investment Fund – Global Strategic Equity Fund and Invesco Pooled Investment Fund – Global Strategic Bond Fund (the “DIS Underlying APIFs”, and each of them an “DIS Underlying APIF”)) invests in a portfolio of global equities with reference to the constituents, sectors, and geographical allocation of the FTSE MPF All-World Index, and a portfolio of global fixed income securities with reference to the credit rating, sectors, and geographical allocation of the FTSE MPF World Government Bond Index, as allowed under the Regulation.

The investment structure of the Core Accumulation Fund and its underlying APIFs are illustrated as follows:



#### Investment strategy of underlying APIFs

The Invesco Pooled Investment Fund – Core Accumulation Fund will primarily invest in a combination of global equities and bonds in a globally diversified manner (through investment in Class B Units of the DIS Underlying APIFs).

The DIS Underlying APIFs adopt an active investment strategy. The Invesco Pooled Investment Fund – Global Strategic Equity Fund aims to achieve capital appreciation over the long term and seek to achieve returns above that of the FTSE MPF All-World Index (a constituent index under the Reference Portfolio) through active management of a portfolio of global equities with reference to the constituents, sectors and geographical allocation of that reference index. The Invesco Pooled Investment Fund – Global Strategic Bond Fund aims to achieve stable growth over the long term and seek to achieve returns above that of the FTSE MPF World Government Bond Index (a constituent index under the Reference Portfolio) through active management of a portfolio of global fixed income securities with reference to the credit rating, sectors, and geographical allocation of that reference index. In other words, the constituents of the portfolios of each of the DIS Underlying APIFs may not be identical to those of its reference index in terms of security selection and weighting and the DIS Underlying APIFs may selectively react to the movement of the dealings in the portfolios or market fluctuations. This strategy aims to promote efficiency and minimize costs for the purpose of DIS asset rebalancing.

## BCT (MPF) PRO CHOICE

### INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

#### Risk and Return Profile

An MPF industry developed Reference Portfolio is adopted for the purpose of the DIS to provide reference for performance and asset allocation of the Core Accumulation Fund.

The Core Accumulation Fund is designated as a medium risk investment option. It is expected that the return of the Core Accumulation Fund over the long term will be at least similar to the return of the Reference Portfolio of the Core Accumulation Fund.

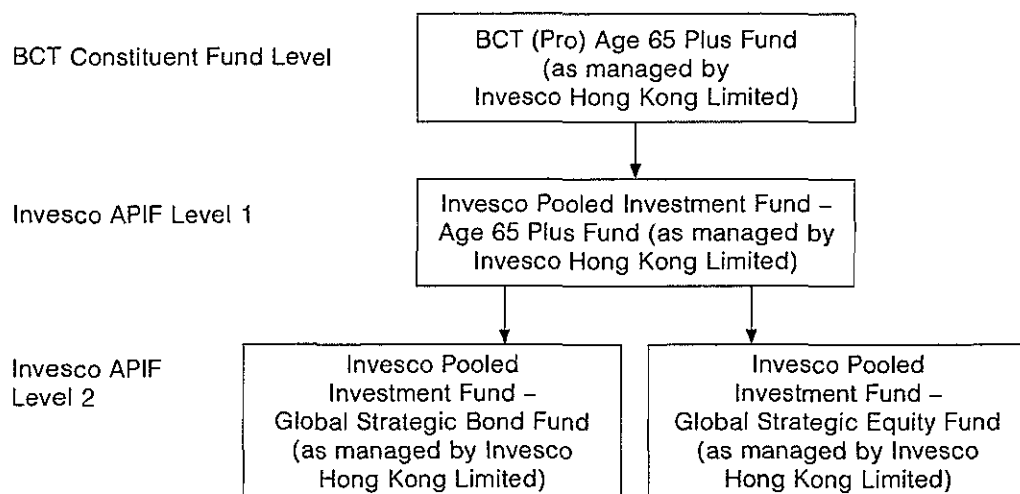
The risk profile designated for the Core Accumulation Fund is determined by the Sponsor (and accepted by the Trustee) based on various factors including volatility, the investment objective and policy and asset allocations and by reference to the risk profiles of the other constituent funds in the Plan. The risk profile is provided for reference only, and may be reviewed and updated (where necessary) annually based on prevailing market circumstances.

#### Age 65 Plus Fund

The objective of the Age 65 Plus Fund is to provide stable growth to members by investing in a globally diversified manner.

The Age 65 Plus Fund will invest solely in “Invesco Pooled Investment Fund – Age 65 Plus Fund” an underlying APIF which, in turn (through its investment in the DIS Underlying APIFs) invests in a portfolio of global equities with reference to the constituents, sectors, and geographical allocation of the FTSE MPF All-World Index, and a portfolio of global fixed income securities with reference to the credit rating, sectors, and geographical allocation of the FTSE MPF World Government Bond Index, as allowed under the Regulation.

The investment structure of the Age 65 Plus Fund and its underlying APIFs are illustrated as follows:



#### Investment strategy of underlying APIFs

The Invesco Pooled Investment Fund – Age 65 Plus Fund will primarily invest in a combination of global equities and bonds in a globally diversified manner (through investment in Class B Units of the DIS Underlying APIFs).

The DIS Underlying APIFs adopt an active investment strategy. The Invesco Pooled Investment Fund – Global Strategic Equity Fund aims to achieve capital appreciation over the long term and seek to achieve returns above that of the FTSE MPF All-World Index (a constituent index under the Reference Portfolio) through active management of a portfolio of global equities with reference to the constituents, sectors and geographical allocation of that reference index. The Invesco Pooled Investment Fund – Global Strategic Bond Fund aims to

## **BCT (MPF) PRO CHOICE**

### **INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

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achieve stable growth over the long term and to seek to achieve returns above that of the FTSE MPF World Government Bond Index (a constituent index under the Reference Portfolio) through active management of a portfolio of global fixed income securities with reference to the credit rating, sectors, and geographical allocation of that reference index. In other words, the constituents of the portfolios of each of the DIS Underlying APIFs may not be identical to those of its reference index in terms of security selection and weighting and the DIS Underlying APIFs may selectively react to the movement of the dealings in the portfolios or market fluctuations. This strategy aims to promote efficiency and minimize costs for the purpose of DIS asset rebalancing.

#### **Risk and Return Profile**

An MPF industry developed Reference Portfolio is adopted for the purpose of the DIS to provide reference for performance and asset allocation of the Age 65 Plus Fund.

The Age 65 Plus Fund is designated as a low to medium risk investment option. It is expected that the return of the Age 65 Plus Fund over the long term will be at least similar to the return of the Reference Portfolio of the Age 65 Plus Fund.

The risk profile designated for the Age 65 Plus Fund is determined by the Sponsor (and accepted by the Trustee) based on various factors including volatility, the investment objective and policy and asset allocations and by reference to the risk profiles of the other constituent funds in the Plan. The risk profile is provided for reference only, and may be reviewed and updated (where necessary) annually based on prevailing market circumstances.

The statement of movements in portfolio holdings for these twenty-three constituent funds during the year is included in Schedule 1 of this report.

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### Investments Held

The net assets of the constituent funds as at 31 December 2020, 2019 and 2018 are summarised below:

|                                | <u>MPF Conservative Fund</u> |                           |                           | <u>E30 Mixed Asset Fund</u> |                           |                           |
|--------------------------------|------------------------------|---------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|
|                                | <u>2020</u><br>(HK\$'000)    | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000)   | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Investments, at fair value     | 8,558,423                    | 7,966,568                 | 7,410,550                 | 2,974,219                   | 2,825,765                 | 2,708,190                 |
| Other net assets/(liabilities) | 174,641                      | 208,370                   | 104,758                   | 8,416                       | 9,489                     | 7,357                     |
| Total                          | <u>8,733,064</u>             | <u>8,174,938</u>          | <u>7,515,308</u>          | <u>2,982,635</u>            | <u>2,835,254</u>          | <u>2,715,547</u>          |
| Investments, at cost           | <u>8,553,651</u>             | <u>7,948,370</u>          | <u>7,392,352</u>          | <u>2,577,172</u>            | <u>2,720,381</u>          | <u>2,857,040</u>          |

|                                | <u>E50 Mixed Asset Fund</u> |                           |                           | <u>E70 Mixed Asset Fund</u> |                           |                           |
|--------------------------------|-----------------------------|---------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|
|                                | <u>2020</u><br>(HK\$'000)   | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000)   | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Investments, at fair value     | 3,444,196                   | 3,268,484                 | 3,012,053                 | 6,188,859                   | 5,765,195                 | 5,278,847                 |
| Other net assets/(liabilities) | 7,494                       | 8,988                     | 4,922                     | 5,185                       | 5,068                     | 658                       |
| Total                          | <u>3,451,690</u>            | <u>3,277,472</u>          | <u>3,016,975</u>          | <u>6,194,044</u>            | <u>5,770,263</u>          | <u>5,279,505</u>          |
| Investments, at cost           | <u>2,948,074</u>            | <u>3,151,159</u>          | <u>3,262,722</u>          | <u>5,245,944</u>            | <u>5,581,881</u>          | <u>5,885,157</u>          |

|                                | <u>Global Bond Fund</u>   |                           |                           | <u>Global Equity Fund</u> |                           |                           |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Investments, at fair value     | 1,950,041                 | 1,553,852                 | 1,212,231                 | 3,803,903                 | 3,219,350                 | 2,526,132                 |
| Other net assets/(liabilities) | 18,468                    | 13,445                    | 7,782                     | 13,813                    | 15,119                    | 4,842                     |
| Total                          | <u>1,968,509</u>          | <u>1,567,297</u>          | <u>1,220,013</u>          | <u>3,817,716</u>          | <u>3,234,469</u>          | <u>2,530,974</u>          |
| Investments, at cost           | <u>1,781,752</u>          | <u>1,507,521</u>          | <u>1,225,792</u>          | <u>3,109,988</u>          | <u>2,981,033</u>          | <u>2,872,119</u>          |

|                                | <u>Asian Equity Fund</u>  |                           |                           | <u>Flexi Mixed Asset Fund</u> |                           |                           |
|--------------------------------|---------------------------|---------------------------|---------------------------|-------------------------------|---------------------------|---------------------------|
|                                | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000)     | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Investments, at fair value     | 4,691,607                 | 3,819,567                 | 3,287,792                 | 1,338,945                     | 1,236,613                 | 1,123,214                 |
| Other net assets/(liabilities) | (2,032)                   | 1,171                     | (4,567)                   | 1,354                         | 1,347                     | 514                       |
| Total                          | <u>4,689,575</u>          | <u>3,820,738</u>          | <u>3,283,225</u>          | <u>1,340,299</u>              | <u>1,237,960</u>          | <u>1,123,728</u>          |
| Investments, at cost           | <u>3,712,603</u>          | <u>3,752,508</u>          | <u>3,762,739</u>          | <u>1,144,573</u>              | <u>1,123,293</u>          | <u>1,098,198</u>          |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

|                                | <u>China and Hong Kong Equity Fund</u> |                           |                           | <u>European Equity Fund</u> |                           |                           |
|--------------------------------|--|---------------------------|---------------------------|-----------------------------|---------------------------|---------------------------|
|                                | <u>2020</u><br>(HK\$'000)              | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000)   | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Investments, at fair value     | 10,260,687                             | 8,596,988                 | 7,613,416                 | 691,456                     | 644,720                   | 513,892                   |
| Other net assets/(liabilities) | 23,173                                 | 13,883                    | 6,287                     | 12,434                      | 5,015                     | 8,672                     |
| <b>Total</b>                   | <b>10,283,860</b>                      | <b>8,610,871</b>          | <b>7,619,703</b>          | <b>703,890</b>              | <b>649,735</b>            | <b>522,564</b>            |
| Investments, at cost           | 8,283,567                              | 8,383,919                 | 8,811,073                 | 630,114                     | 642,024                   | 628,094                   |

|                                | <u>E90 Mixed Asset Fund</u> |                           |                           | <u>SaveEasy 2020 Fund</u> |                           |                           |
|--------------------------------|-----------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                | <u>2020</u><br>(HK\$'000)   | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Investments, at fair value     | 852,649                     | 746,983                   | 623,617                   | 492,710                   | 447,603                   | 379,512                   |
| Other net assets/(liabilities) | 1,529                       | 2,144                     | 2,139                     | 1,685                     | 718                       | 911                       |
| <b>Total</b>                   | <b>854,178</b>              | <b>749,127</b>            | <b>625,756</b>            | <b>494,395</b>            | <b>448,321</b>            | <b>380,423</b>            |
| Investments, at cost           | 710,696                     | 718,427                   | 711,969                   | 396,938                   | 375,023                   | 344,407                   |

|                                | <u>SaveEasy 2025 Fund</u> |                           |                           | <u>SaveEasy 2030 Fund</u> |                           |                           |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Investments, at fair value     | 583,315                   | 491,347                   | 380,114                   | 709,532                   | 581,396                   | 439,639                   |
| Other net assets/(liabilities) | 2,228                     | 1,381                     | 347                       | 1,774                     | 3,230                     | 1,084                     |
| <b>Total</b>                   | <b>585,543</b>            | <b>492,728</b>            | <b>380,461</b>            | <b>711,306</b>            | <b>584,626</b>            | <b>440,723</b>            |
| Investments, at cost           | 433,020                   | 396,817                   | 352,370                   | 524,207                   | 469,197                   | 412,872                   |

|                                | <u>SaveEasy 2035 Fund</u> |                           |                           | <u>SaveEasy 2040 Fund</u> |                           |                           |
|--------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                                | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) | <u>2020</u><br>(HK\$'000) | <u>2019</u><br>(HK\$'000) | <u>2018</u><br>(HK\$'000) |
| Investments, at fair value     | 670,044                   | 543,163                   | 415,339                   | 1,629,287                 | 1,295,307                 | 939,598                   |
| Other net assets/(liabilities) | 2,725                     | 665                       | 443                       | 6,716                     | 3,679                     | 2,373                     |
| <b>Total</b>                   | <b>672,769</b>            | <b>543,828</b>            | <b>415,782</b>            | <b>1,636,003</b>          | <b>1,298,986</b>          | <b>941,971</b>            |
| Investments, at cost           | 494,444                   | 439,323                   | 393,054                   | 1,230,784                 | 1,071,204                 | 911,759                   |

**BCT (MPF) PRO CHOICE**

**INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

|                                | <b><u>Hang Seng Index Tracking Fund</u></b> |                                  |                                  | <b><u>Hong Kong Dollar Bond Fund</u></b> |                                  |                                  |
|--------------------------------|---|----------------------------------|----------------------------------|--|----------------------------------|----------------------------------|
|                                | <b><u>2020</u></b><br>(HK\$'000)            | <b><u>2019</u></b><br>(HK\$'000) | <b><u>2018</u></b><br>(HK\$'000) | <b><u>2020</u></b><br>(HK\$'000)         | <b><u>2019</u></b><br>(HK\$'000) | <b><u>2018</u></b><br>(HK\$'000) |
| Investments, at fair value     | 2,989,635                                   | 2,746,502                        | 2,226,477                        | 1,510,546                                | 1,300,224                        | 1,027,325                        |
| Other net assets/(liabilities) | (37,018)                                    | 3,513                            | 1,412                            | 7,963                                    | 7,904                            | 6,640                            |
| <b>Total</b>                   | <b><u>2,952,617</u></b>                     | <b><u>2,750,015</u></b>          | <b><u>2,227,889</u></b>          | <b><u>1,518,509</u></b>                  | <b><u>1,308,128</u></b>          | <b><u>1,033,965</u></b>          |
| Investments, at cost           | <u>2,792,888</u>                            | <u>2,483,873</u>                 | <u>2,154,364</u>                 | <u>1,422,019</u>                         | <u>1,250,046</u>                 | <u>998,056</u>                   |

|                                | <b><u>World Equity Fund</u></b>  |                                  |                                  | <b><u>Greater China Equity Fund</u></b> |                                  |                                  |
|--------------------------------|----------------------------------|----------------------------------|----------------------------------|---|----------------------------------|----------------------------------|
|                                | <b><u>2020</u></b><br>(HK\$'000) | <b><u>2019</u></b><br>(HK\$'000) | <b><u>2018</u></b><br>(HK\$'000) | <b><u>2020</u></b><br>(HK\$'000)        | <b><u>2019</u></b><br>(HK\$'000) | <b><u>2018</u></b><br>(HK\$'000) |
| Investments, at fair value     | 1,719,218                        | 1,159,026                        | 643,380                          | 1,489,451                               | 1,046,167                        | 822,951                          |
| Other net assets/(liabilities) | (3,196)                          | 13,227                           | 1,733                            | 7,990                                   | 3,287                            | 762                              |
| <b>Total</b>                   | <b><u>1,716,022</u></b>          | <b><u>1,172,253</u></b>          | <b><u>645,113</u></b>            | <b><u>1,497,441</u></b>                 | <b><u>1,049,454</u></b>          | <b><u>823,713</u></b>            |
| Investments, at cost           | <u>1,410,699</u>                 | <u>1,004,725</u>                 | <u>652,830</u>                   | <u>1,090,515</u>                        | <u>833,255</u>                   | <u>740,666</u>                   |

|                                | <b><u>RMB Bond Fund</u></b>      |                                  |                                  | <b><u>Core Accumulation Fund</u></b> |                                  |                                  |
|--------------------------------|----------------------------------|----------------------------------|----------------------------------|--------------------------------------|----------------------------------|----------------------------------|
|                                | <b><u>2020</u></b><br>(HK\$'000) | <b><u>2019</u></b><br>(HK\$'000) | <b><u>2018</u></b><br>(HK\$'000) | <b><u>2020</u></b><br>(HK\$'000)     | <b><u>2019</u></b><br>(HK\$'000) | <b><u>2018</u></b><br>(HK\$'000) |
| Investments, at fair value     | 785,132                          | 630,920                          | 569,594                          | 1,412,552                            | 936,250                          | 558,924                          |
| Other net assets/(liabilities) | 4,257                            | 2,185                            | 7,222                            | 8,812                                | 7,869                            | 3,495                            |
| <b>Total</b>                   | <b><u>789,389</u></b>            | <b><u>633,105</u></b>            | <b><u>576,816</u></b>            | <b><u>1,421,364</u></b>              | <b><u>944,119</u></b>            | <b><u>562,419</u></b>            |
| Investments, at cost           | <u>719,638</u>                   | <u>623,674</u>                   | <u>571,566</u>                   | <u>1,212,778</u>                     | <u>865,128</u>                   | <u>585,501</u>                   |

|                                | <b><u>Age 65 Plus Fund</u></b>   |                                  |                                  |
|--------------------------------|----------------------------------|----------------------------------|----------------------------------|
|                                | <b><u>2020</u></b><br>(HK\$'000) | <b><u>2019</u></b><br>(HK\$'000) | <b><u>2018</u></b><br>(HK\$'000) |
| Investments, at fair value     | 670,392                          | 385,819                          | 229,009                          |
| Other net assets/(liabilities) | 10,396                           | 8,069                            | 3,223                            |
| <b>Total</b>                   | <b><u>680,788</u></b>            | <b><u>393,888</u></b>            | <b><u>232,232</u></b>            |
| Investments, at cost           | <u>621,696</u>                   | <u>368,885</u>                   | <u>230,234</u>                   |

The investment portfolio for these constituent funds as at 31 December 2020 is included in Schedule 2 of this report.



# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### Schedule 1

#### Statement of Movements in Portfolio Holdings - BCT (Pro) MPF Conservative Fund

|                                      | % of Net Assets                  |                                |
|--------------------------------------|----------------------------------|--------------------------------|
|                                      | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Debt Securities</b>               |                                  |                                |
| Hong Kong Dollar                     | 0.58                             | 0.61                           |
| <b>Total Debt Securities</b>         | <b>0.58</b>                      | <b>0.61</b>                    |
| <b>Certificates of Deposit</b>       |                                  |                                |
| Hong Kong Dollar                     | 29.75                            | 25.23                          |
| <b>Total Certificates of Deposit</b> | <b>29.75</b>                     | <b>25.23</b>                   |
| <b>Fixed Deposits</b>                |                                  |                                |
| Hong Kong Dollar                     | 67.67                            | 71.61                          |
| <b>Total Fixed Deposits</b>          | <b>67.67</b>                     | <b>71.61</b>                   |
| <b>Total Investments</b>             | <b>98.00</b>                     | <b>97.45</b>                   |

#### Statement of Movements in Portfolio Holdings - BCT (Pro) E30 Mixed Asset Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Funds</b>                 |                                  |                                |
| BCT Pooled Investment Fund Series                       |                                  |                                |
| - Dynamic Asian Equity Fund (Class A)                   | 3.24                             | 3.15                           |
| - Dynamic China & Hong Kong Equity Fund (Class A)       | 6.25                             | 6.19                           |
| - Dynamic European Equity Fund (Class A)                | 4.41                             | 4.34                           |
| - Dynamic Global Emerging Markets Equity Fund (Class A) | 2.59                             | 2.42                           |
| - Dynamic Global Bond Fund (Class A)                    | 55.66                            | 55.86                          |
| - Smart Asian Equity Fund (Class A)                     | 0.75                             | 0.75                           |
| - Smart China & Hong Kong Equity Fund (Class A)         | 1.43                             | 1.50                           |
| - Smart European Equity Fund (Class A)                  | 1.60                             | 1.61                           |
| - Smart Global Bond Fund (Class A)                      | 13.81                            | 13.98                          |
| - Smart Japanese Equity Fund (Class A)                  | 4.01                             | 3.92                           |
| - Smart North American Equity Fund (Class A)            | 5.97                             | 5.95                           |
| <b>Total Investments</b>                                | <b>99.72</b>                     | <b>99.67</b>                   |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### Schedule 1

#### Statement of Movements in Portfolio Holdings - BCT (Pro) E50 Mixed Asset Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Funds</b>                 |                                  |                                |
| BCT Pooled Investment Fund Series                       |                                  |                                |
| - Dynamic Asian Equity Fund (Class A)                   | 5.27                             | 5.13                           |
| - Dynamic China & Hong Kong Equity Fund (Class A)       | 10.68                            | 10.63                          |
| - Dynamic European Equity Fund (Class A)                | 7.30                             | 7.22                           |
| - Dynamic Global Emerging Markets Equity Fund (Class A) | 4.13                             | 3.99                           |
| - Dynamic Global Bond Fund (Class A)                    | 39.57                            | 39.93                          |
| - Smart Asian Equity Fund (Class A)                     | 1.28                             | 1.22                           |
| - Smart China & Hong Kong Equity Fund (Class A)         | 2.54                             | 2.58                           |
| - Smart European Equity Fund (Class A)                  | 2.73                             | 2.71                           |
| - Smart Global Bond Fund (Class A)                      | 9.80                             | 9.95                           |
| - Smart Japanese Equity Fund (Class A)                  | 6.53                             | 6.43                           |
| - Smart North American Equity Fund (Class A)            | 9.95                             | 9.94                           |
| <b>Total Investments</b>                                | <b>99.78</b>                     | <b>99.73</b>                   |

#### Statement of Movements in Portfolio Holdings - BCT (Pro) E70 Mixed Asset Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Funds</b>                 |                                  |                                |
| BCT Pooled Investment Fund Series                       |                                  |                                |
| - Dynamic Asian Equity Fund (Class A)                   | 7.33                             | 7.18                           |
| - Dynamic China & Hong Kong Equity Fund (Class A)       | 15.13                            | 15.06                          |
| - Dynamic European Equity Fund (Class A)                | 10.17                            | 10.10                          |
| - Dynamic Global Emerging Markets Equity Fund (Class A) | 5.66                             | 5.52                           |
| - Dynamic Global Bond Fund (Class A)                    | 23.58                            | 23.88                          |
| - Smart Asian Equity Fund (Class A)                     | 1.77                             | 1.79                           |
| - Smart China & Hong Kong Equity Fund (Class A)         | 3.65                             | 3.74                           |
| - Smart European Equity Fund (Class A)                  | 3.83                             | 3.83                           |
| - Smart Global Bond Fund (Class A)                      | 5.83                             | 5.88                           |
| - Smart Japanese Equity Fund (Class A)                  | 9.04                             | 8.95                           |
| - Smart North American Equity Fund (Class A)            | 13.93                            | 13.98                          |
| <b>Total Investments</b>                                | <b>99.92</b>                     | <b>99.91</b>                   |

**BCT (MPF) PRO CHOICE**

**INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

**Schedule 1**

**Statement of Movements in Portfolio Holdings - BCT (Pro) Global Bond Fund**

|   | <b>% of Net Assets</b>                    |   |
|---|---|---|
|   | <b>Closing<br/>Balance<br/>31/12/2020</b> | <b>Opening<br/>Balance<br/>1/1/2020</b> |
| <b>Approved Pooled Investment Funds</b> |   |   |
| BCT Pooled Investment Fund Series       |   |   |
| - Dynamic Global Bond Fund (Class A)    | 79.27                                     | 79.36                                   |
| - Smart Global Bond Fund (Class A)      | 19.79                                     | 19.78                                   |
| <b>Total Investments</b>                | <b>99.06</b>                              | <b>99.14</b>                            |

**Statement of Movements in Portfolio Holdings - BCT (Pro) Global Equity Fund**

|   | <b>% of Net Assets</b>                    |   |
|---|---|---|
|   | <b>Closing<br/>Balance<br/>31/12/2020</b> | <b>Opening<br/>Balance<br/>1/1/2020</b> |
| <b>Approved Pooled Investment Funds</b>                 |   |   |
| BCT Pooled Investment Fund Series                       |   |   |
| - Dynamic Asian Equity Fund (Class A)                   | 6.36                                      | 6.20                                    |
| - Dynamic European Equity Fund (Class A)                | 22.87                                     | 22.90                                   |
| - Dynamic Global Emerging Markets Equity Fund (Class A) | 7.85                                      | 7.78                                    |
| - Smart Japanese Equity Fund (Class A)                  | 8.96                                      | 8.81                                    |
| - Smart North American Equity Fund (Class A)            | 53.60                                     | 53.84                                   |
| <b>Total Investments</b>                                | <b>99.64</b>                              | <b>99.53</b>                            |

**Statement of Movements in Portfolio Holdings - BCT (Pro) Asian Equity Fund**

|   | <b>% of Net Assets</b>                    |   |
|---|---|---|
|   | <b>Closing<br/>Balance<br/>31/12/2020</b> | <b>Opening<br/>Balance<br/>1/1/2020</b> |
| <b>Approved Pooled Investment Funds</b> |   |   |
| BCT Pooled Investment Fund Series       |   |   |
| - Dynamic Asian Equity Fund (Class A)   | 80.27                                     | 80.02                                   |
| - Smart Asian Equity Fund (Class A)     | 19.77                                     | 19.95                                   |
| <b>Total Investments</b>                | <b>100.04</b>                             | <b>99.97</b>                            |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### Schedule 1

#### Statement of Movements in Portfolio Holdings - BCT (Pro) Flexi Mixed Asset Fund

|  | % of Net Assets                  |                                |
|--|----------------------------------|--------------------------------|
|  | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Fund</b>       |                                  |                                |
| Allianz Choice Flexi Balanced Fund (Class A) | 99.90                            | 99.89                          |
| <b>Total Investments</b>                     | <b>99.90</b>                     | <b>99.89</b>                   |

#### Statement of Movements in Portfolio Holdings – BCT (Pro) China and Hong Kong Equity Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Funds</b>           |                                  |                                |
| BCT Pooled Investment Fund Series                 |                                  |                                |
| - Dynamic China & Hong Kong Equity Fund (Class A) | 80.25                            | 79.92                          |
| - Smart China & Hong Kong Equity Fund (Class A)   | 19.52                            | 19.92                          |
| <b>Total Investments</b>                          | <b>99.77</b>                     | <b>99.84</b>                   |

#### Statement of Movements in Portfolio Holdings - BCT (Pro) European Equity Fund

|  | % of Net Assets                  |                                |
|--|----------------------------------|--------------------------------|
|  | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Funds</b>  |                                  |                                |
| BCT Pooled Investment Fund Series        |                                  |                                |
| - Dynamic European Equity Fund (Class A) | 71.57                            | 71.92                          |
| - Smart European Equity Fund (Class A)   | 26.66                            | 27.31                          |
| <b>Total Investments</b>                 | <b>98.23</b>                     | <b>99.23</b>                   |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### Schedule 1

#### Statement of Movements in Portfolio Holdings - BCT (Pro) E90 Mixed Asset Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Funds</b>                 |                                  |                                |
| BCT Pooled Investment Fund Series                       |                                  |                                |
| - Dynamic Asian Equity Fund (Class A)                   | 9.73                             | 9.58                           |
| - Dynamic China & Hong Kong Equity Fund (Class A)       | 18.67                            | 18.70                          |
| - Dynamic European Equity Fund (Class A)                | 13.02                            | 13.04                          |
| - Dynamic Global Emerging Markets Equity Fund (Class A) | 7.16                             | 6.97                           |
| - Dynamic Global Bond Fund (Class A)                    | 7.75                             | 7.75                           |
| - Smart Asian Equity Fund (Class A)                     | 2.38                             | 2.32                           |
| - Smart China & Hong Kong Equity Fund (Class A)         | 4.50                             | 4.61                           |
| - Smart European Equity Fund (Class A)                  | 4.89                             | 4.90                           |
| - Smart Global Bond Fund (Class A)                      | 1.79                             | 1.94                           |
| - Smart Japanese Equity Fund (Class A)                  | 12.04                            | 11.91                          |
| - Smart North American Equity Fund (Class A)            | 17.89                            | 17.99                          |
| <b>Total Investments</b>                                | <b>99.82</b>                     | <b>99.71</b>                   |

#### Statement of Movements in Portfolio Holdings - BCT (Pro) SaveEasy 2020 Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Fund</b>                                  |                                  |                                |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2020 Fund (Class A) | 99.66                            | 99.84                          |
| <b>Total Investments</b>  | <b>99.66</b>                     | <b>99.84</b>                   |

#### Statement of Movements in Portfolio Holdings - BCT (Pro) SaveEasy 2025 Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Fund</b>                                  |                                  |                                |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2025 Fund (Class A) | 99.62                            | 99.72                          |
| <b>Total Investments</b>  | <b>99.62</b>                     | <b>99.72</b>                   |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### Schedule 1

#### Statement of Movements in Portfolio Holdings – BCT (Pro) SaveEasy 2030 Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Fund</b>                                  |                                  |                                |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2030 Fund (Class A) | 99.75                            | 99.45                          |
| <b>Total Investments</b>  | <u>99.75</u>                     | <u>99.45</u>                   |

#### Statement of Movements in Portfolio Holdings - BCT (Pro) SaveEasy 2035 Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Fund</b>                                  |                                  |                                |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2035 Fund (Class A) | 99.59                            | 99.88                          |
| <b>Total Investments</b>  | <u>99.59</u>                     | <u>99.88</u>                   |

#### Statement of Movements in Portfolio Holdings - BCT (Pro) SaveEasy 2040 Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Fund</b>                                  |                                  |                                |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2040 Fund (Class A) | 99.59                            | 99.72                          |
| <b>Total Investments</b>  | <u>99.59</u>                     | <u>99.72</u>                   |

#### Statement of Movements in Portfolio Holdings - BCT (Pro) Hang Seng Index Tracking Fund

|  | % of Net Assets                  |                                |
|--|----------------------------------|--------------------------------|
|  | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Index Tracking Collective Investment Scheme</b> |                                  |                                |
| Tracker Fund of Hong Kong                          | 101.25                           | 99.87                          |
| <b>Total Investments</b>                           | <u>101.25</u>                    | <u>99.87</u>                   |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

### Schedule 1

#### Statement of Movements in Portfolio Holdings - BCT (Pro) Hong Kong Dollar Bond Fund

|  | % of Net Assets                  |                                |
|--|----------------------------------|--------------------------------|
|  | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Fund</b> |                                  |                                |
| JPMorgan SAR HK\$ Bond Fund (Class B)  | 99.48                            | 99.40                          |
| <b>Total Investments</b>               | <b>99.48</b>                     | <b>99.40</b>                   |

#### Statement of Movements in Portfolio Holdings - BCT (Pro) World Equity Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Index Tracking Collective Investment Schemes</b> |                                  |                                |
| iShares MSCI Japan ETF                              | 8.07                             | 7.88                           |
| iShares MSCI Pacific ex Japan ETF                   | 10.06                            | 9.90                           |
| Lyxor Core STOXX Europe 600 (DR)                    | 25.96                            | -                              |
| SPDR S&P 500 ETF Trust                              | 51.02                            | 50.50                          |
| Tracker Fund of Hong Kong                           | 5.08                             | 5.03                           |
| Vanguard FTSE Developed Europe UCITS ETF            | -                                | 25.56                          |
| <b>Total Investments</b>                            | <b>100.19</b>                    | <b>98.87</b>                   |

#### Statement of Movements in Portfolio Holdings - BCT (Pro) Greater China Equity Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Index Tracking Collective Investment Schemes</b> |                                  |                                |
| SPDR FTSE Greater China ETF                         | 79.44                            | 79.67                          |
| Tracker Fund of Hong Kong                           | 20.03                            | 20.02                          |
| <b>Total Investments</b>                            | <b>99.47</b>                     | <b>99.69</b>                   |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Schedule 1

### Statement of Movements in Portfolio Holdings - BCT (Pro) RMB Bond Fund

|  | % of Net Assets                  |                                |
|--|----------------------------------|--------------------------------|
|  | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Fund</b>   |                                  |                                |
| Invesco Pooled Investment Fund - RMB Bond Fund (Class B)<br>(This investment fund is denominated in HKD only and not in RMB) | 99.46                            | 99.65                          |
| <b>Total Investments</b>   | <b>99.46</b>                     | <b>99.65</b>                   |

### Statement of Movements in Portfolio Holdings - BCT (Pro) Core Accumulation Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Fund</b>                  |                                  |                                |
| Invesco Pooled Investment Fund – Core Accumulation Fund | 99.38                            | 99.17                          |
| <b>Total Investments</b>                                | <b>99.38</b>                     | <b>99.17</b>                   |

### Statement of Movements in Portfolio Holdings - BCT (Pro) Age 65 Plus Fund

|   | % of Net Assets                  |                                |
|---|----------------------------------|--------------------------------|
|   | Closing<br>Balance<br>31/12/2020 | Opening<br>Balance<br>1/1/2020 |
| <b>Approved Pooled Investment Fund</b>            |                                  |                                |
| Invesco Pooled Investment Fund - Age 65 Plus Fund | 98.47                            | 97.95                          |
| <b>Total Investments</b>                          | <b>98.47</b>                     | <b>97.95</b>                   |



**BCT (MPF) PRO CHOICE**

**INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

**Schedule 2**

**Investment Portfolio - BCT (Pro) MPF Conservative Fund**

| <b><u>Description</u></b>                       | <b><u>Nominal<br/>Value</u></b> | <b><u>Fair Value<br/>(HK\$)</u></b> | <b><u>% of<br/>Net<br/>Assets</u></b> |
|---|---------------------------------|-------------------------------------|---------------------------------------|
| <b>Debt Securities</b>                          |                                 |                                     |                                       |
| <b>Hong Kong Dollar</b>                         |                                 |                                     |                                       |
| HONG KONG MORTGAGE CORP 1.29% JUN 02 2021       | 50,000,000                      | 50,558,897                          | 0.58                                  |
| <b>Total Debt Securities</b>                    |                                 | <u>50,558,897</u>                   | <u>0.58</u>                           |
| <b>Certificates of Deposit</b>                  |                                 |                                     |                                       |
| <b>Hong Kong Dollar</b>                         |                                 |                                     |                                       |
| AGRICULTURAL BANK CHINA/HK 0.45% MAY 24 2021    | 193,000,000                     | 193,009,809                         | 2.21                                  |
| AGRICULTURAL BANK CHINA/HK 0.54% JUN 16 2021    | 142,000,000                     | 141,950,613                         | 1.63                                  |
| AGRICULTURAL BANK CHINA/HK 0.56% JUN 03 2021    | 178,000,000                     | 177,996,654                         | 2.04                                  |
| BANK OF CHINA/HONG KONG 0.5% FEB 08 2021        | 130,000,000                     | 130,281,931                         | 1.49                                  |
| BANK OF CHINA/HONG KONG 0.68% MAR 29 2021       | 167,000,000                     | 167,359,862                         | 1.92                                  |
| BANK OF CHINA/MACAU 0.5% MAR 03 2021            | 181,000,000                     | 181,311,109                         | 2.08                                  |
| BANK OF CHINA/MACAU 0.64% MAY 04 2021           | 171,000,000                     | 171,214,945                         | 1.96                                  |
| BANK OF COMMUNICATIONS/SYD 0% FEB 26 2021       | 180,000,000                     | 179,903,700                         | 2.06                                  |
| BANK OF COMMUNICATIONS/SYD 0.6% MAR 04 2021     | 177,000,000                     | 177,412,616                         | 2.03                                  |
| CHINA CONSTRUCT BANK/MACAU 0% MAY 13 2021       | 170,000,000                     | 169,695,700                         | 1.94                                  |
| CHINA CONSTRUCT BANK/MACAU 0% MAY 18 2021       | 170,000,000                     | 169,665,950                         | 1.94                                  |
| CHINA DEVELOPMENT BANK/HK 0% MAY 03 2021        | 174,000,000                     | 173,694,630                         | 1.99                                  |
| CHINA DEVELOPMENT BANK/HK 0% MAY 25 2021        | 137,000,000                     | 136,711,615                         | 1.57                                  |
| CHINA DEVELOPMENT BANK/HK 0.5% FEB 05 2021      | 178,000,000                     | 178,391,795                         | 2.04                                  |
| CHINA DEVELOPMENT BANK/HK 0.6% MAR 16 2021      | 132,000,000                     | 132,268,475                         | 1.51                                  |
| DAH SING BANK LTD 0.78% SEP 30 2021             | 117,000,000                     | 117,378,775                         | 1.34                                  |
| <b>Total Certificates of Deposit</b>            |                                 | <u>2,598,248,179</u>                | <u>29.75</u>                          |
| <b>Fixed Deposits</b>                           |                                 |                                     |                                       |
| <b>Hong Kong Dollar</b>                         |                                 |                                     |                                       |
| BANK OF EAST ASIA LTD DEPOSIT 0.4% MAR 09 2021  | 26,344,017                      | 26,344,017                          | 0.30                                  |
| BANK OF EAST ASIA LTD DEPOSIT 0.46% MAY 25 2021 | 94,370,008                      | 94,370,008                          | 1.08                                  |
| BANK OF EAST ASIA LTD DEPOSIT 0.61% JAN 19 2021 | 83,978,064                      | 83,978,064                          | 0.96                                  |
| BANK OF EAST ASIA LTD DEPOSIT 0.66% JAN 21 2021 | 126,918,064                     | 126,918,064                         | 1.45                                  |
| BANK OF EAST ASIA LTD DEPOSIT 0.7% JAN 08 2021  | 93,889,037                      | 93,889,037                          | 1.08                                  |
| BANK OF EAST ASIA LTD DEPOSIT 0.83% JAN 25 2021 | 103,544,831                     | 103,544,831                         | 1.19                                  |
| BANK OF EAST ASIA LTD DEPOSIT 0.85% FEB 08 2021 | 82,183,902                      | 82,183,902                          | 0.94                                  |
| BANK OF EAST ASIA LTD DEPOSIT 0.9% JAN 21 2021  | 83,862,596                      | 83,862,596                          | 0.96                                  |
| BANK OF EAST ASIA LTD DEPOSIT 1% JAN 15 2021    | 91,778,036                      | 91,778,036                          | 1.05                                  |
| CMB WING LUNG BANK DEPOSIT 0.51% JAN 28 2021    | 171,063,173                     | 171,063,173                         | 1.96                                  |
| CMB WING LUNG BANK DEPOSIT 0.56% JAN 27 2021    | 134,844,056                     | 134,844,056                         | 1.54                                  |
| DAH SING BANK DEPOSIT 0.15% FEB 01 2021         | 200,000,000                     | 200,000,000                         | 2.29                                  |
| DAH SING BANK DEPOSIT 0.25% JAN 22 2021         | 101,747,982                     | 101,747,982                         | 1.17                                  |
| FUBON BANK DEPOSIT 0.45% JAN 05 2021            | 365,465,793                     | 365,465,793                         | 4.19                                  |
| FUBON BANK DEPOSIT 0.45% JAN 07 2021            | 376,325,637                     | 376,325,637                         | 4.31                                  |
| ICBC (ASIA) DEPOSIT 0.5% MAR 04 2021            | 124,306,994                     | 124,306,994                         | 1.42                                  |
| ICBC (ASIA) DEPOSIT 0.6% FEB 04 2021            | 82,367,152                      | 82,367,152                          | 0.94                                  |
| ICBC (ASIA) DEPOSIT 0.65% JAN 05 2021           | 94,991,626                      | 94,991,626                          | 1.09                                  |
| ICBC (ASIA) DEPOSIT 0.65% JAN 14 2021           | 183,976,506                     | 183,976,506                         | 2.11                                  |
| ICBC (ASIA) DEPOSIT 0.65% JAN 18 2021           | 15,127,733                      | 15,127,733                          | 0.17                                  |
| ICBC (ASIA) DEPOSIT 0.65% JAN 27 2021           | 153,407,029                     | 153,407,029                         | 1.76                                  |
| OCBC WING HANG BANK DEPOSIT 0.2% JAN 29 2021    | 200,000,000                     | 200,000,000                         | 2.29                                  |
| OCBC WING HANG BANK DEPOSIT 0.23% JAN 25 2021   | 85,298,804                      | 85,298,804                          | 0.98                                  |
| OCBC WING HANG BANK DEPOSIT 0.3% MAR 08 2021    | 191,325,488                     | 191,325,488                         | 2.19                                  |
| OCBC WING HANG BANK DEPOSIT 0.46% FEB 04 2021   | 51,407,448                      | 51,407,448                          | 0.59                                  |
| OCBC WING HANG BANK DEPOSIT 0.51% JAN 08 2021   | 94,674,140                      | 94,674,140                          | 1.08                                  |

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Schedule 2

### Investment Portfolio - BCT (Pro) MPF Conservative Fund(Continued)

| <u>Description</u>                                 | <u>Nominal<br/>Value</u> | <u>Fair Value<br/>(HK\$)</u> | <u>% of<br/>Net<br/>Assets</u> |
|--|--------------------------|------------------------------|--------------------------------|
| <b>Fixed Deposits(Continued)</b>                   |                          |                              |                                |
| <b>Hong Kong Dollar(Continued)</b>                 |                          |                              |                                |
| OCBC WING HANG BANK DEPOSIT 0.54% JAN 25 2021      | 121,397,346              | 121,397,346                  | 1.39                           |
| PUBLIC BANK DEPOSIT 0.6% MAR 18 2021               | 93,266,943               | 93,266,943                   | 1.07                           |
| PUBLIC BANK DEPOSIT 0.65% MAR 09 2021              | 202,520,387              | 202,520,387                  | 2.32                           |
| PUBLIC BANK DEPOSIT 0.7% FEB 18 2021               | 73,673,292               | 73,673,292                   | 0.84                           |
| PUBLIC BANK DEPOSIT 0.8% APR 07 2021               | 87,868,300               | 87,868,300                   | 1.01                           |
| PUBLIC BANK DEPOSIT 0.8% FEB 08 2021               | 73,775,876               | 73,775,876                   | 0.84                           |
| SHANGHAI COMMERCIAL BANK DEPOSIT 0.15% FEB 01 2021 | 126,729,443              | 126,729,443                  | 1.45                           |
| SHANGHAI COMMERCIAL BANK DEPOSIT 0.4% MAY 26 2021  | 126,240,814              | 126,240,814                  | 1.45                           |
| SHANGHAI COMMERCIAL BANK DEPOSIT 0.4% MAY 31 2021  | 92,856,624               | 92,856,624                   | 1.06                           |
| SHANGHAI COMMERCIAL BANK DEPOSIT 0.7% FEB 17 2021  | 100,463,562              | 100,463,562                  | 1.15                           |
| SHANGHAI COMMERCIAL BANK DEPOSIT 0.7% JAN 14 2021  | 86,643,828               | 86,643,828                   | 0.99                           |
| SHANGHAI COMMERCIAL BANK DEPOSIT 0.7% JAN 18 2021  | 123,643,981              | 123,643,981                  | 1.42                           |
| SHANGHAI COMMERCIAL BANK DEPOSIT 0.7% JAN 22 2021  | 130,713,041              | 130,713,041                  | 1.50                           |
| SUMITOMO MITSUI DEPOSIT 0.25% JAN 21 2021          | 115,639,731              | 115,639,731                  | 1.32                           |
| SUMITOMO MITSUI DEPOSIT 0.25% JAN 27 2021          | 40,479,732               | 40,479,732                   | 0.46                           |
| SUMITOMO MITSUI DEPOSIT 0.26% JAN 18 2021          | 51,958,639               | 51,958,639                   | 0.59                           |
| SUMITOMO MITSUI DEPOSIT 0.33% FEB 16 2021          | 151,866,792              | 151,866,792                  | 1.74                           |
| SUMITOMO MITSUI DEPOSIT 0.33% FEB 18 2021          | 73,929,482               | 73,929,482                   | 0.85                           |
| SUMITOMO MITSUI DEPOSIT 0.38% MAR 16 2021          | 92,434,621               | 92,434,621                   | 1.06                           |
| SUMITOMO MITSUI DEPOSIT 0.38% MAR 22 2021          | 117,587,627              | 117,587,627                  | 1.35                           |
| SUMITOMO MITSUI DEPOSIT 0.44% JUN 07 2021          | 132,295,071              | 132,295,071                  | 1.51                           |
| UNITED OVERSEAS BANK DEPOSIT 0.14% FEB 01 2021     | 158,092,563              | 158,092,563                  | 1.81                           |
| UNITED OVERSEAS BANK DEPOSIT 0.14% JAN 25 2021     | 122,339,825              | 122,339,825                  | 1.40                           |
| <b>Total Fixed Deposits</b>                        |                          | <b>5,909,615,636</b>         | <b>67.67</b>                   |
| <b>Total Investments</b>                           |                          | <b>8,558,422,712</b>         | <b>98.00</b>                   |
| <b>Total Investments, at cost</b>                  |                          | <b>8,553,650,545</b>         |                                |

[Note: Investments are accounted for on a trade date basis.]

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Schedule 2

### Investment Portfolio – BCT (Pro) E30 Mixed Asset Fund

| <u>Description</u>                                      | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|---|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Funds</b>                 |                 |                             |                                  |
| BCT Pooled Investment Fund Series                       |                 |                             |                                  |
| - Dynamic Asian Equity Fund (Class A)                   | 7,662,780       | 96,661,372                  | 3.24                             |
| - Dynamic China & Hong Kong Equity Fund (Class A)       | 14,855,472      | 186,354,472                 | 6.25                             |
| - Dynamic European Equity Fund (Class A)                | 14,479,054      | 131,669,624                 | 4.41                             |
| - Dynamic Global Emerging Markets Equity Fund (Class A) | 6,758,343       | 77,132,972                  | 2.59                             |
| - Dynamic Global Bond Fund (Class A)                    | 144,639,752     | 1,659,827,935               | 55.66                            |
| - Smart Asian Equity Fund (Class A)                     | 1,878,135       | 22,426,993                  | 0.75                             |
| - Smart China & Hong Kong Equity Fund (Class A)         | 3,878,531       | 42,739,088                  | 1.43                             |
| - Smart European Equity Fund (Class A)                  | 4,411,020       | 47,663,274                  | 1.60                             |
| - Smart Global Bond Fund (Class A)                      | 36,008,172      | 412,001,902                 | 13.81                            |
| - Smart Japanese Equity Fund (Class A)                  | 10,930,182      | 119,744,521                 | 4.01                             |
| - Smart North American Equity Fund (Class A)            | 12,510,224      | 177,996,725                 | 5.97                             |
| <b>Total Investments</b>                                |                 | <b>2,974,218,878</b>        | <b>99.72</b>                     |
| <b>Total Investments, at cost</b>                       |                 | <b>2,577,172,454</b>        |                                  |

### Investment Portfolio – BCT (Pro) E50 Mixed Asset Fund

| <u>Description</u>                                      | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|---|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Funds</b>                 |                 |                             |                                  |
| BCT Pooled Investment Fund Series                       |                 |                             |                                  |
| - Dynamic Asian Equity Fund (Class A)                   | 14,422,303      | 181,928,704                 | 5.27                             |
| - Dynamic China & Hong Kong Equity Fund (Class A)       | 29,415,299      | 369,000,219                 | 10.68                            |
| - Dynamic European Equity Fund (Class A)                | 27,698,336      | 251,883,128                 | 7.30                             |
| - Dynamic Global Emerging Markets Equity Fund (Class A) | 12,486,130      | 142,504,201                 | 4.13                             |
| - Dynamic Global Bond Fund (Class A)                    | 119,040,634     | 1,366,062,697               | 39.57                            |
| - Smart Asian Equity Fund (Class A)                     | 3,704,367       | 44,234,211                  | 1.28                             |
| - Smart China & Hong Kong Equity Fund (Class A)         | 7,956,649       | 87,677,496                  | 2.54                             |
| - Smart European Equity Fund (Class A)                  | 8,708,106       | 94,095,438                  | 2.73                             |
| - Smart Global Bond Fund (Class A)                      | 29,558,843      | 338,209,322                 | 9.80                             |
| - Smart Japanese Equity Fund (Class A)                  | 20,561,093      | 225,255,003                 | 6.53                             |
| - Smart North American Equity Fund (Class A)            | 24,131,548      | 343,346,076                 | 9.95                             |
| <b>Total Investments</b>                                |                 | <b>3,444,196,495</b>        | <b>99.78</b>                     |
| <b>Total Investments, at cost</b>                       |                 | <b>2,948,074,368</b>        |                                  |

[Note: The underlying approved pooled investment funds were established in Hong Kong and are accounted for on a trade date basis.]

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Schedule 2

### Investment Portfolio – BCT (Pro) E70 Mixed Asset Fund

| <u>Description</u>                                      | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|---|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Funds</b>                 |                 |                             |                                  |
| BCT Pooled Investment Fund Series                       |                 |                             |                                  |
| - Dynamic Asian Equity Fund (Class A)                   | 35,973,932      | 453,789,571                 | 7.33                             |
| - Dynamic China & Hong Kong Equity Fund (Class A)       | 74,704,707      | 937,133,203                 | 15.13                            |
| - Dynamic European Equity Fund (Class A)                | 69,290,985      | 630,118,356                 | 10.17                            |
| - Dynamic Global Emerging Markets Equity Fund (Class A) | 30,743,713      | 350,877,992                 | 5.66                             |
| - Dynamic Global Bond Fund (Class A)                    | 127,259,176     | 1,460,375,402               | 23.58                            |
| - Smart Asian Equity Fund (Class A)                     | 9,182,104       | 109,644,427                 | 1.77                             |
| - Smart China & Hong Kong Equity Fund (Class A)         | 20,513,895      | 226,050,820                 | 3.65                             |
| - Smart European Equity Fund (Class A)                  | 21,969,261      | 237,388,846                 | 3.83                             |
| - Smart Global Bond Fund (Class A)                      | 31,555,813      | 361,058,452                 | 5.83                             |
| - Smart Japanese Equity Fund (Class A)                  | 51,098,203      | 559,801,249                 | 9.04                             |
| - Smart North American Equity Fund (Class A)            | 60,627,993      | 862,621,148                 | 13.93                            |
| <b>Total Investments</b>                                |                 | <b>6,188,859,466</b>        | <b>99.92</b>                     |
| <b>Total Investments, at cost</b>                       |                 | <b>5,245,944,340</b>        |                                  |

### Investment Portfolio - BCT (Pro) Global Bond Fund

| <u>Description</u>                      | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|---|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Funds</b> |                 |                             |                                  |
| BCT Pooled Investment Fund Series       |                 |                             |                                  |
| - Dynamic Global Bond Fund (Class A)    | 135,978,549     | 1,560,435,435               | 79.27                            |
| - Smart Global Bond Fund (Class A)      | 34,050,789      | 389,605,725                 | 19.79                            |
| <b>Total Investments</b>                |                 | <b>1,950,041,160</b>        | <b>99.06</b>                     |
| <b>Total Investments, at cost</b>       |                 | <b>1,781,751,969</b>        |                                  |

*[Note: The underlying approved pooled investment funds were established in Hong Kong and are accounted for on a trade date basis.]*

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Schedule 2

### Investment Portfolio - BCT (Pro) Global Equity Fund

| <u>Description</u>                                      | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|---|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Funds</b>                 |                 |                             |                                  |
| BCT Pooled Investment Fund Series                       |                 |                             |                                  |
| - Dynamic Asian Equity Fund (Class A)                   | 19,239,753      | 242,697,942                 | 6.36                             |
| - Dynamic European Equity Fund (Class A)                | 96,007,516      | 873,073,149                 | 22.87                            |
| - Dynamic Global Emerging Markets Equity Fund (Class A) | 26,256,562      | 299,666,147                 | 7.85                             |
| - Smart Japanese Equity Fund (Class A)                  | 31,233,223      | 342,172,448                 | 8.96                             |
| - Smart North American Equity Fund (Class A)            | 143,820,542     | 2,046,293,049               | 53.60                            |
| <b>Total Investments</b>                                |                 | <b>3,803,902,735</b>        | <b>99.64</b>                     |
| <b>Total Investments, at cost</b>                       |                 | <b>3,109,987,740</b>        |                                  |

### Investment Portfolio - BCT (Pro) Asian Equity Fund

| <u>Description</u>                      | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|---|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Funds</b> |                 |                             |                                  |
| BCT Pooled Investment Fund Series       |                 |                             |                                  |
| - Dynamic Asian Equity Fund (Class A)   | 298,421,537     | 3,764,408,640               | 80.27                            |
| - Smart Asian Equity Fund (Class A)     | 77,647,674      | 927,198,639                 | 19.77                            |
| <b>Total Investments</b>                |                 | <b>4,691,607,279</b>        | <b>100.04</b>                    |
| <b>Total Investments, at cost</b>       |                 | <b>3,712,602,911</b>        |                                  |

[Note: The underlying approved pooled investment funds were established in Hong Kong and are accounted for on a trade date basis.]

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Schedule 2

### Investment Portfolio - BCT (Pro) Flexi Mixed Asset Fund

| <u>Description</u>                           | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|--|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Fund</b>       |                 |                             |                                  |
| Allianz Choice Flexi Balanced Fund (Class A) | 64,403,313      | 1,338,944,873               | 99.90                            |
| <b>Total Investments</b>                     |                 | <b>1,338,944,873</b>        | <b>99.90</b>                     |
| <b>Total Investments, at cost</b>            |                 | <b>1,144,572,575</b>        |                                  |

### Investment Portfolio - BCT (Pro) China and Hong Kong Equity Fund

| <u>Description</u>                                | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|---|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Funds</b>           |                 |                             |                                  |
| BCT Pooled Investment Fund Series                 |                 |                             |                                  |
| - Dynamic China & Hong Kong Equity Fund (Class A) | 657,952,842     | 8,253,689,422               | 80.25                            |
| - Smart China & Hong Kong Equity Fund (Class A)   | 182,133,096     | 2,006,997,437               | 19.52                            |
| <b>Total Investments</b>                          |                 | <b>10,260,686,859</b>       | <b>99.77</b>                     |
| <b>Total Investments, at cost</b>                 |                 | <b>8,283,566,973</b>        |                                  |

*[Note: The underlying approved pooled investment funds were established in Hong Kong and are accounted for on a trade date basis.]*

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Schedule 2

### Investment Portfolio - BCT (Pro) European Equity Fund

| <u>Description</u>                       | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|--|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Funds</b>  |                 |                             |                                  |
| BCT Pooled Investment Fund Series        |                 |                             |                                  |
| - Dynamic European Equity Fund (Class A) | 55,403,804      | 503,831,113                 | 71.57                            |
| - Smart European Equity Fund (Class A)   | 17,363,805      | 187,624,600                 | 26.66                            |
| <b>Total Investments</b>                 |                 | <b>691,455,713</b>          | <b>98.23</b>                     |
| <b>Total Investments, at cost</b>        |                 | <b>630,113,787</b>          |                                  |

### Investment Portfolio - BCT (Pro) E90 Mixed Asset Fund

| <u>Description</u>                                      | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|---|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Funds</b>                 |                 |                             |                                  |
| BCT Pooled Investment Fund Series                       |                 |                             |                                  |
| - Dynamic Asian Equity Fund (Class A)                   | 6,588,134       | 83,105,353                  | 9.73                             |
| - Dynamic China & Hong Kong Equity Fund (Class A)       | 12,722,057      | 159,591,840                 | 18.67                            |
| - Dynamic European Equity Fund (Class A)                | 12,227,936      | 111,198,405                 | 13.02                            |
| - Dynamic Global Emerging Markets Equity Fund (Class A) | 5,356,664       | 61,135,610                  | 7.16                             |
| - Dynamic Global Bond Fund (Class A)                    | 5,769,359       | 66,206,850                  | 7.75                             |
| - Smart Asian Equity Fund (Class A)                     | 1,705,374       | 20,364,045                  | 2.38                             |
| - Smart China & Hong Kong Equity Fund (Class A)         | 3,484,546       | 38,397,609                  | 4.50                             |
| - Smart European Equity Fund (Class A)                  | 3,863,160       | 41,743,379                  | 4.89                             |
| - Smart Global Bond Fund (Class A)                      | 1,335,593       | 15,281,717                  | 1.79                             |
| - Smart Japanese Equity Fund (Class A)                  | 9,386,357       | 102,831,294                 | 12.04                            |
| - Smart North American Equity Fund (Class A)            | 10,738,786      | 152,792,525                 | 17.89                            |
| <b>Total Investments</b>                                |                 | <b>852,648,627</b>          | <b>99.82</b>                     |
| <b>Total Investments, at cost</b>                       |                 | <b>710,695,811</b>          |                                  |

[Note: The underlying approved pooled investment funds were established in Hong Kong and are accounted for on a trade date basis.]

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Schedule 2

### Investment Portfolio - BCT (Pro) SaveEasy 2020 Fund

| <u>Description</u>   | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|--|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Fund</b>                                     |                 |                             |                                  |
| Fidelity Global Investment Fund<br>– Fidelity SaveEasy 2020 Fund (Class A) | 15,832,582      | 492,709,939                 | 99.66                            |
| <b>Total Investments</b>   |                 | <b>492,709,939</b>          | <b>99.66</b>                     |
| <b>Total Investments, at cost</b>  |                 | <b>396,937,909</b>          |                                  |

### Investment Portfolio - BCT (Pro) SaveEasy 2025 Fund

| <u>Description</u>   | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|--|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Fund</b>                                     |                 |                             |                                  |
| Fidelity Global Investment Fund<br>– Fidelity SaveEasy 2025 Fund (Class A) | 17,141,200      | 583,315,049                 | 99.62                            |
| <b>Total Investments</b>   |                 | <b>583,315,049</b>          | <b>99.62</b>                     |
| <b>Total Investments, at cost</b>  |                 | <b>433,020,002</b>          |                                  |

### Investment Portfolio - BCT (Pro) SaveEasy 2030 Fund

| <u>Description</u>   | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|--|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Fund</b>                                     |                 |                             |                                  |
| Fidelity Global Investment Fund<br>– Fidelity SaveEasy 2030 Fund (Class A) | 20,388,840      | 709,531,616                 | 99.75                            |
| <b>Total Investments</b>   |                 | <b>709,531,616</b>          | <b>99.75</b>                     |
| <b>Total Investments, at cost</b>  |                 | <b>524,206,863</b>          |                                  |

*[Note: The underlying approved pooled investment funds were established in Hong Kong and are accounted for on a trade date basis.]*



**BCT (MPF) PRO CHOICE**

**INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

**Schedule 2**

**Investment Portfolio - BCT (Pro) SaveEasy 2035 Fund**

| <b><u>Description</u></b>  | <b><u>Holdings</u></b> | <b><u>Fair Value</u><br/><u>(HK\$)</u></b> | <b><u>% of</u><br/><u>Net Assets</u></b> |
|--|------------------------|--|--|
| <b>Approved Pooled Investment Fund</b>                                     |                        |  |  |
| Fidelity Global Investment Fund<br>– Fidelity SaveEasy 2035 Fund (Class A) | 19,089,565             | 670,043,731                                | 99.59                                    |
| <b>Total Investments</b>   |                        | <b>670,043,731</b>                         | <b>99.59</b>                             |
| <b>Total Investments, at cost</b>  |                        | <b>494,443,776</b>                         |  |

**Investment Portfolio - BCT (Pro) SaveEasy 2040 Fund**

| <b><u>Description</u></b>  | <b><u>Holdings</u></b> | <b><u>Fair Value</u><br/><u>(HK\$)</u></b> | <b><u>% of</u><br/><u>Net Assets</u></b> |
|--|------------------------|--|--|
| <b>Approved Pooled Investment Fund</b>                                     |                        |  |  |
| Fidelity Global Investment Fund<br>– Fidelity SaveEasy 2040 Fund (Class A) | 45,947,169             | 1,629,286,599                              | 99.59                                    |
| <b>Total Investments</b>   |                        | <b>1,629,286,599</b>                       | <b>99.59</b>                             |
| <b>Total Investments, at cost</b>  |                        | <b>1,230,783,763</b>                       |  |

**Investment Portfolio – BCT (Pro) Hang Seng Index Tracking Fund**

| <b><u>Description</u></b>                          | <b><u>Holdings</u></b> | <b><u>Fair Value</u><br/><u>(HK\$)</u></b> | <b><u>% of</u><br/><u>Net Assets</u></b> |
|--|------------------------|--|--|
| <b>Index Tracking Collective Investment Scheme</b> |                        |  |  |
| Tracker Fund of Hong Kong                          | 109,110,750            | 2,989,634,550                              | 101.25                                   |
| <b>Total Investments</b>                           |                        | <b>2,989,634,550</b>                       | <b>101.25</b>                            |
| <b>Total Investments, at cost</b>                  |                        | <b>2,792,888,135</b>                       |  |

*[Note: The underlying approved pooled investment funds and index tracking collective investment scheme were established in Hong Kong and are accounted for on a trade date basis.]*

**BCT (MPF) PRO CHOICE**

**INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020**

Schedule 2

**Investment Portfolio – BCT (Pro) Hong Kong Dollar Bond Fund**

| <b><u>Description</u></b>              | <b><u>Holdings</u></b> | <b><u>Fair Value</u><br/>(HK\$)</b> | <b><u>% of</u><br/><u>Net Assets</u></b> |
|--|------------------------|-------------------------------------|--|
| <b>Approved Pooled Investment Fund</b> |                        |                                     |  |
| JPMorgan SAR HK\$ Bond Fund (Class B)  | 55,801,464             | 1,510,545,629                       | 99.48                                    |
| <b>Total Investments</b>               |                        | <b>1,510,545,629</b>                | <b>99.48</b>                             |
| <b>Total Investments, at cost</b>      |                        | <b>1,422,018,921</b>                |  |

**Investment Portfolio – BCT (Pro) World Equity Fund**

| <b><u>Description</u></b>                           | <b><u>Holdings</u></b> | <b><u>Fair Value</u><br/>(HK\$)</b> | <b><u>% of</u><br/><u>Net Assets</u></b> |
|---|------------------------|-------------------------------------|--|
| <b>Index Tracking Collective Investment Schemes</b> |                        |                                     |  |
| iShares MSCI Japan ETF                              | 264,361                | 138,454,282                         | 8.07                                     |
| iShares MSCI Pacific ex Japan ETF                   | 465,003                | 172,559,371                         | 10.06                                    |
| Lyxor Core STOXX Europe 600 (DR)                    | 279,796                | 445,433,408                         | 25.96                                    |
| SPDR S&P 500 ETF Trust                              | 302,078                | 875,529,326                         | 51.02                                    |
| Tracker Fund of Hong Kong                           | 3,184,000              | 87,241,600                          | 5.08                                     |
| <b>Total Investments</b>                            |                        | <b>1,719,217,987</b>                | <b>100.19</b>                            |
| <b>Total Investments, at cost</b>                   |                        | <b>1,410,699,201</b>                |  |

**Investment Portfolio – BCT (Pro) Greater China Equity Fund**

| <b><u>Description</u></b>                           | <b><u>Holdings</u></b> | <b><u>Fair Value</u><br/>(HK\$)</b> | <b><u>% of</u><br/><u>Net Assets</u></b> |
|---|------------------------|-------------------------------------|--|
| <b>Index Tracking Collective Investment Schemes</b> |                        |                                     |  |
| SPDR FTSE Greater China ETF                         | 22,316,200             | 1,189,453,460                       | 79.44                                    |
| Tracker Fund of Hong Kong                           | 10,948,800             | 299,997,120                         | 20.03                                    |
| <b>Total Investments</b>                            |                        | <b>1,489,450,580</b>                | <b>99.47</b>                             |
| <b>Total Investments, at cost</b>                   |                        | <b>1,090,515,081</b>                |  |

*[Note: The underlying approved pooled investment funds and index tracking collective investment schemes were established in Hong Kong, Ireland, Luxembourg and United States and are accounted for on a trade date basis.]*

# BCT (MPF) PRO CHOICE

## INVESTMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Schedule 2

### Investment Portfolio – BCT (Pro) RMB Bond Fund

| <u>Description</u>  | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|---|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Fund</b>  |                 |                             |                                  |
| Invesco Pooled Investment Fund - RMB Bond Fund<br>(Class B) (This investment fund is denominated in HKD<br>only and not in RMB) | 62,521,478      | 785,132,220                 | 99.46                            |
| <b>Total Investments</b>  |                 | <b>785,132,220</b>          | <b>99.46</b>                     |
| <b>Total Investments, at cost</b>   |                 | <b>719,637,894</b>          |                                  |

### Investment Portfolio – BCT (Pro) Core Accumulation Fund

| <u>Description</u>                                      | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|---|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Fund</b>                  |                 |                             |                                  |
| Invesco Pooled Investment Fund – Core Accumulation Fund | 103,352,702     | 1,412,552,387               | 99.38                            |
| <b>Total Investments</b>                                |                 | <b>1,412,552,387</b>        | <b>99.38</b>                     |
| <b>Total Investments, at cost</b>                       |                 | <b>1,212,778,400</b>        |                                  |

### Investment Portfolio – BCT (Pro) Age 65 Plus Fund

| <u>Description</u>                                | <u>Holdings</u> | <u>Fair Value</u><br>(HK\$) | <u>% of</u><br><u>Net Assets</u> |
|---|-----------------|-----------------------------|----------------------------------|
| <b>Approved Pooled Investment Fund</b>            |                 |                             |                                  |
| Invesco Pooled Investment Fund - Age 65 Plus Fund | 53,744,453      | 670,392,186                 | 98.47                            |
| <b>Total Investments</b>                          |                 | <b>670,392,186</b>          | <b>98.47</b>                     |
| <b>Total Investments, at cost</b>                 |                 | <b>621,695,639</b>          |                                  |

[Note: The underlying approved pooled investment funds were established in Hong Kong and are accounted for on a trade date basis.]

# INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF

## BCT (MPF) PRO CHOICE

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### Report on the Audit of the Financial Statements

#### Opinion

##### *What we have audited*

The financial statements of BCT (MPF) Pro Choice (the "Plan") set out on pages 85 to 240, which comprise:

- the statement of net assets available for benefits of the Plan and the statement of net assets of each of its constituent funds as at 31 December 2020;
- the statement of comprehensive income of each of its constituent funds for the year then ended;
- the statement of changes in net assets available for benefits of the Plan and the statement of changes in net assets attributable to members of each of its constituent funds for the year then ended;
- the statement of cash flows of the Plan for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

##### *Our opinion*

In our opinion, the financial statements give a true and fair view of the financial position of the Plan as at 31 December 2020, 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 ("HSAs") 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### *Independence*

We are independent of the Plan 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF**

### **BCT (MPF) PRO CHOICE (Continued)**

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#### **Other Information**

The Trustee is responsible for the other information. The other information comprises all of 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.

#### **Responsibilities of the Trustee for the Financial Statements**

The Trustee is responsible for the preparation of 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF

### BCT (MPF) PRO CHOICE (Continued)

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#### **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. We report our opinion solely to you, as a body, in accordance with section 102 of the General Regulation, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 Plan have been properly prepared, in all material respects, in accordance with sections 80, 81, 83 and 84 of the General Regulation.

As part of an audit in accordance with HKSA's, we exercise professional judgment 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 Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Plan'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 Plan 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF

BCT (MPF) PRO CHOICE (Continued)

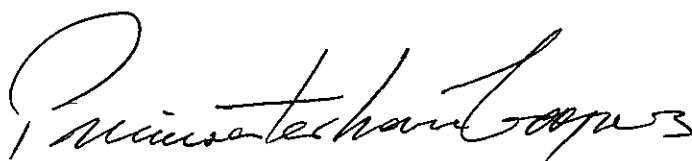
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**Auditor's Responsibilities for the Audit of the Financial Statements (Continued)**

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

**Report on Matters under the General Regulation**

- (a) In our opinion, the financial statements of the Plan 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.



**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 15 June 2021

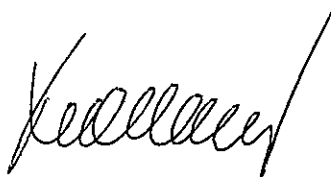
**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS**  
**– PLAN AND CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  | <u>Note</u> | <u>2020</u><br>(HK\$) | <u>2019</u><br>(HK\$) |
|--|-------------|-----------------------|-----------------------|
| <b>Assets</b>  |             |                       |                       |
| <b>Current assets</b>  |             |                       |                       |
| Financial assets at fair value through profit or loss                                | 8, 11       | 59,416,797,270        | 51,207,809,064        |
| Derivative financial instruments   | 12          | 8,927,728             | 23,917,193            |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | 316,929,111           | 268,252,457           |
| Dividends receivable   |             | 2,572,816             | 1,992,739             |
| Interest receivable from fixed deposit   | 11          | 5,394,782             | 22,277,179            |
| Contributions receivable   |             |                       |                       |
| From employers   |             | 168,588,462           | 158,152,318           |
| From members   |             | 115,004,944           | 113,307,680           |
| From other schemes   |             | 89,929,248            | 11,935,505            |
| Amounts receivable from derivative counterparties                                    |             | 59,200,000            | -                     |
| Other receivables  |             | 3,970                 | 3,426                 |
| Bank balances  | 11          | 385,944,161           | 416,225,789           |
| <b>Total assets</b>  |             | <u>60,569,292,492</u> | <u>52,223,873,350</u> |
| <b>Liabilities</b>   |             |                       |                       |
| <b>Current liabilities</b>   |             |                       |                       |
| Derivative financial instruments   | 12          | (93,347,798)          | (3,863,747)           |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | (169,758,551)         | (147,386,271)         |
| Benefits and forfeitures payable   | 6           | (368,111,752)         | (299,384,379)         |
| Amounts payable to derivative counterparties   |             | -                     | (24,900,000)          |
| Accruals and other payables  |             | (67,363,383)          | (66,000,639)          |
| <b>Total liabilities</b>   |             | <u>(698,581,484)</u>  | <u>(541,535,036)</u>  |
| <b>Net assets available for benefits attributable to members</b>                     |             | <u>59,870,711,008</u> | <u>51,682,338,314</u> |

On behalf of the Trustee  
Bank Consortium Trust Company Limited



.....  
Director



.....  
Director

The notes on pages 117 to 240 are an integral part of the financial statements.



**BCT (MPF) PRO CHOICE**  
**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**  
**– PLAN AND CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | Note | 2020<br>(HK\$) | 2019<br>(HK\$) |
|--|------|----------------|----------------|
| Investment income  |      |                |                |
| Dividends from equities  |      | 118,944,453    | 115,852,064    |
| Bank interest  | 11   | 1,838,352      | 1,798,587      |
| Interest income from fixed deposits  | 11   | 96,677,977     | 125,034,820    |
| Other income   | 11   | 2,283,296      | 766,961        |
| Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments       | 11   | 647,995,499    | 82,038,914     |
| Change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments |      | 5,748,422,394  | 5,424,456,548  |
| Change in unrealised gain/loss on foreign exchange   |      | (795,584)      | (133,529)      |
| Total investment income  |      | 6,615,366,387  | 5,749,814,365  |
| Expenses   |      |                |                |
| Investment management fees   | 4(a) | (189,941,262)  | (183,189,531)  |
| Trustee, administration and custodian fees   | 4(b) | (274,453,153)  | (261,012,922)  |
| Sponsor fees   | 4(b) | (102,689,171)  | (92,959,764)   |
| Sub-custodian fees   |      | (291,134)      | (233,106)      |
| Safe custody and bank charges  |      | (781,207)      | (609,010)      |
| Legal and other professional fees  |      | (217,399)      | (560,723)      |
| Auditor's remuneration   |      | (2,012,804)    | (1,895,589)    |
| Professional indemnity insurance   |      | (392,172)      | (357,672)      |
| Miscellaneous expenses   |      | (8,482,140)    | (11,298,227)   |
| Total operating expenses   |      | (579,260,442)  | (552,116,544)  |
| Overseas withholding tax   |      | (5,261,043)    | (4,299,953)    |
| Net income   |      | 6,030,844,902  | 5,193,397,868  |
| Contributions received and receivable  | 5    |                |                |
| From employers   |      |                |                |
| Mandatory  |      | 1,698,435,254  | 1,655,224,142  |
| Additional voluntary   |      | 774,877,876    | 665,197,049    |
| From members   |      |                |                |
| Mandatory  |      | 1,685,213,709  | 1,632,015,017  |
| Additional voluntary   |      | 193,692,380    | 167,749,000    |
| Tax deductible voluntary   |      | 124,540,665    | 54,512,588     |
|  |      | 4,476,759,884  | 4,174,697,796  |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**  
**– PLAN AND CONSTITUENT FUNDS (Continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | <u>Note</u> | <u>2020</u><br>(HK\$)  | <u>2019</u><br>(HK\$)  |
|--|-------------|------------------------|------------------------|
| Transfers in   |             |                        |                        |
| Group transfers in from other schemes  |             | 558,670,747            | 429,408,918            |
| Individual transfers in from other schemes   |             | 1,842,707,887          | 1,581,043,087          |
|  |             | <u>2,401,378,634</u>   | <u>2,010,452,005</u>   |
| Contribution surcharge received and receivable   |             | 3,088,992              | 2,609,196              |
|  |             | <u>6,881,227,510</u>   | <u>6,187,758,997</u>   |
| Benefits paid and payable  | 6           |                        |                        |
| Retirement   |             | (636,772,762)          | (549,128,211)          |
| Early retirement   |             | (216,330,816)          | (147,009,715)          |
| Death  |             | (42,559,078)           | (60,995,068)           |
| Permanent departure  |             | (187,180,077)          | (205,537,426)          |
| Total incapacity   |             | (17,321,558)           | (14,648,474)           |
| Small balance  |             | (8,324)                | (17,639)               |
| Refund of additional voluntary contributions   |             | (261,352,738)          | (345,278,090)          |
| Terminal illness   |             | (6,013,405)            | (6,836,940)            |
| Long service payment   |             | (437,233,675)          | (328,169,571)          |
|  |             | <u>(1,804,772,433)</u> | <u>(1,657,621,134)</u> |
| Transfers out  |             |                        |                        |
| Group transfers out to other schemes   |             | (398,478,136)          | (316,394,218)          |
| Individual transfers out to other schemes  |             | (2,442,411,830)        | (1,908,662,329)        |
|  |             | <u>(2,840,889,966)</u> | <u>(2,225,056,547)</u> |
| Forfeitures  |             | (78,037,319)           | (78,383,162)           |
|  |             | <u>(4,723,699,718)</u> | <u>(3,961,060,843)</u> |
| Movement during the year   |             | 2,157,527,792          | 2,226,698,154          |
| Net income for the year  |             | 6,030,844,902          | 5,193,397,868          |
| Change in net assets available for benefits attributable to members                    |             | 8,188,372,694          | 7,420,096,022          |
| Net assets available for benefits attributable to members at the beginning of the year |             |                        |                        |
| – members' accounts  |             | 51,682,338,314         | 44,262,242,292         |
| Net assets available for benefits attributable to members at the end of the year       |             |                        |                        |
| – members' accounts  |             | <u>59,870,711,008</u>  | <u>51,682,338,314</u>  |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF CASH FLOWS – PLAN AND CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | 2020<br>(HK\$)   | 2019<br>(HK\$)   |
|--|------------------|------------------|
| Cash flows from operating activities   |                  |                  |
| Net income   | 6,030,844,902    | 5,193,397,868    |
| Adjustment for   |                  |                  |
| - dividends from equities  | (118,944,453)    | (115,852,064)    |
| - bank interest  | (1,838,352)      | (1,798,587)      |
| - interest income from fixed deposits  | (96,677,977)     | (125,034,820)    |
| - overseas withholding tax   | 5,261,043        | 4,299,953        |
| Operating profit before working capital changes  | 5,818,645,163    | 4,955,012,350    |
| Net increase in financial assets at fair value through profit or loss – with original maturity of more than 3 months | (6,652,506,086)  | (8,921,645,839)  |
| Net change in derivative financial instruments   | 104,473,516      | 4,826,838        |
| Increase in amounts receivable on sale of financial assets at fair value through profit or loss                      | (48,676,654)     | (181,130,588)    |
| (Increase)/decrease in other receivables   | (544)            | 1,103,425        |
| Increase in amounts payable on purchase of financial assets at fair value through profit or loss                     | 22,372,280       | 121,888,068      |
| Decrease in amounts payable to derivative counterparties   | (24,900,000)     | (5,500,000)      |
| Increase in amounts receivable from derivative counterparties  | (59,200,000)     | -                |
| Increase in accruals and other payables  | 1,362,744        | 8,403,734        |
| Cash used in operations  | (838,429,581)    | (4,017,042,012)  |
| Bank interest received   | 1,838,352        | 1,798,587        |
| Interest income from fixed deposit received  | 113,560,374      | 116,623,573      |
| Dividends received   | 118,364,376      | 115,883,864      |
| Overseas withholding tax paid  | (5,261,043)      | (4,299,953)      |
| Net cash used in operating activities  | (609,927,522)    | (3,787,035,941)  |
| Cash flows from financing activities   |                  |                  |
| Contributions received and transfers in  | 6,791,100,359    | 6,178,393,786    |
| Benefits paid, transfers out and forfeitures   | (4,654,972,345)  | (3,886,216,638)  |
| Net cash generated from financing activities   | 2,136,128,014    | 2,292,177,148    |
| Net increase/(decrease) in cash and cash equivalents   | 1,526,200,492    | (1,494,858,793)  |
| Cash and cash equivalents at the beginning of the year   | 1,460,282,409    | 2,955,141,202    |
| Cash and cash equivalents at the end of the year   | 2,986,482,901    | 1,460,282,409    |
| Analysis of balances of cash and cash equivalents:   |                  |                  |
| Financial assets at fair value through profit or loss  | 59,416,797,270   | 51,207,809,064   |
| Less: Financial assets at fair value through profit or loss – with original maturity of more than 3 months           | (56,816,258,530) | (50,163,752,444) |
| Financial assets at fair value through profit or loss – with original maturity of less than or equal to 3 months     | 2,600,538,740    | 1,044,056,620    |
| Bank balances  | 385,944,161      | 416,225,789      |
|  | 2,986,482,901    | 1,460,282,409    |

The notes on pages 117 to 240 are an integral part of the financial statements.

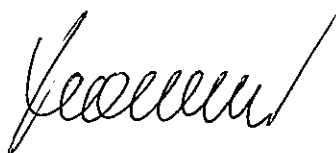
**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  |             | BCT (Pro)             |               | BCT (Pro)            |               |
|--|-------------|-----------------------|---------------|----------------------|---------------|
|  |             | MPF Conservative Fund |               | E30 Mixed Asset Fund |               |
|  | <u>Note</u> | <u>2020</u>           | <u>2019</u>   | <u>2020</u>          | <u>2019</u>   |
|  |             | (HK\$)                | (HK\$)        | (HK\$)               | (HK\$)        |
| Assets   |             |                       |               |                      |               |
| Current assets   |             |                       |               |                      |               |
| Financial assets at fair value through profit or loss                                | 8, 11       | 8,558,422,712         | 7,966,568,163 | 2,974,218,878        | 2,825,764,858 |
| Derivative financial instruments   | 12          | -                     | -             | 61,843               | 4,442,514     |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | -                     | -             | 25,858,517           | 30,040,541    |
| Dividends receivable   |             | -                     | -             | -                    | -             |
| Interest receivable from fixed deposits  | 11          | 5,394,782             | 22,277,179    | -                    | -             |
| Amounts receivable on funds switching  |             | 115,827,408           | 71,027,326    | 1,697,225            | 665,114       |
| Amounts receivable on subscription   |             | 3,550,443             | 3,191,722     | 430,260              | 805,378       |
| Amounts receivable from derivative counterparties                                    |             | -                     | -             | 11,300,000           | -             |
| Bank balances  | 11          | 156,756,114           | 198,181,474   | 15,866,251           | 16,950,661    |
| Total assets   |             | 8,839,951,459         | 8,261,245,864 | 3,029,432,974        | 2,878,669,066 |
| Liabilities  |             |                       |               |                      |               |
| Current liabilities  |             |                       |               |                      |               |
| Derivative financial instruments   | 12          | -                     | -             | (14,816,928)         | (261,903)     |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | -                     | -             | (19,070,749)         | (23,351,400)  |
| Amounts payable on redemption  |             | (18,791,846)          | (17,644,000)  | (6,151,665)          | (4,302,603)   |
| Amounts payable on funds switching   |             | (82,622,963)          | (61,311,238)  | (3,020,767)          | (4,354,443)   |
| Amounts payable to derivative counterparties   |             | -                     | -             | -                    | (7,400,000)   |
| Accruals and other payables  |             | (5,472,232)           | (7,352,670)   | (3,737,783)          | (3,745,056)   |
| Total liabilities  |             | (106,887,041)         | (86,307,908)  | (46,797,892)         | (43,415,405)  |
| Net assets attributable to members   |             | 8,733,064,418         | 8,174,937,956 | 2,982,635,082        | 2,835,253,661 |
| Units in issue   |             | 7,586,843,117         | 7,152,514,488 | 1,417,717,882        | 1,488,483,838 |
| Net asset value per unit   |             | 1.1511                | 1.1429        | 2.1038               | 1.9048        |

On behalf of the Trustee  
Bank Consortium Trust Company Limited



Director



Director

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  | <u>Note</u> | BCT (Pro)<br>E50 Mixed Asset Fund |                       | BCT (Pro)<br>E70 Mixed Asset Fund |                       |
|--|-------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------|
|  |             | <u>2020</u><br>(HK\$)             | <u>2019</u><br>(HK\$) | <u>2020</u><br>(HK\$)             | <u>2019</u><br>(HK\$) |
| <b>Assets</b>  |             |                                   |                       |                                   |                       |
| <b>Current assets</b>  |             |                                   |                       |                                   |                       |
| Financial assets at fair value through profit or loss                                | 8, 11       | 3,444,196,495                     | 3,268,483,990         | 6,188,859,466                     | 5,765,195,441         |
| Derivative financial instruments   | 12          | 53,171                            | 3,750,571             | 69,026                            | 4,293,443             |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | 29,184,810                        | 35,468,411            | 53,086,606                        | 52,107,567            |
| Dividends receivable   |             | -                                 | -                     | -                                 | -                     |
| Interest receivable from fixed deposits  | 11          | -                                 | -                     | -                                 | -                     |
| Amounts receivable on funds switching  |             | 2,611,573                         | 1,780,579             | 2,418,313                         | 1,195,733             |
| Amounts receivable on subscription   |             | 754,095                           | 892,870               | 669,888                           | 650,283               |
| Amounts receivable from derivative counterparties                                    |             | 9,600,000                         | -                     | 11,500,000                        | -                     |
| Bank balances  | 11          | 13,415,604                        | 12,801,215            | 13,233,636                        | 14,536,766            |
| <b>Total assets</b>  |             | <b>3,499,815,748</b>              | <b>3,323,177,636</b>  | <b>6,269,836,935</b>              | <b>5,837,979,233</b>  |
| <b>Liabilities</b>   |             |                                   |                       |                                   |                       |
| <b>Current liabilities</b>   |             |                                   |                       |                                   |                       |
| Derivative financial instruments   | 12          | (12,129,125)                      | (253,961)             | (13,038,288)                      | (345,681)             |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | (23,703,787)                      | (30,145,019)          | (46,253,589)                      | (44,408,518)          |
| Amounts payable on redemption  |             | (4,142,697)                       | (4,497,799)           | (6,595,884)                       | (6,904,221)           |
| Amounts payable on funds switching   |             | (3,858,369)                       | (2,108,637)           | (2,214,321)                       | (2,350,036)           |
| Amounts payable to derivative counterparties   |             | -                                 | (4,400,000)           | -                                 | (6,100,000)           |
| Accruals and other payables  |             | (4,292,195)                       | (4,300,254)           | (7,690,715)                       | (7,607,332)           |
| <b>Total liabilities</b>   |             | <b>(48,126,173)</b>               | <b>(45,705,670)</b>   | <b>(75,792,797)</b>               | <b>(67,715,788)</b>   |
| <b>Net assets attributable to members</b>  |             | <b>3,451,689,575</b>              | <b>3,277,471,966</b>  | <b>6,194,044,138</b>              | <b>5,770,263,445</b>  |
| <b>Units in issue</b>  |             | <b>1,448,782,163</b>              | <b>1,540,855,300</b>  | <b>2,433,277,852</b>              | <b>2,569,076,604</b>  |
| <b>Net asset value per unit</b>  |             | <b>2.3825</b>                     | <b>2.1270</b>         | <b>2.5456</b>                     | <b>2.2460</b>         |

On behalf of the Trustee  
Bank Consortium Trust Company Limited



Director



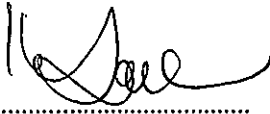
Director

The notes on pages 117 to 240 are an integral part of the financial statements.

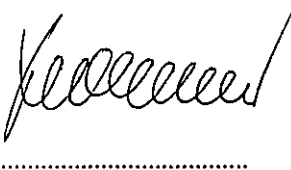
**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  |             | BCT (Pro)<br>Global Bond Fund |                       | BCT (Pro)<br>Global Equity Fund |                       |
|--|-------------|-------------------------------|-----------------------|---------------------------------|-----------------------|
|  | <u>Note</u> | <u>2020</u><br>(HK\$)         | <u>2019</u><br>(HK\$) | <u>2020</u><br>(HK\$)           | <u>2019</u><br>(HK\$) |
| Assets   |             |                               |                       |                                 |                       |
| Current assets   |             |                               |                       |                                 |                       |
| Financial assets at fair value through profit or loss                                | 8, 11       | 1,950,041,160                 | 1,553,852,315         | 3,803,902,735                   | 3,219,350,430         |
| Derivative financial instruments   | 12          | 56,000                        | 3,381,688             | 142,221                         | 5,537,196             |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | 15,873,457                    | 12,968,350            | 40,944,651                      | 15,254,359            |
| Dividends receivable   |             | -                             | -                     | -                               | -                     |
| Interest receivable from fixed deposits  | 11          | -                             | -                     | -                               | -                     |
| Amounts receivable on funds switching  |             | 15,364,523                    | 10,133,512            | 13,869,440                      | 14,497,683            |
| Amounts receivable on subscription   |             | 1,449,749                     | 1,735,978             | 2,154,342                       | 1,718,692             |
| Amounts receivable from derivative counterparties                                    |             | 10,300,000                    | -                     | 10,200,000                      | -                     |
| Bank balances  | 11          | 12,945,801                    | 7,388,081             | 13,056,299                      | 11,962,924            |
| Total assets   |             | 2,006,030,690                 | 1,589,459,924         | 3,884,269,688                   | 3,268,321,284         |
| Liabilities  |             |                               |                       |                                 |                       |
| Current liabilities  |             |                               |                       |                                 |                       |
| Derivative financial instruments   | 12          | (13,714,924)                  | (176,325)             | (13,921,468)                    | (323,280)             |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | (6,685,597)                   | (3,218,945)           | (27,899,125)                    | (13,389,175)          |
| Amounts payable on redemption  |             | (3,961,629)                   | (1,988,215)           | (5,349,050)                     | (4,065,516)           |
| Amounts payable on funds switching   |             | (10,872,808)                  | (12,758,272)          | (14,882,336)                    | (7,267,118)           |
| Amounts payable to derivative counterparties   |             | -                             | (2,100,000)           | -                               | (4,800,000)           |
| Accruals and other payables  |             | (2,287,031)                   | (1,921,521)           | (4,501,481)                     | (4,007,162)           |
| Total liabilities  |             | (37,521,989)                  | (22,163,278)          | (66,553,460)                    | (33,852,251)          |
| Net assets attributable to members   |             | 1,968,508,701                 | 1,567,296,646         | 3,817,716,228                   | 3,234,469,033         |
| Units in issue   |             | 1,123,663,080                 | 964,001,252           | 1,083,816,871                   | 1,032,841,416         |
| Net asset value per unit   |             | 1.7519                        | 1.6258                | 3.5225                          | 3.1316                |

On behalf of the Trustee  
Bank Consortium Trust Company Limited



Director




Director

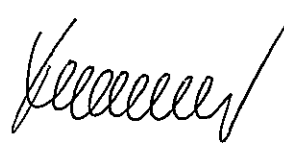
The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  |             | BCT (Pro)         |               | BCT (Pro)              |               |
|--|-------------|-------------------|---------------|------------------------|---------------|
|  |             | Asian Equity Fund |               | Flexi Mixed Asset Fund |               |
|  | <u>Note</u> | <u>2020</u>       | <u>2019</u>   | <u>2020</u>            | <u>2019</u>   |
|  |             | (HK\$)            | (HK\$)        | (HK\$)                 | (HK\$)        |
| Assets   |             |                   |               |                        |               |
| Current assets   |             |                   |               |                        |               |
| Financial assets at fair value through profit or loss                                | 8, 11       | 4,691,607,279     | 3,819,566,506 | 1,338,944,873          | 1,236,612,671 |
| Derivative financial instruments   | 12          | -                 | -             | -                      | -             |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | 13,604,489        | 11,946,214    | 3,797,594              | 6,031,566     |
| Dividends receivable   |             | -                 | -             | -                      | -             |
| Interest receivable from fixed deposits  | 11          | -                 | -             | -                      | -             |
| Amounts receivable on funds switching  |             | 17,787,571        | 10,503,111    | 894,054                | 2,190,118     |
| Amounts receivable on subscription   |             | 1,733,790         | 1,312,014     | 678,248                | 552,361       |
| Amounts receivable from derivative counterparties                                    |             | -                 | -             | -                      | -             |
| Bank balances  | 11          | 34,997            | 38,769        | 1,511,824              | 1,238,480     |
| Total assets   |             | 4,724,768,126     | 3,843,366,614 | 1,345,826,593          | 1,246,625,196 |
| Liabilities  |             |                   |               |                        |               |
| Current liabilities  |             |                   |               |                        |               |
| Derivative financial instruments   | 12          | -                 | -             | -                      | -             |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | (6,469,901)       | (3,278,280)   | -                      | -             |
| Amounts payable on redemption  |             | (7,305,750)       | (6,365,114)   | (2,088,810)            | (1,651,497)   |
| Amounts payable on funds switching   |             | (15,801,655)      | (8,050,927)   | (2,427,641)            | (6,012,166)   |
| Amounts payable to derivative counterparties   |             | -                 | -             | -                      | -             |
| Accruals and other payables  |             | (5,615,904)       | (4,934,511)   | (1,010,931)            | (1,001,806)   |
| Total liabilities  |             | (35,193,210)      | (22,628,832)  | (5,527,382)            | (8,665,469)   |
| Net assets attributable to members   |             | 4,689,574,916     | 3,820,737,782 | 1,340,299,211          | 1,237,959,727 |
| Units in issue   |             | 1,047,690,798     | 1,050,478,733 | 773,645,336            | 772,959,987   |
| Net asset value per unit   |             | 4.4761            | 3.6371        | 1.7324                 | 1.6016        |

On behalf of the Trustee  
Bank Consortium Trust Company Limited

  
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Director

  
.....  
Director

The notes on pages 117 to 240 are an integral part of the financial statements.

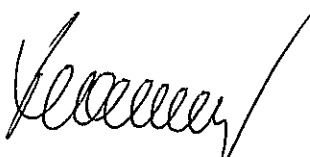
**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  |             | BCT (Pro)                       |               | BCT (Pro)            |             |
|--|-------------|---------------------------------|---------------|----------------------|-------------|
|  |             | China and Hong Kong Equity Fund |               | European Equity Fund |             |
|  | <u>Note</u> | <u>2020</u>                     | <u>2019</u>   | <u>2020</u>          | <u>2019</u> |
|  |             | (HK\$)                          | (HK\$)        | (HK\$)               | (HK\$)      |
| Assets   |             |                                 |               |                      |             |
| Current assets   |             |                                 |               |                      |             |
| Financial assets at fair value through profit or loss                                | 8, 11       | 10,260,686,859                  | 8,596,987,797 | 691,455,713          | 644,720,437 |
| Derivative financial instruments   | 12          | -                               | -             | 591,818              | 763,867     |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | 70,822,291                      | 55,901,488    | 2,834,937            | 6,290,848   |
| Dividends receivable   |             | -                               | -             | -                    | -           |
| Interest receivable from fixed deposits  | 11          | -                               | -             | -                    | -           |
| Amounts receivable on funds switching  |             | 50,107,556                      | 32,741,783    | 6,300,186            | 2,313,664   |
| Amounts receivable on subscription   |             | 3,402,750                       | 3,600,095     | 375,618              | 347,141     |
| Amounts receivable from derivative counterparties                                    |             | -                               | -             | 6,300,000            | -           |
| Bank balances  | 11          | 52,039                          | 55,444        | 11,349,062           | 5,184,359   |
|  |             |                                 |               |                      |             |
| Total assets   |             | 10,385,071,495                  | 8,689,286,607 | 719,207,334          | 659,620,316 |
|  |             |                                 |               |                      |             |
| Liabilities  |             |                                 |               |                      |             |
| Current liabilities  |             |                                 |               |                      |             |
| Derivative financial instruments   | 12          | -                               | -             | (10,174,736)         | (428,218)   |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | (25,919,420)                    | (13,747,442)  | (519,702)            | (560,174)   |
| Amounts payable on redemption  |             | (14,446,601)                    | (12,874,375)  | (794,816)            | (1,955,654) |
| Amounts payable on funds switching   |             | (49,030,042)                    | (41,139,715)  | (2,967,720)          | (5,999,757) |
| Amounts payable to derivative counterparties   |             | -                               | -             | -                    | (100,000)   |
| Accruals and other payables  |             | (11,815,785)                    | (10,654,371)  | (860,722)            | (841,801)   |
|  |             |                                 |               |                      |             |
| Total liabilities  |             | (101,211,848)                   | (78,415,903)  | (15,317,696)         | (9,885,604) |
|  |             |                                 |               |                      |             |
| Net assets attributable to members   |             | 10,283,859,647                  | 8,610,870,704 | 703,889,638          | 649,734,712 |
|  |             |                                 |               |                      |             |
| Units in issue   |             | 7,285,443,226                   | 7,377,247,833 | 538,411,659          | 487,828,841 |
|  |             |                                 |               |                      |             |
| Net asset value per unit   |             | 1.4116                          | 1.1672        | 1.3073               | 1.3319      |

On behalf of the Trustee  
Bank Consortium Trust Company Limited



Director



Director

The notes on pages 117 to 240 are an integral part of the financial statements.



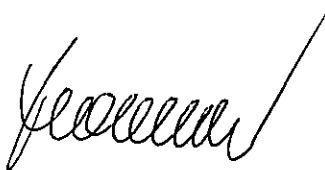
**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  |             | BCT (Pro)<br>E90 Mixed Asset Fund |                       | BCT (Pro)<br>SaveEasy 2020 Fund |                       |
|--|-------------|-----------------------------------|-----------------------|---------------------------------|-----------------------|
|  | <u>Note</u> | <u>2020</u><br>(HK\$)             | <u>2019</u><br>(HK\$) | <u>2020</u><br>(HK\$)           | <u>2019</u><br>(HK\$) |
| Assets   |             |                                   |                       |                                 |                       |
| Current assets   |             |                                   |                       |                                 |                       |
| Financial assets at fair value through profit or loss                                | 8, 11       | 852,648,627                       | 746,983,192           | 492,709,939                     | 447,602,522           |
| Derivative financial instruments   | 12          | 5,582                             | 271,378               | -                               | -                     |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | 7,407,671                         | 5,856,264             | 792,111                         | 1,169,011             |
| Dividends receivable   |             | -                                 | -                     | -                               | -                     |
| Interest receivable from fixed deposits  | 11          | -                                 | -                     | -                               | -                     |
| Amounts receivable on funds switching  |             | 822,336                           | 1,318,627             | 1,324,433                       | 224,769               |
| Amounts receivable on subscription   |             | 418,196                           | 421,589               | 481,553                         | 282,573               |
| Amounts receivable from derivative counterparties                                    |             | -                                 | -                     | -                               | -                     |
| Bank balances  | 11          | 2,793,498                         | 2,155,904             | 1,408,447                       | 1,712,040             |
| Total assets   |             | 864,095,910                       | 757,006,954           | 496,716,483                     | 450,990,915           |
| Liabilities  |             |                                   |                       |                                 |                       |
| Current liabilities  |             |                                   |                       |                                 |                       |
| Derivative financial instruments   | 12          | (764,605)                         | -                     | -                               | -                     |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | (5,968,121)                       | (4,664,948)           | -                               | -                     |
| Amounts payable on redemption  |             | (1,147,172)                       | (1,212,857)           | (772,819)                       | (1,263,368)           |
| Amounts payable on funds switching   |             | (1,046,454)                       | (1,074,344)           | (1,260,056)                     | (1,119,763)           |
| Amounts payable to derivative counterparties   |             | -                                 | -                     | -                               | -                     |
| Accruals and other payables  |             | (991,836)                         | (928,071)             | (288,488)                       | (286,553)             |
| Total liabilities  |             | (9,918,188)                       | (7,880,220)           | (2,321,363)                     | (2,669,684)           |
| Net assets attributable to members   |             | 854,177,722                       | 749,126,734           | 494,395,120                     | 448,321,231           |
| Units in issue   |             | 319,094,681                       | 319,589,652           | 185,444,112                     | 184,612,918           |
| Net asset value per unit   |             | 2.6769                            | 2.3440                | 2.6660                          | 2.4284                |

On behalf of the Trustee  
Bank Consortium Trust Company Limited



Director



Director

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  |             | BCT (Pro)<br>SaveEasy 2025 Fund |                       | BCT (Pro)<br>SaveEasy 2030 Fund |                       |
|--|-------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
|  | <u>Note</u> | <u>2020</u><br>(HK\$)           | <u>2019</u><br>(HK\$) | <u>2020</u><br>(HK\$)           | <u>2019</u><br>(HK\$) |
| <b>Assets</b>  |             |                                 |                       |                                 |                       |
| <b>Current assets</b>  |             |                                 |                       |                                 |                       |
| Financial assets at fair value through profit or loss                                | 8, 11       | 583,315,049                     | 491,347,410           | 709,531,616                     | 581,396,175           |
| Derivative financial instruments   | 12          | -                               | -                     | -                               | -                     |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | 2,196,442                       | 1,317,139             | 796,708                         | 1,156,404             |
| Dividends receivable   |             | -                               | -                     | -                               | -                     |
| Interest receivable from fixed deposits  | 11          | -                               | -                     | -                               | -                     |
| Amounts receivable on funds switching  |             | 1,771,338                       | 1,029,543             | 1,483,426                       | 2,850,277             |
| Amounts receivable on subscription   |             | 205,585                         | 256,084               | 194,773                         | 245,645               |
| Amounts receivable from derivative counterparties                                    |             | -                               | -                     | -                               | -                     |
| Bank balances  | 11          | 942,883                         | 1,150,595             | 1,319,976                       | 1,091,427             |
| <b>Total assets</b>  |             | <b>588,431,297</b>              | <b>495,100,771</b>    | <b>713,326,499</b>              | <b>586,739,928</b>    |
| <b>Liabilities</b>   |             |                                 |                       |                                 |                       |
| <b>Current liabilities</b>   |             |                                 |                       |                                 |                       |
| Derivative financial instruments   | 12          | -                               | -                     | -                               | -                     |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | -                               | -                     | -                               | -                     |
| Amounts payable on redemption  |             | (1,207,261)                     | (787,786)             | (893,677)                       | (387,720)             |
| Amounts payable on funds switching   |             | (1,350,367)                     | (1,274,231)           | (727,416)                       | (1,362,552)           |
| Amounts payable to derivative counterparties   |             | -                               | -                     | -                               | -                     |
| Accruals and other payables  |             | (330,510)                       | (310,555)             | (399,214)                       | (363,847)             |
| <b>Total liabilities</b>   |             | <b>(2,888,138)</b>              | <b>(2,372,572)</b>    | <b>(2,020,307)</b>              | <b>(2,114,119)</b>    |
| <b>Net assets attributable to members</b>  |             | <b>585,543,159</b>              | <b>492,728,199</b>    | <b>711,306,192</b>              | <b>584,625,809</b>    |
| <b>Units in issue</b>  |             | <b>200,702,991</b>              | <b>192,618,932</b>    | <b>242,434,377</b>              | <b>228,356,101</b>    |
| <b>Net asset value per unit</b>  |             | <b>2.9175</b>                   | <b>2.5580</b>         | <b>2.9340</b>                   | <b>2.5601</b>         |

On behalf of the Trustee  
Bank Consortium Trust Company Limited

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Director

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Director

The notes on pages 117 to 240 are an integral part of the financial statements.

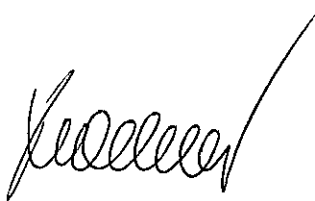
**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  |             | BCT (Pro)<br>SaveEasy 2035 Fund |                       | BCT (Pro)<br>SaveEasy 2040 Fund |                       |
|--|-------------|---------------------------------|-----------------------|---------------------------------|-----------------------|
|  | <u>Note</u> | <u>2020</u><br>(HK\$)           | <u>2019</u><br>(HK\$) | <u>2020</u><br>(HK\$)           | <u>2019</u><br>(HK\$) |
| Assets   |             |                                 |                       |                                 |                       |
| Current assets   |             |                                 |                       |                                 |                       |
| Financial assets at fair value through profit or loss                                | 8, 11       | 670,043,731                     | 543,162,802           | 1,629,286,599                   | 1,295,306,676         |
| Derivative financial instruments   | 12          | -                               | -                     | -                               | -                     |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | 859,462                         | 1,464,184             | 2,857,391                       | 2,433,013             |
| Dividends receivable   |             | -                               | -                     | -                               | -                     |
| Interest receivable from fixed deposits  | 11          | -                               | -                     | -                               | -                     |
| Amounts receivable on funds switching  |             | 2,094,916                       | 236,772               | 4,991,892                       | 3,235,734             |
| Amounts receivable on subscription   |             | 298,253                         | 191,255               | 1,691,942                       | 595,571               |
| Amounts receivable from derivative counterparties                                    |             | -                               | -                     | -                               | -                     |
| Bank balances  | 11          | 2,091,638                       | 841,589               | 2,451,382                       | 1,952,149             |
| Total assets   |             | 675,388,000                     | 545,896,602           | 1,641,279,206                   | 1,303,523,143         |
| Liabilities  |             |                                 |                       |                                 |                       |
| Current liabilities  |             |                                 |                       |                                 |                       |
| Derivative financial instruments   | 12          | -                               | -                     | -                               | -                     |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | -                               | -                     | -                               | -                     |
| Amounts payable on redemption  |             | (731,150)                       | (744,056)             | (2,256,504)                     | (2,177,474)           |
| Amounts payable on funds switching   |             | (1,511,389)                     | (983,973)             | (2,111,125)                     | (1,559,221)           |
| Amounts payable to derivative counterparties   |             | -                               | -                     | -                               | -                     |
| Accruals and other payables  |             | (376,196)                       | (340,316)             | (908,247)                       | (800,412)             |
| Total liabilities  |             | (2,618,735)                     | (2,068,345)           | (5,275,876)                     | (4,537,107)           |
| Net assets attributable to members   |             | 672,769,265                     | 543,828,257           | 1,636,003,330                   | 1,298,986,036         |
| Units in issue   |             | 231,306,671                     | 214,822,701           | 543,646,825                     | 495,790,990           |
| Net asset value per unit   |             | 2.9086                          | 2.5315                | 3.0093                          | 2.6200                |

On behalf of the Trustee  
Bank Consortium Trust Company Limited



Director



Director

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  | <u>Note</u> | BCT (Pro)                     |                      | BCT (Pro)                  |                      |
|--|-------------|-------------------------------|----------------------|----------------------------|----------------------|
|  |             | Hang Seng Index Tracking Fund |                      | Hong Kong Dollar Bond Fund |                      |
|  |             | <u>2020</u>                   | <u>2019</u>          | <u>2020</u>                | <u>2019</u>          |
|  |             | (HK\$)                        | (HK\$)               | (HK\$)                     | (HK\$)               |
| <b>Assets</b>  |             |                               |                      |                            |                      |
| <b>Current assets</b>  |             |                               |                      |                            |                      |
| Financial assets at fair value through profit or loss                                | 8, 11       | 2,989,634,550                 | 2,746,501,833        | 1,510,545,629              | 1,300,223,601        |
| Derivative financial instruments   | 12          | -                             | -                    | -                          | -                    |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | 9,011,803                     | 3,520,624            | 10,980,273                 | 9,772,369            |
| Dividends receivable   |             | -                             | -                    | -                          | -                    |
| Interest receivable from fixed deposits  | 11          | -                             | -                    | -                          | -                    |
| Amounts receivable on funds switching  |             | 20,779,045                    | 29,920,574           | 12,002,252                 | 9,309,001            |
| Amounts receivable on subscription   |             | 1,668,060                     | 2,184,991            | 693,078                    | 565,717              |
| Amounts receivable from derivative counterparties                                    |             | -                             | -                    | -                          | -                    |
| Bank balances  | 11          | 8,473,991                     | 14,283,440           | 4,941,647                  | 3,791,919            |
| <b>Total assets</b>  |             | <u>3,029,567,449</u>          | <u>2,796,411,462</u> | <u>1,539,162,879</u>       | <u>1,323,662,607</u> |
| <b>Liabilities</b>   |             |                               |                      |                            |                      |
| <b>Current liabilities</b>   |             |                               |                      |                            |                      |
| Derivative financial instruments   | 12          | -                             | -                    | -                          | -                    |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | -                             | -                    | -                          | -                    |
| Amounts payable on redemption  |             | (7,726,633)                   | (5,518,212)          | (3,475,893)                | (1,762,952)          |
| Amounts payable on funds switching   |             | (67,072,299)                  | (38,764,452)         | (14,817,990)               | (11,645,525)         |
| Amounts payable to derivative counterparties   |             | -                             | -                    | -                          | -                    |
| Accruals and other payables  |             | (2,151,522)                   | (2,113,708)          | (2,360,162)                | (2,125,913)          |
| <b>Total liabilities</b>   |             | <u>(76,950,454)</u>           | <u>(46,396,372)</u>  | <u>(20,654,045)</u>        | <u>(15,534,390)</u>  |
| <b>Net assets attributable to members</b>  |             | <u>2,952,616,995</u>          | <u>2,750,015,090</u> | <u>1,518,508,834</u>       | <u>1,308,128,217</u> |
| <b>Units in issue</b>  |             | <u>1,796,937,845</u>          | <u>1,648,101,089</u> | <u>1,191,015,836</u>       | <u>1,088,824,288</u> |
| <b>Net asset value per unit</b>  |             | <u>1.6431</u>                 | <u>1.6686</u>        | <u>1.2750</u>              | <u>1.2014</u>        |

On behalf of the Trustee  
Bank Consortium Trust Company Limited

Director

Director

The notes on pages 117 to 240 are an integral part of the financial statements.

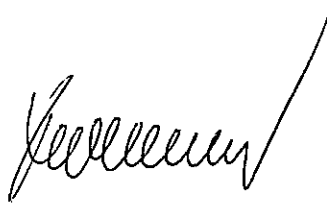
**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  |             | BCT (Pro)<br>World Equity Fund |                       | BCT (Pro)<br>Greater China Equity Fund |                       |
|--|-------------|--------------------------------|-----------------------|--|-----------------------|
|  | <u>Note</u> | <u>2020</u><br>(HK\$)          | <u>2019</u><br>(HK\$) | <u>2020</u><br>(HK\$)                  | <u>2019</u><br>(HK\$) |
| Assets   |             |                                |                       |  |                       |
| Current assets   |             |                                |                       |  |                       |
| Financial assets at fair value through profit or loss                                | 8, 11       | 1,719,217,987                  | 1,159,026,212         | 1,489,450,580                          | 1,046,167,080         |
| Derivative financial instruments   | 12          | 7,948,067                      | 1,476,536             | -                                      | -                     |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | 4,348,628                      | -                     | -                                      | -                     |
| Dividends receivable   |             | 2,572,816                      | 1,992,739             | -                                      | -                     |
| Interest receivable from fixed deposits  | 11          | -                              | -                     | -                                      | -                     |
| Amounts receivable on funds switching  |             | 10,422,945                     | 14,242,248            | 18,516,412                             | 4,697,311             |
| Amounts receivable on subscription   |             | 1,283,425                      | 989,154               | 1,509,013                              | 797,496               |
| Amounts receivable from derivative counterparties                                    |             | -                              | -                     | -                                      | -                     |
| Bank balances  | 11          | 4,022,216                      | 12,221,111            | 8,766,868                              | 6,024,788             |
| Total assets   |             | 1,749,816,084                  | 1,189,948,000         | 1,518,242,873                          | 1,057,686,675         |
| Liabilities  |             |                                |                       |  |                       |
| Current liabilities  |             |                                |                       |  |                       |
| Derivative financial instruments   | 12          | (12,918,443)                   | (768,655)             | -                                      | -                     |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | -                              | (10,622,370)          | (7,268,560)                            | -                     |
| Amounts payable on redemption  |             | (2,349,820)                    | (1,502,245)           | (2,486,613)                            | (1,331,475)           |
| Amounts payable on funds switching   |             | (17,232,707)                   | (3,903,742)           | (10,060,884)                           | (6,138,519)           |
| Amounts payable to derivative counterparties   |             | -                              | -                     | -                                      | -                     |
| Accruals and other payables  |             | (1,292,958)                    | (898,432)             | (985,385)                              | (762,780)             |
| Total liabilities  |             | (33,793,928)                   | (17,695,444)          | (20,801,442)                           | (8,232,774)           |
| Net assets attributable to members   |             | 1,716,022,156                  | 1,172,252,556         | 1,497,441,431                          | 1,049,453,901         |
| Units in issue   |             | 808,577,799                    | 612,789,078           | 773,980,374                            | 625,059,535           |
| Net asset value per unit   |             | 2.1223                         | 1.9130                | 1.9347                                 | 1.6790                |

On behalf of the Trustee  
Bank Consortium Trust Company Limited



Director



Director

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  |       | BCT (Pro)     |             | BCT (Pro)              |             |
|--|-------|---------------|-------------|------------------------|-------------|
|  |       | RMB Bond Fund |             | Core Accumulation Fund |             |
|  | Note  | 2020          | 2019        | 2020                   | 2019        |
|  |       | (HK\$)        | (HK\$)      | (HK\$)                 | (HK\$)      |
| Assets   |       |               |             |                        |             |
| Current assets   |       |               |             |                        |             |
| Financial assets at fair value through profit or loss                                | 8, 11 | 785,132,220   | 630,920,027 | 1,412,552,387          | 936,250,030 |
| Derivative financial instruments   | 12    | -             | -           | -                      | -           |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |       | 5,644,599     | 3,385,574   | 10,625,862             | 7,090,835   |
| Dividends receivable   |       | -             | -           | -                      | -           |
| Interest receivable from fixed deposits  | 11    | -             | -           | -                      | -           |
| Amounts receivable on funds switching  |       | 7,131,811     | 3,647,526   | 7,631,041              | 6,767,669   |
| Amounts receivable on subscription   |       | 593,880       | 734,265     | 1,846,326              | 935,642     |
| Amounts receivable from derivative counterparties                                    |       | -             | -           | -                      | -           |
| Bank balances  | 11    | 896,265       | 707,828     | 1,625,945              | 940,862     |
| Total assets   |       | 799,398,775   | 639,395,220 | 1,434,281,561          | 951,985,038 |
| Liabilities  |       |               |             |                        |             |
| Current liabilities  |       |               |             |                        |             |
| Derivative financial instruments   | 12    | (1,869,281)   | (1,305,724) | -                      | -           |
| Amounts payable on purchase of financial assets at fair value through profit or loss |       | -             | -           | -                      | -           |
| Amounts payable on redemption  |       | (1,938,805)   | (1,604,026) | (2,322,272)            | (1,739,211) |
| Amounts payable on funds switching   |       | (5,423,488)   | (2,707,421) | (9,807,864)            | (5,559,951) |
| Amounts payable to derivative counterparties   |       | -             | -           | -                      | -           |
| Accruals and other payables  |       | (777,896)     | (673,009)   | (787,785)              | (566,922)   |
| Total liabilities  |       | (10,009,470)  | (6,290,180) | (12,917,921)           | (7,866,084) |
| Net assets attributable to members   |       | 789,389,305   | 633,105,040 | 1,421,363,640          | 944,118,954 |
| Units in issue   |       | 757,777,356   | 645,716,698 | 1,069,869,456          | 799,682,572 |
| Net asset value per unit   |       | 1.0417        | 0.9805      | 1.3285                 | 1.1806      |

On behalf of the Trustee  
Bank Consortium Trust Company Limited

Director

Director

The notes on pages 117 to 240 are an integral part of the financial statements.

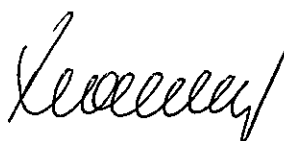
**BCT (MPF) PRO CHOICE**  
**STATEMENT OF NET ASSETS - CONSTITUENT FUNDS**  
**AS AT 31 DECEMBER 2020**

|  | <u>Note</u> | BCT (Pro)          |                    | Total                 |                       |
|--|-------------|--------------------|--------------------|-----------------------|-----------------------|
|  |             | Age 65 Plus Fund   |                    |                       |                       |
|  |             | <u>2020</u>        | <u>2019</u>        | <u>2020</u>           | <u>2019</u>           |
|  |             | (HK\$)             | (HK\$)             | (HK\$)                | (HK\$)                |
| <b>Assets</b>  |             |                    |                    |                       |                       |
| <b>Current assets</b>  |             |                    |                    |                       |                       |
| Financial assets at fair value through profit or loss                                | 8, 11       | 670,392,186        | 385,818,896        | 59,416,797,270        | 51,207,809,064        |
| Derivative financial instruments   | 12          | -                  | -                  | 8,927,728             | 23,917,193            |
| Amounts receivable on sale of financial assets at fair value through profit or loss  |             | 5,400,809          | 5,077,696          | 316,929,111           | 268,252,457           |
| Dividends receivable   |             | -                  | -                  | 2,572,816             | 1,992,739             |
| Interest receivable from fixed deposits  | 11          | -                  | -                  | 5,394,782             | 22,277,179            |
| Amounts receivable on funds switching  |             | 8,613,176          | 7,502,053          | 324,462,872           | 232,030,727           |
| Amounts receivable on subscription   |             | 1,301,965          | 360,403            | 27,385,232            | 23,366,919            |
| Amounts receivable from derivative counterparties                                    |             | -                  | -                  | 59,200,000            | -                     |
| Bank balances  | 11          | 920,784            | 516,862            | 278,877,167           | 315,728,687           |
| <b>Total assets</b>  |             | <u>686,628,920</u> | <u>399,275,910</u> | <u>60,440,546,978</u> | <u>52,095,374,965</u> |
| <b>Liabilities</b>   |             |                    |                    |                       |                       |
| <b>Current liabilities</b>   |             |                    |                    |                       |                       |
| Derivative financial instruments   | 12          | -                  | -                  | (93,347,798)          | (3,863,747)           |
| Amounts payable on purchase of financial assets at fair value through profit or loss |             | -                  | -                  | (169,758,551)         | (147,386,271)         |
| Amounts payable on redemption  |             | (1,122,550)        | (563,498)          | (98,059,917)          | (82,843,874)          |
| Amounts payable on funds switching   |             | (4,342,206)        | (4,584,724)        | (324,462,867)         | (232,030,727)         |
| Amounts payable to derivative counterparties   |             | -                  | -                  | -                     | (24,900,000)          |
| Accruals and other payables  |             | (376,341)          | (239,739)          | (59,311,319)          | (56,776,741)          |
| <b>Total liabilities</b>   |             | <u>(5,841,097)</u> | <u>(5,387,961)</u> | <u>(744,940,452)</u>  | <u>(547,801,360)</u>  |
| <b>Net assets attributable to members</b>  |             | <u>680,787,823</u> | <u>393,887,949</u> | <u>59,695,606,526</u> | <u>51,547,573,605</u> |
| <b>Units in issue</b>  |             | <u>562,511,955</u> | <u>356,555,114</u> |                       |                       |
| <b>Net asset value per unit</b>  |             | <u>1.2103</u>      | <u>1.1047</u>      |                       |                       |

On behalf of the Trustee  
Bank Consortium Trust Company Limited



Director



Director

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  |      | BCT (Pro)             |              | BCT (Pro)            |              | BCT (Pro)            |              |
|--|------|-----------------------|--------------|----------------------|--------------|----------------------|--------------|
|  |      | MPF Conservative Fund |              | E30 Mixed Asset Fund |              | E50 Mixed Asset Fund |              |
|  | Note | 2020                  | 2019         | 2020                 | 2019         | 2020                 | 2019         |
|  |      | (HK\$)                | (HK\$)       | (HK\$)               | (HK\$)       | (HK\$)               | (HK\$)       |
| Investment income  |      |                       |              |                      |              |                      |              |
| Dividends from equities  |      | -                     | -            | -                    | -            | -                    | -            |
| Bank interest  | 11   | 1,145,332             | 638,928      | 81,582               | 191,320      | 68,564               | 165,244      |
| Interest income from fixed deposits  | 11   | 96,677,977            | 125,034,820  | -                    | -            | -                    | -            |
| Other income   | 11   | -                     | -            | 316,733              | 37,158       | 555,143              | 76,256       |
| Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments       |      | 45,829,430            | 39,134,431   | 46,556,000           | 12,116,076   | 47,436,021           | 5,543,668    |
| Change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments |      | (13,425,868)          | (589)        | 272,726,561          | 254,834,067  | 363,224,474          | 368,510,981  |
| Change in unrealised gain/loss on foreign exchange   |      | -                     | -            | (150)                | (20)         | (259)                | (67)         |
| Total investment income  |      | 130,226,871           | 164,807,590  | 319,680,726          | 267,178,601  | 411,283,943          | 374,296,082  |
| Expenses   |      |                       |              |                      |              |                      |              |
| Investment management fees   | 4(a) | (23,636,669)          | (23,705,015) | (14,598,334)         | (14,598,867) | (16,544,075)         | (16,516,116) |
| Trustee, administration and custodian fees   | 4(b) | (34,667,115)          | (35,261,602) | (15,721,283)         | (16,027,596) | (17,816,696)         | (18,127,301) |
| Sponsor fees   | 4(b) | (11,030,446)          | (10,568,094) | (6,737,693)          | (6,432,199)  | (7,635,727)          | (7,282,109)  |
| Sub-custodian fees   |      | (19,222)              | (19,272)     | (10,353)             | (5,859)      | (9,795)              | (5,398)      |
| Safe custody and bank charges  |      | (190,486)             | (187,649)    | (32,478)             | (41,763)     | (27,411)             | (35,351)     |
| Legal and other professional fees  |      | (35,466)              | (90,950)     | (12,088)             | (32,769)     | (13,770)             | (37,164)     |
| Auditor's remuneration   |      | (325,766)             | (310,463)    | (108,229)            | (110,275)    | (122,655)            | (124,748)    |
| Professional indemnity insurance   |      | (63,528)              | (58,585)     | (21,100)             | (20,813)     | (23,909)             | (23,541)     |
| Miscellaneous expenses   |      | (1,271,392)           | (1,719,969)  | (416,847)            | (621,584)    | (468,285)            | (700,204)    |
| Total operating expenses   |      | (71,240,090)          | (71,921,599) | (37,658,405)         | (37,891,725) | (42,662,323)         | (42,851,932) |
| Profit/(loss) before tax   |      | 58,986,781            | 92,885,991   | 282,022,321          | 229,286,876  | 368,621,620          | 331,444,150  |
| Withholding tax  |      | -                     | -            | -                    | -            | -                    | -            |
| Total comprehensive income   |      | 58,986,781            | 92,885,991   | 282,022,321          | 229,286,876  | 368,621,620          | 331,444,150  |

The notes on pages 117 to 240 are an integral part of the financial statements.



**BCT (MPF) PRO CHOICE**  
**STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  |      | BCT (Pro)<br>E70 Mixed Asset Fund |                | BCT (Pro)<br>Global Bond Fund |                | BCT (Pro)<br>Global Equity Fund |                |
|--|------|-----------------------------------|----------------|-------------------------------|----------------|---------------------------------|----------------|
|  | Note | 2020<br>(HK\$)                    | 2019<br>(HK\$) | 2020<br>(HK\$)                | 2019<br>(HK\$) | 2020<br>(HK\$)                  | 2019<br>(HK\$) |
| Investment income  |      |                                   |                |                               |                |                                 |                |
| Dividends from equities  |      | -                                 | -              | -                             | -              | -                               | -              |
| Bank interest  | 11   | 75,587                            | 179,004        | 47,937                        | 101,106        | 66,115                          | 144,579        |
| Interest income from fixed deposits  | 11   | -                                 | -              | -                             | -              | -                               | -              |
| Other income   | 11   | 1,411,415                         | 153,609        | -                             | -              | -                               | -              |
| Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments       |      | 48,921,867                        | (5,239,198)    | 47,265,050                    | 19,351,623     | 37,526,691                      | (3,431,883)    |
| Change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments |      | 742,683,916                       | 790,302,590    | 105,093,816                   | 60,864,191     | 436,604,181                     | 586,501,160    |
| Change in unrealised gain/loss on foreign exchange   |      | (650)                             | (120)          | -                             | -              | -                               | -              |
| Total investment income  |      | 793,092,135                       | 785,395,885    | 152,406,803                   | 80,316,920     | 474,196,987                     | 583,213,856    |
| Expenses   |      |                                   |                |                               |                |                                 |                |
| Investment management fees   | 4(a) | (28,695,581)                      | (29,025,857)   | (8,415,879)                   | (6,753,870)    | (16,508,354)                    | (14,930,271)   |
| Trustee, administration and custodian fees   | 4(b) | (30,902,933)                      | (31,856,516)   | (9,818,525)                   | (8,016,708)    | (17,778,227)                    | (16,368,472)   |
| Sponsor fees   | 4(b) | (13,244,114)                      | (12,798,647)   | (4,207,939)                   | (3,239,741)    | (7,619,240)                     | (6,601,177)    |
| Sub-custodian fees   |      | (10,400)                          | (24,960)       | (9,217)                       | (5,305)        | (10,618)                        | (6,057)        |
| Safe custody and bank charges  |      | (32,680)                          | (43,162)       | (23,617)                      | (27,298)       | (33,824)                        | (36,571)       |
| Legal and other professional fees  |      | (23,949)                          | (65,832)       | (7,017)                       | (15,275)       | (13,376)                        | (32,945)       |
| Auditor's remuneration   |      | (212,796)                         | (219,215)      | (67,618)                      | (55,234)       | (122,433)                       | (112,782)      |
| Professional indemnity insurance   |      | (41,468)                          | (41,368)       | (13,177)                      | (10,420)       | (23,844)                        | (21,264)       |
| Miscellaneous expenses   |      | (794,785)                         | (1,220,491)    | (262,415)                     | (309,177)      | (459,968)                       | (623,971)      |
| Total operating expenses   |      | (73,958,706)                      | (75,296,048)   | (22,825,404)                  | (18,433,028)   | (42,569,884)                    | (38,733,510)   |
| Profit/(loss) before tax   |      | 719,133,429                       | 710,099,837    | 129,581,399                   | 61,883,892     | 431,627,103                     | 544,480,346    |
| Withholding tax  |      | -                                 | -              | -                             | -              | -                               | -              |
| Total comprehensive income   |      | 719,133,429                       | 710,099,837    | 129,581,399                   | 61,883,892     | 431,627,103                     | 544,480,346    |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  |      | BCT (Pro)         |              | BCT (Pro)              |             | BCT (Pro)                       |               |
|--|------|-------------------|--------------|------------------------|-------------|---------------------------------|---------------|
|  |      | Asian Equity Fund |              | Flexi Mixed Asset Fund |             | China and Hong Kong Equity Fund |               |
|  | Note | 2020              | 2019         | 2020                   | 2019        | 2020                            | 2019          |
|  |      | (HK\$)            | (HK\$)       | (HK\$)                 | (HK\$)      | (HK\$)                          | (HK\$)        |
| Investment income  |      |                   |              |                        |             |                                 |               |
| Dividends from equities  |      | -                 | -            | -                      | -           | -                               | -             |
| Bank interest  | 11   | 158               | 102          | 3,201                  | 2,991       | 525                             | 143           |
| Interest income from fixed deposits  | 11   | -                 | -            | -                      | -           | -                               | -             |
| Other income   | 11   | -                 | -            | -                      | -           | -                               | -             |
| Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments       |      | (1,876,017)       | (37,788,520) | 26,236,462             | 18,442,122  | 137,077,348                     | (110,051,234) |
| Change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments |      | 911,946,306       | 542,004,906  | 81,052,795             | 88,303,788  | 1,764,051,438                   | 1,410,726,028 |
| Change in unrealised gain/loss on foreign exchange   |      | -                 | -            | -                      | -           | -                               | -             |
| Total investment income  |      | 910,070,447       | 504,216,488  | 107,292,458            | 106,748,901 | 1,901,129,311                   | 1,300,674,937 |
| Expenses   |      |                   |              |                        |             |                                 |               |
| Investment management fees   | 4(a) | (21,534,051)      | (20,697,326) | -                      | -           | (44,147,496)                    | (42,325,977)  |
| Trustee, administration and custodian fees   | 4(b) | (20,791,497)      | (20,353,047) | (6,927,586)            | (6,750,028) | (48,475,682)                    | (47,334,378)  |
| Sponsor fees   | 4(b) | (8,910,642)       | (8,194,988)  | (2,968,965)            | (2,712,548) | (20,775,292)                    | (19,059,311)  |
| Sub-custodian fees   |      | (2,425)           | (2,436)      | -                      | -           | (2,425)                         | (2,436)       |
| Safe custody and bank charges  |      | (2,558)           | (4,646)      | (6,823)                | (8,722)     | (3,963)                         | (6,326)       |
| Legal and other professional fees  |      | (15,620)          | (42,423)     | (5,284)                | (13,658)    | (35,503)                        | (99,910)      |
| Auditor's remuneration   |      | (143,378)         | (140,143)    | (47,702)               | (46,475)    | (333,917)                       | (325,653)     |
| Professional indemnity insurance   |      | (27,911)          | (26,438)     | (9,298)                | (8,767)     | (65,035)                        | (61,487)      |
| Miscellaneous expenses   |      | (520,463)         | (778,878)    | (186,882)              | (263,923)   | (1,224,993)                     | (1,807,125)   |
| Total operating expenses   |      | (51,948,545)      | (50,240,325) | (10,152,540)           | (9,804,121) | (115,064,306)                   | (111,022,603) |
| Profit/(loss) before tax   |      | 858,121,902       | 453,976,163  | 97,139,918             | 96,944,780  | 1,786,065,005                   | 1,189,652,334 |
| Withholding tax  |      | -                 | -            | -                      | -           | -                               | -             |
| Total comprehensive income   |      | 858,121,902       | 453,976,163  | 97,139,918             | 96,944,780  | 1,786,065,005                   | 1,189,652,334 |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  |      | BCT (Pro)<br>European Equity Fund |                | BCT (Pro)<br>E90 Mixed Asset Fund |                | BCT (Pro)<br>SaveEasy 2020 Fund |                |
|--|------|-----------------------------------|----------------|-----------------------------------|----------------|---------------------------------|----------------|
|  | Note | 2020<br>(HK\$)                    | 2019<br>(HK\$) | 2020<br>(HK\$)                    | 2019<br>(HK\$) | 2020<br>(HK\$)                  | 2019<br>(HK\$) |
| Investment income  |      |                                   |                |                                   |                |                                 |                |
| Dividends from equities  |      | -                                 | -              | -                                 | -              | -                               | -              |
| Bank interest  | 11   | 39,621                            | 96,502         | 11,436                            | 29,010         | 2,835                           | 2,274          |
| Interest income from fixed deposits  | 11   | -                                 | -              | -                                 | -              | -                               | -              |
| Other income   | 11   | -                                 | -              | -                                 | -              | -                               | 52,033         |
| Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments       |      | (43,997,000)                      | (13,874,359)   | 2,428,840                         | (4,610,971)    | 22,697,340                      | 15,906,214     |
| Change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments |      | 48,727,339                        | 113,801,897    | 112,365,944                       | 117,112,817    | 23,192,166                      | 37,474,783     |
| Change in unrealised gain/loss on foreign exchange   |      | -                                 | -              | -                                 | -              | -                               | -              |
| Total investment income  |      | 4,769,960                         | 100,024,040    | 114,806,220                       | 112,530,856    | 45,892,341                      | 53,435,304     |
| Expenses   |      |                                   |                |                                   |                |                                 |                |
| Investment management fees   | 4(a) | (3,427,295)                       | (3,315,590)    | (3,762,726)                       | (3,609,659)    | -                               | -              |
| Trustee, administration and custodian fees   | 4(b) | (3,309,113)                       | (3,261,065)    | (4,052,166)                       | (3,958,599)    | (2,103,412)                     | (2,018,447)    |
| Sponsor fees   | 4(b) | (1,418,191)                       | (1,312,163)    | (1,736,643)                       | (1,594,723)    | (640,169)                       | (565,164)      |
| Sub-custodian fees   |      | (8,151)                           | (4,882)        | (3,867)                           | (3,184)        | -                               | -              |
| Safe custody and bank charges  |      | (14,088)                          | (26,482)       | (1,793)                           | (3,630)        | (2,627)                         | (4,515)        |
| Legal and other professional fees  |      | (2,647)                           | (6,524)        | (3,090)                           | (8,155)        | (1,923)                         | (4,834)        |
| Auditor's remuneration   |      | (22,801)                          | (22,484)       | (27,910)                          | (27,255)       | (17,628)                        | (16,522)       |
| Professional indemnity insurance   |      | (4,441)                           | (4,235)        | (5,436)                           | (5,142)        | (3,437)                         | (3,118)        |
| Miscellaneous expenses   |      | (95,914)                          | (135,861)      | (111,042)                         | (158,595)      | (74,667)                        | (99,426)       |
| Total operating expenses   |      | (8,302,641)                       | (8,089,286)    | (9,704,673)                       | (9,368,942)    | (2,843,863)                     | (2,712,026)    |
| Profit/(loss) before tax   |      | (3,532,681)                       | 91,934,754     | 105,101,547                       | 103,161,914    | 43,048,478                      | 50,723,278     |
| Withholding tax  |      | -                                 | -              | -                                 | -              | -                               | -              |
| Total comprehensive income   |      | (3,532,681)                       | 91,934,754     | 105,101,547                       | 103,161,914    | 43,048,478                      | 50,723,278     |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  |      | BCT (Pro)<br>SaveEasy 2025 Fund |                | BCT (Pro)<br>SaveEasy 2030 Fund |                | BCT (Pro)<br>SaveEasy 2035 Fund |                |
|--|------|---------------------------------|----------------|---------------------------------|----------------|---------------------------------|----------------|
|  | Note | 2020<br>(HK\$)                  | 2019<br>(HK\$) | 2020<br>(HK\$)                  | 2019<br>(HK\$) | 2020<br>(HK\$)                  | 2019<br>(HK\$) |
| Investment income  |      |                                 |                |                                 |                |                                 |                |
| Dividends from equities  |      | -                               | -              | -                               | -              | -                               | -              |
| Bank interest  | 11   | 2,491                           | 1,857          | 2,967                           | 2,104          | 2,622                           | 2,098          |
| Interest income from fixed deposits  | 11   | -                               | -              | -                               | -              | -                               | -              |
| Other income   | 11   | -                               | 52,025         | -                               | 60,476         | -                               | 57,114         |
| Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments       |      | 18,027,033                      | 12,111,463     | 20,061,200                      | 12,271,658     | 17,796,365                      | 12,666,971     |
| Change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments |      | 55,764,782                      | 66,786,081     | 73,125,356                      | 85,432,119     | 71,760,477                      | 81,555,106     |
| Change in unrealised gain/loss on foreign exchange   |      | -                               | -              | -                               | -              | -                               | -              |
| Total investment income  |      | 73,794,306                      | 78,951,426     | 93,189,523                      | 97,766,357     | 89,559,464                      | 94,281,289     |
| Expenses   |      |                                 |                |                                 |                |                                 |                |
| Investment management fees   | 4(a) | -                               | -              | -                               | -              | -                               | -              |
| Trustee, administration and custodian fees   | 4(b) | (2,265,199)                     | (2,092,678)    | (2,699,812)                     | (2,452,702)    | (2,517,178)                     | (2,318,986)    |
| Sponsor fees   | 4(b) | (689,408)                       | (587,763)      | (821,682)                       | (689,353)      | (766,098)                       | (651,832)      |
| Sub-custodian fees   |      | -                               | -              | -                               | -              | -                               | -              |
| Safe custody and bank charges  |      | (2,635)                         | (4,520)        | (2,662)                         | (4,547)        | (2,652)                         | (4,539)        |
| Legal and other professional fees  |      | (2,055)                         | (4,985)        | (2,432)                         | (5,870)        | (2,262)                         | (5,580)        |
| Auditor's remuneration   |      | (19,003)                        | (17,157)       | (22,648)                        | (20,113)       | (21,119)                        | (19,011)       |
| Professional indemnity insurance   |      | (3,701)                         | (3,235)        | (4,410)                         | (3,793)        | (4,112)                         | (3,587)        |
| Miscellaneous expenses   |      | (79,105)                        | (102,298)      | (92,812)                        | (118,462)      | (86,411)                        | (112,632)      |
| Total operating expenses   |      | (3,061,106)                     | (2,812,636)    | (3,646,458)                     | (3,294,840)    | (3,399,832)                     | (3,116,167)    |
| Profit/(loss) before tax   |      | 70,733,200                      | 76,138,790     | 89,543,065                      | 94,471,517     | 86,159,632                      | 91,165,122     |
| Withholding tax  |      | -                               | -              | -                               | -              | -                               | -              |
| Total comprehensive income   |      | 70,733,200                      | 76,138,790     | 89,543,065                      | 94,471,517     | 86,159,632                      | 91,165,122     |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | Note | BCT (Pro)          |             | BCT (Pro)                     |              | BCT (Pro)                  |              |
|--|------|--------------------|-------------|-------------------------------|--------------|----------------------------|--------------|
|  |      | SaveEasy 2040 Fund |             | Hang Seng Index Tracking Fund |              | Hong Kong Dollar Bond Fund |              |
|  |      | 2020               | 2019        | 2020                          | 2019         | 2020                       | 2019         |
|  |      | (HK\$)             | (HK\$)      | (HK\$)                        | (HK\$)       | (HK\$)                     | (HK\$)       |
| Investment income  |      |                    |             |                               |              |                            |              |
| Dividends from equities  |      | -                  | -           | 84,857,393                    | 85,764,056   | -                          | -            |
| Bank interest  | 11   | 7,063              | 4,662       | 32,194                        | 29,437       | 14,260                     | 9,122        |
| Interest income from fixed deposits  | 11   | -                  | -           | -                             | -            | -                          | -            |
| Other income   | 11   | -                  | 129,579     | -                             | -            | -                          | 63,256       |
| Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments       |      | 40,471,387         | 23,404,138  | 3,082,425                     | 27,906,691   | 57,207,778                 | 25,485,212   |
| Change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments |      | 174,400,234        | 196,263,791 | (65,882,258)                  | 190,515,979  | 38,348,667                 | 20,909,450   |
| Change in unrealised gain/loss on foreign exchange   |      | -                  | -           | -                             | -            | -                          | -            |
| Total investment income  |      | 214,878,684        | 219,802,170 | 22,089,754                    | 304,216,163  | 95,570,705                 | 46,467,040   |
| Expenses   |      |                    |             |                               |              |                            |              |
| Investment management fees   | 4(a) | -                  | -           | -                             | -            | (5,668,137)                | (4,940,119)  |
| Trustee, administration and custodian fees   | 4(b) | (6,070,026)        | (5,352,533) | (15,589,946)                  | (14,322,939) | (6,093,248)                | (5,442,006)  |
| Sponsor fees   | 4(b) | (1,847,399)        | (1,506,641) | (3,897,486)                   | (3,398,052)  | (1,983,848)                | (1,660,919)  |
| Sub-custodian fees   |      | -                  | -           | (112,647)                     | (81,745)     | -                          | -            |
| Safe custody and bank charges  |      | (2,871)            | (4,758)     | (68,056)                      | (59,062)     | (6,876)                    | (8,737)      |
| Legal and other professional fees  |      | (5,424)            | (12,688)    | (11,575)                      | (29,212)     | (5,772)                    | (13,666)     |
| Auditor's remuneration   |      | (50,942)           | (43,924)    | (107,452)                     | (99,352)     | (54,691)                   | (48,409)     |
| Professional indemnity insurance   |      | (9,917)            | (8,282)     | (20,952)                      | (18,750)     | (10,662)                   | (9,147)      |
| Miscellaneous expenses   |      | (199,948)          | (247,636)   | (1,129,826)                   | (1,185,830)  | (223,315)                  | (273,967)    |
| Total operating expenses   |      | (8,186,527)        | (7,176,462) | (20,937,940)                  | (19,194,942) | (14,046,549)               | (12,396,970) |
| Profit/(loss) before tax   |      | 206,692,157        | 212,625,708 | 1,151,814                     | 285,021,221  | 81,524,156                 | 34,070,070   |
| Withholding tax  |      | -                  | -           | -                             | -            | -                          | -            |
| Total comprehensive income   |      | 206,692,157        | 212,625,708 | 1,151,814                     | 285,021,221  | 81,524,156                 | 34,070,070   |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  |             | BCT (Pro)         |             | BCT (Pro)                 |             | BCT (Pro)     |             |
|--|-------------|-------------------|-------------|---------------------------|-------------|---------------|-------------|
|  |             | World Equity Fund |             | Greater China Equity Fund |             | RMB Bond Fund |             |
|  | <u>Note</u> | <u>2020</u>       | <u>2019</u> | <u>2020</u>               | <u>2019</u> | <u>2020</u>   | <u>2019</u> |
|  |             | (HK\$)            | (HK\$)      | (HK\$)                    | (HK\$)      | (HK\$)        | (HK\$)      |
| Investment income  |             |                   |             |                           |             |               |             |
| Dividends from equities  |             | 26,773,255        | 23,800,014  | 7,313,805                 | 6,287,994   | -             | -           |
| Bank interest  | 11          | 16,956            | 13,695      | 13,978                    | 10,699      | 2,094         | 1,780       |
| Interest income from fixed deposits  | 11          | -                 | -           | -                         | -           | -             | -           |
| Other income   | 11          | -                 | -           | -                         | 30,404      | -             | 47,632      |
| Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments       |             | 32,515,685        | (716,919)   | 4,143,710                 | 2,751,394   | (8,291,830)   | 12,658,902  |
| Change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments |             | 148,539,335       | 164,044,205 | 186,023,484               | 130,627,577 | 57,684,627    | 2,028,088   |
| Change in unrealised gain/loss on foreign exchange   |             | (794,525)         | (133,322)   | -                         | -           | -             | -           |
| Total investment income  |             | 207,050,706       | 187,007,673 | 197,494,977               | 139,708,068 | 49,394,891    | 14,736,402  |
| Expenses   |             |                   |             |                           |             |               |             |
| Investment management fees   | 4(a)        | -                 | -           | -                         | -           | (3,002,665)   | (2,770,864) |
| Trustee, administration and custodian fees   | 4(b)        | (7,566,932)       | (4,967,471) | (6,550,089)               | (5,511,275) | (3,236,205)   | (3,072,113) |
| Sponsor fees   | 4(b)        | (3,242,971)       | (2,023,480) | (1,581,056)               | (1,256,919) | (934,162)     | (823,941)   |
| Sub-custodian fees   |             | (49,033)          | (42,735)    | (42,981)                  | (28,837)    | -             | -           |
| Safe custody and bank charges  |             | (196,151)         | (44,791)    | (38,361)                  | (35,723)    | (3,385)       | (5,817)     |
| Legal and other professional fees  |             | (5,108)           | (9,191)     | (4,355)                   | (11,004)    | (2,725)       | (7,200)     |
| Auditor's remuneration   |             | (52,141)          | (34,332)    | (43,654)                  | (36,747)    | (25,811)      | (24,185)    |
| Professional indemnity insurance   |             | (10,148)          | (6,461)     | (8,495)                   | (6,930)     | (5,027)       | (4,565)     |
| Miscellaneous expenses   |             | (214,334)         | (196,240)   | (171,782)                 | (214,341)   | (106,309)     | (146,400)   |
| Total operating expenses   |             | (11,336,818)      | (7,324,701) | (8,440,773)               | (7,101,776) | (7,316,289)   | (6,855,085) |
| Profit/(loss) before tax   |             | 195,713,888       | 179,682,972 | 189,054,204               | 132,606,292 | 42,078,602    | 7,881,317   |
| Withholding tax  |             | (5,261,043)       | (4,299,953) | -                         | -           | -             | -           |
| Total comprehensive income   |             | 190,452,845       | 175,383,019 | 189,054,204               | 132,606,292 | 42,078,602    | 7,881,317   |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF COMPREHENSIVE INCOME - CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  |      | BCT (Pro)              |             | BCT (Pro)        |             | Total         |               |
|--|------|------------------------|-------------|------------------|-------------|---------------|---------------|
|  | Note | Core Accumulation Fund |             | Age 65 Plus Fund |             |               |               |
|  |      | 2020                   | 2019        | 2020             | 2019        | 2020          | 2019          |
|  |      | (HK\$)                 | (HK\$)      | (HK\$)           | (HK\$)      | (HK\$)        | (HK\$)        |
| Investment income  |      |                        |             |                  |             |               |               |
| Dividends from equities  |      | -                      | -           | -                | -           | 118,944,453   | 115,852,064   |
| Bank interest  | 11   | 3,413                  | 2,116       | 1,827            | 1,002       | 1,642,758     | 1,629,775     |
| Interest income from fixed deposits  | 11   | -                      | -           | -                | -           | 96,677,977    | 125,034,820   |
| Other income   | 11   | -                      | -           | -                | -           | 2,283,291     | 759,542       |
| Net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments       |      | 28,083,576             | 9,954,427   | 18,796,138       | 8,047,008   | 647,995,499   | 82,038,914    |
| Change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments |      | 128,652,234            | 97,698,756  | 31,762,388       | 18,158,777  | 5,748,422,394 | 5,424,456,548 |
| Change in unrealised gain/loss on foreign exchange   |      | -                      | -           | -                | -           | (795,584)     | (133,529)     |
| Total investment income  |      | 156,739,223            | 107,655,299 | 50,560,353       | 26,206,787  | 6,615,170,788 | 5,749,638,134 |
| Expenses   |      |                        |             |                  |             |               |               |
| Investment management fees   | 4(a) | -                      | -           | -                | -           | (189,941,262) | (183,189,531) |
| Trustee, administration and custodian fees   | 4(b) | (6,482,598)            | (4,315,393) | (3,017,685)      | (1,831,067) | (274,453,153) | (261,012,922) |
| Sponsor fees   | 4(b) | -                      | -           | -                | -           | (102,689,171) | (92,959,764)  |
| Sub-custodian fees   |      | -                      | -           | -                | -           | (291,134)     | (233,106)     |
| Safe custody and bank charges  |      | (3,463)                | (5,272)     | (3,297)          | (5,129)     | (702,757)     | (609,010)     |
| Legal and other professional fees  |      | (4,141)                | (7,714)     | (1,817)          | (3,174)     | (217,399)     | (560,723)     |
| Auditor's remuneration   |      | (42,675)               | (28,891)    | (19,835)         | (12,219)    | (2,012,804)   | (1,895,589)   |
| Professional indemnity insurance   |      | (8,305)                | (5,441)     | (3,859)          | (2,303)     | (392,172)     | (357,672)     |
| Miscellaneous expenses   |      | (170,381)              | (163,347)   | (82,054)         | (74,154)    | (8,443,930)   | (11,274,511)  |
| Total operating expenses   |      | (6,711,563)            | (4,526,058) | (3,128,547)      | (1,928,046) | (579,143,782) | (552,092,828) |
| Profit/(loss) before tax   |      | 150,027,660            | 103,129,241 | 47,431,806       | 24,278,741  | 6,036,027,006 | 5,197,545,306 |
| Withholding tax  |      | -                      | -           | -                | -           | (5,261,043)   | (4,299,953)   |
| Total comprehensive income   |      | 150,027,660            | 103,129,241 | 47,431,806       | 24,278,741  | 6,030,765,963 | 5,193,245,353 |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS**  
**- CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | BCT (Pro)<br>MPF Conservative Fund |                 | BCT (Pro)<br>E30 Mixed Asset Fund |                | BCT (Pro)<br>E50 Mixed Asset Fund |                |
|--|------------------------------------|-----------------|-----------------------------------|----------------|-----------------------------------|----------------|
|  | 2020<br>(HK\$)                     | 2019<br>(HK\$)  | 2020<br>(HK\$)                    | 2019<br>(HK\$) | 2020<br>(HK\$)                    | 2019<br>(HK\$) |
| Balance at the beginning of the year           | 8,174,937,956                      | 7,515,308,448   | 2,835,253,661                     | 2,715,546,780  | 3,277,471,966                     | 3,016,975,126  |
| Proceeds on units issued                       | 7,423,226,538                      | 4,834,648,678   | 326,181,906                       | 262,471,392    | 277,330,412                       | 278,140,549    |
| Payments on units redeemed                     | (6,924,086,857)                    | (4,267,905,161) | (460,822,806)                     | (372,051,387)  | (471,734,423)                     | (349,087,859)  |
|  | 499,139,681                        | 566,743,517     | (134,640,900)                     | (109,579,995)  | (194,404,011)                     | (70,947,310)   |
| Total comprehensive income                     | 58,986,781                         | 92,885,991      | 282,022,321                       | 229,286,876    | 368,621,620                       | 331,444,150    |
| Balance at the end of the year                 | 8,733,064,418                      | 8,174,937,956   | 2,982,635,082                     | 2,835,253,661  | 3,451,689,575                     | 3,277,471,966  |
| Units outstanding at the beginning of the year | 7,152,514,488                      | 6,653,111,296   | 1,488,483,838                     | 1,547,588,020  | 1,540,855,300                     | 1,575,683,014  |
| Units issued                                   | 6,460,994,707                      | 4,256,124,472   | 169,238,896                       | 142,225,937    | 130,731,014                       | 136,364,244    |
| Units redeemed                                 | (6,026,666,078)                    | (3,756,721,280) | (240,004,852)                     | (201,330,119)  | (222,804,151)                     | (171,191,958)  |
| Units outstanding at the end of the year       | 7,586,843,117                      | 7,152,514,488   | 1,417,717,882                     | 1,488,483,838  | 1,448,782,163                     | 1,540,855,300  |

The notes on pages 117 to 240 are an integral part of the financial statements.



**BCT (MPF) PRO CHOICE**  
**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS**  
**- CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | BCT (Pro)<br>E70 Mixed Asset Fund |               | BCT (Pro)<br>Global Bond Fund |               | BCT (Pro)<br>Global Equity Fund |               |
|--|-----------------------------------|---------------|-------------------------------|---------------|---------------------------------|---------------|
|  | 2020                              | 2019          | 2020                          | 2019          | 2020                            | 2019          |
|  | (HK\$)                            | (HK\$)        | (HK\$)                        | (HK\$)        | (HK\$)                          | (HK\$)        |
| Balance at the beginning of the year           | 5,770,263,445                     | 5,279,505,225 | 1,567,296,646                 | 1,220,013,474 | 3,234,469,033                   | 2,530,973,977 |
| Proceeds on units issued                       | 361,357,459                       | 324,692,454   | 1,165,590,938                 | 740,527,931   | 1,312,514,180                   | 682,044,748   |
| Payments on units redeemed                     | (656,710,195)                     | (544,034,071) | (893,960,282)                 | (455,128,651) | (1,160,894,088)                 | (523,030,038) |
|  | (295,352,736)                     | (219,341,617) | 271,630,656                   | 285,399,280   | 151,620,092                     | 159,014,710   |
| Total comprehensive income                     | 719,133,429                       | 710,099,837   | 129,581,399                   | 61,883,892    | 431,627,103                     | 544,480,346   |
| Balance at the end of the year                 | 6,194,044,138                     | 5,770,263,445 | 1,968,508,701                 | 1,567,296,646 | 3,817,716,228                   | 3,234,469,033 |
| Units outstanding at the beginning of the year | 2,569,076,604                     | 2,672,316,942 | 964,001,252                   | 787,637,857   | 1,032,841,416                   | 978,932,202   |
| Units issued                                   | 163,845,850                       | 152,797,416   | 693,129,187                   | 458,315,363   | 447,472,949                     | 236,087,210   |
| Units redeemed                                 | (299,644,602)                     | (256,037,754) | (533,467,359)                 | (281,951,968) | (396,497,494)                   | (182,177,996) |
| Units outstanding at the end of the year       | 2,433,277,852                     | 2,569,076,604 | 1,123,663,080                 | 964,001,252   | 1,083,816,871                   | 1,032,841,416 |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS**  
**- CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | BCT (Pro)<br>Asian Equity Fund |               | BCT (Pro)<br>Flexi Mixed Asset Fund |               | BCT (Pro)<br>China and Hong Kong Equity Fund |                 |
|--|--------------------------------|---------------|-------------------------------------|---------------|--|-----------------|
|  | <u>2020</u>                    | <u>2019</u>   | <u>2020</u>                         | <u>2019</u>   | <u>2020</u>                                  | <u>2019</u>     |
|  | (HK\$)                         | (HK\$)        | (HK\$)                              | (HK\$)        | (HK\$)                                       | (HK\$)          |
| Balance at the beginning of the year           | 3,820,737,782                  | 3,283,224,987 | 1,237,959,727                       | 1,123,727,756 | 8,610,870,704                                | 7,619,703,329   |
| Proceeds on units issued                       | 889,412,816                    | 690,629,930   | 324,561,462                         | 283,269,057   | 3,316,286,629                                | 2,258,626,230   |
| Payments on units redeemed                     | (878,697,584)                  | (607,093,298) | (319,361,896)                       | (265,981,866) | (3,429,362,691)                              | (2,457,111,189) |
|  | 10,715,232                     | 83,536,632    | 5,199,566                           | 17,287,191    | (113,076,062)                                | (198,484,959)   |
| Total comprehensive income                     | 858,121,902                    | 453,976,163   | 97,139,918                          | 96,944,780    | 1,786,065,005                                | 1,189,652,334   |
| Balance at the end of the year                 | 4,689,574,916                  | 3,820,737,782 | 1,340,299,211                       | 1,237,959,727 | 10,283,859,647                               | 8,610,870,704   |
| Units outstanding at the beginning of the year | 1,050,478,733                  | 1,026,834,699 | 772,959,987                         | 762,048,675   | 7,377,247,833                                | 7,557,365,126   |
| Units issued                                   | 246,365,686                    | 200,862,618   | 201,674,364                         | 182,619,083   | 2,834,166,090                                | 2,042,247,408   |
| Units redeemed                                 | (249,153,621)                  | (177,218,584) | (200,989,015)                       | (171,707,771) | (2,925,970,697)                              | (2,222,364,701) |
| Units outstanding at the end of the year       | 1,047,690,798                  | 1,050,478,733 | 773,645,336                         | 772,959,987   | 7,285,443,226                                | 7,377,247,833   |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS**  
**- CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | BCT (Pro)<br>European Equity Fund |               | BCT (Pro)<br>E90 Mixed Asset Fund |               | BCT (Pro)<br>SaveEasy 2020 Fund |               |
|--|-----------------------------------|---------------|-----------------------------------|---------------|---------------------------------|---------------|
|  | <u>2020</u>                       | <u>2019</u>   | <u>2020</u>                       | <u>2019</u>   | <u>2020</u>                     | <u>2019</u>   |
|  | (HK\$)                            | (HK\$)        | (HK\$)                            | (HK\$)        | (HK\$)                          | (HK\$)        |
| Balance at the beginning of the year           | 649,734,712                       | 522,564,007   | 749,126,734                       | 625,755,925   | 448,321,231                     | 380,422,697   |
| Proceeds on units issued                       | 384,169,049                       | 233,033,627   | 177,022,810                       | 146,789,810   | 149,180,588                     | 123,728,509   |
| Payments on units redeemed                     | (326,481,442)                     | (197,797,676) | (177,073,369)                     | (126,580,915) | (146,155,177)                   | (106,553,253) |
|  | 57,687,607                        | 35,235,951    | (50,559)                          | 20,208,895    | 3,025,411                       | 17,175,256    |
| Total comprehensive income                     | (3,532,681)                       | 91,934,754    | 105,101,547                       | 103,161,914   | 43,048,478                      | 50,723,278    |
| Balance at the end of the year                 | 703,889,638                       | 649,734,712   | 854,177,722                       | 749,126,734   | 494,395,120                     | 448,321,231   |
| Units outstanding at the beginning of the year | 487,828,841                       | 459,230,328   | 319,589,652                       | 310,387,138   | 184,612,918                     | 177,111,579   |
| Units issued                                   | 338,972,847                       | 188,007,271   | 78,770,246                        | 66,930,842    | 60,498,049                      | 53,450,626    |
| Units redeemed                                 | (288,390,029)                     | (159,408,758) | (79,265,217)                      | (57,728,328)  | (59,666,855)                    | (45,949,287)  |
| Units outstanding at the end of the year       | 538,411,659                       | 487,828,841   | 319,094,681                       | 319,589,652   | 185,444,112                     | 184,612,918   |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS**  
**- CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|   | BCT (Pro)<br>SaveEasy 2025 Fund |              | BCT (Pro)<br>SaveEasy 2030 Fund |              | BCT (Pro)<br>SaveEasy 2035 Fund |              |
|---|---------------------------------|--------------|---------------------------------|--------------|---------------------------------|--------------|
|   | <u>2020</u>                     | <u>2019</u>  | <u>2020</u>                     | <u>2019</u>  | <u>2020</u>                     | <u>2019</u>  |
|   | (HK\$)                          | (HK\$)       | (HK\$)                          | (HK\$)       | (HK\$)                          | (HK\$)       |
| Balance at the beginning of the year              | 492,728,199                     | 380,460,947  | 584,625,809                     | 440,723,128  | 543,828,257                     | 415,782,055  |
| Proceeds on units issued                          | 135,232,578                     | 113,988,939  | 170,616,587                     | 133,060,857  | 159,584,076                     | 123,135,332  |
| Payments on units redeemed                        | (113,150,818)                   | (77,860,477) | (133,479,269)                   | (83,629,693) | (116,802,700)                   | (86,254,252) |
|   | 22,081,760                      | 36,128,462   | 37,137,318                      | 49,431,164   | 42,781,376                      | 36,881,080   |
| Total comprehensive income                        | 70,733,200                      | 76,138,790   | 89,543,065                      | 94,471,517   | 86,159,632                      | 91,165,122   |
| Balance at the end of the year                    | 585,543,159                     | 492,728,199  | 711,306,192                     | 584,625,809  | 672,769,265                     | 543,828,257  |
| Units outstanding at the beginning<br>of the year | 192,618,932                     | 177,632,635  | 228,356,101                     | 207,801,125  | 214,822,701                     | 199,006,014  |
| Units issued                                      | 53,726,197                      | 47,774,743   | 68,276,861                      | 56,140,565   | 64,323,752                      | 52,742,746   |
| Units redeemed                                    | (45,642,138)                    | (32,788,446) | (54,198,585)                    | (35,585,589) | (47,839,782)                    | (36,926,059) |
| Units outstanding at the end of the year          | 200,702,991                     | 192,618,932  | 242,434,377                     | 228,356,101  | 231,306,671                     | 214,822,701  |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS**  
**- CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | BCT (Pro)<br>SaveEasy 2040 Fund |               | BCT (Pro)<br>Hang Seng Index Tracking Fund |                 | BCT (Pro)<br>Hong Kong Dollar Bond Fund |               |
|--|---------------------------------|---------------|--|-----------------|---|---------------|
|  | <u>2020</u>                     | <u>2019</u>   | <u>2020</u>                                | <u>2019</u>     | <u>2020</u>                             | <u>2019</u>   |
|  | (HK\$)                          | (HK\$)        | (HK\$)                                     | (HK\$)          | (HK\$)                                  | (HK\$)        |
| Balance at the beginning of the year           | 1,298,986,036                   | 941,971,072   | 2,750,015,090                              | 2,227,888,683   | 1,308,128,217                           | 1,033,965,392 |
| Proceeds on units issued                       | 462,578,678                     | 333,539,175   | 3,028,078,953                              | 2,370,803,236   | 1,052,505,104                           | 794,268,714   |
| Payments on units redeemed                     | (332,253,541)                   | (189,149,919) | (2,826,628,862)                            | (2,133,698,050) | (923,648,643)                           | (554,175,959) |
|  | 130,325,137                     | 144,389,256   | 201,450,091                                | 237,105,186     | 128,856,461                             | 240,092,755   |
| Total comprehensive income                     | 206,692,157                     | 212,625,708   | 1,151,814                                  | 285,021,221     | 81,524,156                              | 34,070,070    |
| Balance at the end of the year                 | 1,636,003,330                   | 1,298,986,036 | 2,952,616,995                              | 2,750,015,090   | 1,518,508,834                           | 1,308,128,217 |
| Units outstanding at the beginning of the year | 495,790,990                     | 436,371,685   | 1,648,101,089                              | 1,497,349,884   | 1,088,824,288                           | 886,216,243   |
| Units issued                                   | 180,972,627                     | 137,920,911   | 2,020,458,899                              | 1,478,073,540   | 840,635,888                             | 665,278,313   |
| Units redeemed                                 | (133,116,792)                   | (78,501,606)  | (1,871,622,143)                            | (1,327,322,335) | (738,444,340)                           | (462,670,268) |
| Units outstanding at the end of the year       | 543,646,825                     | 495,790,990   | 1,796,937,845                              | 1,648,101,089   | 1,191,015,836                           | 1,088,824,288 |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS**  
**- CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | BCT (Pro)<br>World Equity Fund |               | BCT (Pro)<br>Greater China Equity Fund |               | BCT (Pro)<br>RMB Bond Fund |               |
|--|--------------------------------|---------------|--|---------------|----------------------------|---------------|
|  | <u>2020</u>                    | <u>2019</u>   | <u>2020</u>                            | <u>2019</u>   | <u>2020</u>                | <u>2019</u>   |
|  | (HK\$)                         | (HK\$)        | (HK\$)                                 | (HK\$)        | (HK\$)                     | (HK\$)        |
| Balance at the beginning of the year           | 1,172,252,556                  | 645,112,967   | 1,049,453,901                          | 823,712,865   | 633,105,040                | 576,816,262   |
| Proceeds on units issued                       | 1,217,600,112                  | 615,825,555   | 848,363,410                            | 416,851,191   | 414,885,602                | 271,977,615   |
| Payments on units redeemed                     | (864,283,357)                  | (264,068,985) | (589,430,084)                          | (323,716,447) | (300,679,939)              | (223,570,154) |
|  | 353,316,755                    | 351,756,570   | 258,933,326                            | 93,134,744    | 114,205,663                | 48,407,461    |
| Total comprehensive income                     | 190,452,845                    | 175,383,019   | 189,054,204                            | 132,606,292   | 42,078,602                 | 7,881,317     |
| Balance at the end of the year                 | 1,716,022,156                  | 1,172,252,556 | 1,497,441,431                          | 1,049,453,901 | 789,389,305                | 633,105,040   |
| Units outstanding at the beginning of the year | 612,789,078                    | 416,544,417   | 625,059,535                            | 566,190,345   | 645,716,698                | 596,677,416   |
| Units issued                                   | 675,982,215                    | 346,341,288   | 505,201,934                            | 267,358,356   | 413,698,022                | 277,494,282   |
| Units redeemed                                 | (480,193,494)                  | (150,096,627) | (356,281,095)                          | (208,489,166) | (301,637,364)              | (228,455,000) |
| Units outstanding at the end of the year       | 808,577,799                    | 612,789,078   | 773,980,374                            | 625,059,535   | 757,777,356                | 645,716,698   |

The notes on pages 117 to 240 are an integral part of the financial statements.

**BCT (MPF) PRO CHOICE**  
**STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS**  
**- CONSTITUENT FUNDS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

|  | BCT (Pro)<br>Core Accumulation Fund |               | BCT (Pro)<br>Age 65 Plus Fund |               | Total            |                  |
|--|-------------------------------------|---------------|-------------------------------|---------------|------------------|------------------|
|  | <u>2020</u>                         | <u>2019</u>   | <u>2020</u>                   | <u>2019</u>   | <u>2020</u>      | <u>2019</u>      |
|  | (HK\$)                              | (HK\$)        | (HK\$)                        | (HK\$)        | (HK\$)           | (HK\$)           |
| Balance at the beginning of the year           | 944,118,954                         | 562,419,192   | 393,887,949                   | 232,231,824   | 51,547,573,605   | 44,114,806,118   |
| Proceeds on units issued                       | 782,463,642                         | 524,921,115   | 574,656,738                   | 318,145,362   | 24,953,400,267   | 16,875,120,006   |
| Payments on units redeemed                     | (455,246,616)                       | (246,350,594) | (335,188,670)                 | (180,767,978) | (22,836,133,309) | (14,635,597,872) |
|  | 327,217,026                         | 278,570,521   | 239,468,068                   | 137,377,384   | 2,117,266,958    | 2,239,522,134    |
| Total comprehensive income                     | 150,027,660                         | 103,129,241   | 47,431,806                    | 24,278,741    | 6,030,765,963    | 5,193,245,353    |
| Balance at the end of the year                 | 1,421,363,640                       | 944,118,954   | 680,787,823                   | 393,887,949   | 59,695,606,526   | 51,547,573,605   |
| Units outstanding at the beginning of the year | 799,682,572                         | 551,775,796   | 356,555,114                   | 229,142,248   |                  |                  |
| Units issued                                   | 656,014,598                         | 468,495,079   | 497,778,492                   | 294,492,326   |                  |                  |
| Units redeemed                                 | (385,827,714)                       | (220,588,303) | (291,821,651)                 | (167,079,460) |                  |                  |
| Units outstanding at the end of the year       | 1,069,869,456                       | 799,682,572   | 562,511,955                   | 356,555,114   |                  |                  |

The notes on pages 117 to 240 are an integral part of the financial statements.

## BCT (MPF) PRO CHOICE

### NOTES TO THE FINANCIAL STATEMENTS

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#### **1. The Plan**

##### **(a) Background information**

BCT (MPF) Pro Choice (the “Plan”) was established and is governed by its Trust Deed dated 31 January 2000. The Trust Deed was subsequently amended and superseded by a deed of substitution and adherence dated 1 June 2011, which was further amended by first supplemental deed dated 24 November 2011, second supplemental deed dated 29 May 2012, third supplemental deed dated 1 November 2012, fourth supplemental deed dated 19 March 2014, fifth supplemental deed dated 21 December 2015, sixth supplemental deed dated 1 December 2016, seventh supplemental deed dated 22 June 2017, eighth supplemental deed dated 1 April 2019, ninth supplemental deed dated 15 October 2019 and tenth supplemental deed dated 10 January 2020. The Plan is registered under Section 21 of the Hong Kong Mandatory Provident Fund Schemes Ordinance (the “Ordinance” or “MPFSO”) and is required to comply with the Ordinance and the relevant regulations, guidelines and codes issued by the Mandatory Provident Fund Schemes Authority.

The financial information of the Plan comprises (i) the statement of net assets available for benefits as at 31 December 2020, and the statement of changes in net assets available for benefits and statement of cash flows for the year ended 31 December 2020 of the Plan on a standalone basis; and (ii) the statement of net assets as at 31 December 2020, and the statement of comprehensive income and statement of changes in net assets attributable to members for the year ended 31 December 2020 of each of its constituent funds.

The Plan has introduced Default Investment Strategy under the MPFSO. As at 31 December 2020, the Plan offered twenty-three constituent funds (2019: twenty-three), namely, BCT (Pro) MPF Conservative Fund, BCT (Pro) E30 Mixed Asset Fund, BCT (Pro) E50 Mixed Asset Fund, BCT (Pro) E70 Mixed Asset Fund, BCT (Pro) Global Bond Fund, BCT (Pro) Global Equity Fund, BCT (Pro) Asian Equity Fund, BCT (Pro) Flexi Mixed Asset Fund, BCT (Pro) China and Hong Kong Equity Fund, BCT (Pro) European Equity Fund, BCT (Pro) E90 Mixed Asset Fund, 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, BCT (Pro) Hang Seng Index Tracking Fund, BCT (Pro) Hong Kong Dollar Bond Fund, BCT (Pro) World Equity Fund, BCT (Pro) Greater China Equity Fund, BCT (Pro) RMB Bond Fund, BCT (Pro) Core Accumulation Fund and BCT (Pro) Age 65 Plus Fund.



NOTES TO THE FINANCIAL STATEMENTS

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**2. Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**(a) Basis of preparation**

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

The preparation of financial statements in conformity with the HKFRS requires the use of certain critical accounting estimates. It also requires the Trustee to exercise its judgment in the process of applying the Plan’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

All references to net assets throughout the financial statements refer to net assets attributable to members unless otherwise stated.

Amendments to existing standards effective for the financial year beginning on 1 January 2020

The following amendments to standards or interpretations that are effective for the financial period beginning on 1 January 2020 have been adopted by the Plan and its constituent funds and do not have a material effect on the financial statements of the Plan and its constituent funds.

- Definition of Material – amendments to HKAS 1 and HKAS 8
- Revised conceptual Framework for Financial Reporting

The Trustee has assessed and considered that these standards, amendments to standards and interpretations have no material impact to the financial statements of the Plan and its constituent funds.

New standards, amendments and interpretations effective after the financial year beginning 1 January 2020 and have not been early adopted

A number of new standards, amendments to standards and interpretations are effective for the financial year beginning after 1 January 2020, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Plan and its constituent funds.

NOTES TO THE FINANCIAL STATEMENTS

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**(b) Foreign currency translation**

**(i) Functional and presentation currency**

Items included in the financial statements of the Plan and its constituent funds are measured using the currency of the primary economic environment in which they operate (the “functional currency”). The financial statements are presented in Hong Kong dollars, which is the functional and presentation currency of the Plan and its constituent funds.

**(ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency assets and liabilities are translated into the functional currency using the exchange rate prevailing at the year end date.

Foreign exchange gains and losses arising from translation are included in the statement of changes in net assets available for benefits for the Plan and its constituent funds and the statement of comprehensive income for the constituent funds.

Foreign exchange gains and losses relating to bank balances are presented in the statement of changes in net assets available for benefits for the Plan and its constituent funds and the statement of comprehensive income for the constituent funds within “change in unrealised gain/loss on foreign exchange”.

Foreign exchange gains and losses relating to the financial assets and liabilities carried at fair value through profit or loss are presented in the statement of changes in net assets available for benefits for the Plan and its constituent funds and the statement of comprehensive income for the constituent funds within “change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments” and “net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments”.

**(c) Financial assets at fair value through profit or loss**

**(i) Classification**

The Plan and its constituent funds classify their investments based on both the Plan's 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 Plan and its constituent funds are primarily focused on fair value information and use that information to assess the assets' performance and to make decisions. The Plan 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 Plan's 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 Plan's and its constituent funds' business model's objective. Consequently, all investments are measured at fair value through profit or loss.

As such, the Plan and its constituent funds classify all of their investment portfolio as financial assets as fair value through profit or loss.

The Plan's and its constituent funds' policy requires the investment managers and the Trustee to evaluate the information about these financial assets and liabilities on a fair value basis together with other related financial information.

**(ii) Recognition, derecognition and measurement**

Regular purchases and sales of investments are recognised on the trade date – the date on which the Plan and its constituent funds commit to purchase or sell the investment. Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value. Transaction costs are expensed as incurred in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Plan and its constituent funds have transferred substantially all risks and rewards of ownership.

Subsequent to initial recognition, all financial assets and financial liabilities 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 or financial liabilities at fair value through profit or loss' category are presented in the statement of changes in net assets available for benefits for the Plan and its constituent funds and statement of comprehensive income for the constituent funds within other net changes in fair value of financial assets and liabilities at fair value through profit or loss in the period in which they arise.

NOTES TO THE FINANCIAL STATEMENTS

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**(c) Financial assets at fair value through profit or loss (continued)**

Dividend income from financial assets at fair value through profit or loss is recognised in the statement of changes in net assets available for benefits for the Plan and its constituent funds and statement of comprehensive income for the constituent funds within dividend income when the Plan's and its constituent funds' right to receive payments is established.

Debt securities and certificates of deposit are fair valued based on quoted market price inclusive of accrued interest. Interest on debt securities and certificates of deposit at fair value through profit or loss is recognised in the statement of comprehensive income.

**(iii) Fair value estimation**

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. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date.

The Plan and its constituent funds utilise the last traded price for both financial assets and financial liabilities where the last traded price falls within the bid-offer spread. In circumstances where the last traded price is not within the bid-offer spread, investment managers of the constituent funds will determine the point within the bid-offer spread that is most representative of fair value.

The fair value of financial assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Plan and its constituent funds use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent ordinary transactions between market participants, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

Investments in approved pooled investment funds are valued at their respective closing net asset value per unit as provided by their respective fund administrators.

**(iv) Transfer between levels**

Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting period.

**(d) Derivative financial instruments**

Derivative financial instruments represent outstanding forward foreign exchange contracts. Derivatives are recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value.

Outstanding forward foreign exchange contracts are fair valued at the year end date by reference to the forward rate of exchange applicable to the outstanding term of the contract. Unrealised gains or losses on outstanding contracts and realised gains and losses on closed contracts are included under the headings “change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments” and “net realised gain/(loss) on financial assets at fair value through profit or loss and derivative financial instruments” respectively in the statement of changes in net assets available for benefits for the Plan and its constituent funds and the statement of comprehensive income for the constituent funds. Derivative financial instruments are carried as assets when fair value is positive and as liabilities when fair value is negative.

**(e) Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of net assets available for benefits for the Plan and its constituent funds and statement of net assets for the constituent funds when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

**(f) Income and expenses**

Interest is recognised on a time-proportionate basis using the effective interest method. Interest income includes interest from cash and cash equivalents.

Dividend income is recognised when the right to receive payment is established and the corresponding foreign withholding taxes are recorded as withholding tax in the statement of comprehensive income.

Other income and expenses are accounted for on an accrual basis.

**(g) Subscription and redemption of units**

The price at which units are subscribed or redeemed is calculated by reference to the net asset value per unit as at the close of business on the relevant dealing day. Proceeds and payments for units subscribed and redeemed are included in the statement of changes in net assets attributable to members of the constituent funds.

NOTES TO THE FINANCIAL STATEMENTS

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**(h) Cash and cash equivalents**

Cash comprises bank balances. Cash equivalents comprise fixed deposits which were within three months of maturity at the time of placement, and short term, highly liquid investments which are readily converted into known amounts of cash without notice and which were within three months of maturity when acquired.

**(i) Amounts receivable on sale/payable on purchase of financial assets at fair value through profit or loss**

These amounts are recognised initially at fair value and subsequently measured at amortised cost. At each reporting date, the Plan and its constituent funds shall measure the loss allowance on amounts due from counterparties at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Plan and its constituent funds shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparties, probability that the counterparties will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. A significant increase in credit risk is defined by the Trustee as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired.

Amounts receivable on sale and payable on purchase of financial assets at fair value through profit or loss represent receivables for investments sold and payables for investments purchased that have been contracted for but not yet settled by the end of the year.

Accounts receivable on sale and payable on purchase of financial assets at fair value through profit or loss are classified as current assets or liabilities if the collection of receivable or payment is due within one year or less. If not, they are presented as non-current assets or liabilities.

**(j) Amounts payable to derivative counterparties**

Certain constituent funds invest in forward foreign exchange contracts which require them to have an obligation to pay the loss return derived from these derivatives to the relevant derivative counterparties and the derivative counterparties will have an obligation to pay the gain return derived from these derivatives to each of the constituent funds. The movement of the derivatives will be marked to market daily, which will determine whether the relevant constituent funds receive from or pay cash to the derivative counterparties on a daily basis.

**(k) Contributions and benefits**

Contributions and benefits are accounted for on an accrual basis.

**(l) Transfers in and transfers out**

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

## BCT (MPF) PRO CHOICE

### NOTES TO THE FINANCIAL STATEMENTS

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#### **(m) Forfeitures**

If a member ceases to be a member, the part of the employer's voluntary balance not otherwise disposed of in accordance with the rules of the Plan may be applied in reducing the future contributions of the employer, or in such other manner as the Trustee may determine, having consulted the employers (including payment to the employers). Forfeitures arising from such cases which have not been designated for the benefit of existing members and which have not been returned to the employers would be treated as liabilities of the Plan.

#### **(n) Redeemable units**

The constituent funds issue redeemable units, which are redeemable at the members' option represents puttable financial instruments of the constituent funds. The puttable financial instruments are classified as equity in accordance with HKAS 32 (Amendment), "Financial instruments: Presentation" as those puttable financial instruments meet all the following criteria:

- (i) The puttable instruments entitle the holder to a pro-rata share of net assets
- (ii) The puttable instruments are the most subordinated unit in issue and unit features are identical
- (iii) There are no contractual obligations to deliver cash or another financial assets
- (iv) The total expected cash flows from the puttable instrument over its life are based substantially on the profit or loss of these constituent funds.

The BCT (Pro) MPF Conservative Fund, BCT (Pro) E30 Mixed Asset Fund, BCT (Pro) E50 Mixed Asset Fund, BCT (Pro) E70 Mixed Asset Fund, BCT (Pro) Global Bond Fund, BCT (Pro) Global Equity Fund, BCT (Pro) Asian Equity Fund, BCT (Pro) Flexi Mixed Asset Fund, BCT (Pro) China and Hong Kong Equity Fund, BCT (Pro) European Equity Fund, BCT (Pro) E90 Mixed Asset Fund, 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, BCT (Pro) Hang Seng Index Tracking Fund, BCT (Pro) Hong Kong Dollar Bond Fund, BCT (Pro) World Equity Fund, BCT (Pro) Greater China Equity Fund, BCT (Pro) RMB Bond Fund, BCT (Pro) Core Accumulation Fund and BCT (Pro) Age 65 Plus Fund issue one class of redeemable units, which are redeemable at the member's option and are classified as equity.

Redeemable units can be put back to the constituent funds at any time for cash equal to a proportionate share of each constituent fund's net asset value attributable to members in accordance with the Trust Deed and MPF scheme brochure.

Redeemable units are issued or redeemed at the members' option at prices based on the respective constituent funds' net asset value per unit as at the close of business on the relevant dealing day. The net asset value per unit of the respective constituent funds is calculated by dividing the net assets attributable to members with the total number of outstanding units of the respective constituent funds.

**NOTES TO THE FINANCIAL STATEMENTS**

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**(o) Structured entities**

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

The Plan and its constituent funds consider all of their investments in Approved Pooled Investment Funds (“APIFs”) and index tracking collective investment schemes (“ITCISs”) to be investments in unconsolidated structured entities. The Plan and its constituent funds invest in APIFs and ITCISs whose objectives are specified in Note 7. The APIFs and ITCISs are managed by unrelated investment managers and apply various investment strategies to accomplish their respective investment objectives. The APIFs and ITCISs finance their operations by issuing redeemable units which are puttable at the holder’s option and entitles the holder to a proportional stake in the respective fund’s net assets. The Plan and its constituent funds hold redeemable units in each of its APIFs and ITCISs.

The change in fair value of each APIF and ITCIS is included under the heading “change in unrealised gain/loss on financial assets at fair value through profit or loss and derivative financial instruments” in the statement of changes in net assets available for benefits for the Plan and its constituent funds and the statement of comprehensive income for the constituent funds.

**3. Critical accounting estimates and assumptions**

The Trustee makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.



# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Fair value of unlisted / quoted investments

The Plan and its constituent funds hold a number of unlisted/quoted investments, for example debt securities, and derivatives that are valued by reference to broker quotes or relevant available market information. In determining the fair value of such investments, the Trustee exercises judgments and estimates on the sources of brokers, the quantity and quality of quotes used and the relevant available market information. Such quotes or relevant available market information adopted to fair value the investments may be indicative and not executable or legally binding. As such, the fair values do not necessarily indicate the price at which the investments could actually be traded at as of 31 December 2020 and 2019. Actual transacted prices may differ from the quotes provided by the brokers or estimates made based on the relevant available market information. The Trustee considers that in the absence of any other reliable market sources, the broker quotes and the relevant market information available to them reflect the best estimate of fair value.

### 4. Fees

#### (a) Investment management fees

The investment managers, Amundi Hong Kong Limited, Invesco Hong Kong Limited and JPMorgan Funds (Asia) Limited, are entitled to receive a fee calculated at an annual rate between 0.3% and 0.58% (2019: between 0.3% and 0.58%) on the daily net asset value of the respective constituent funds other than the Flexi Mixed Asset Fund, SaveEasy 2020 Fund, SaveEasy 2025 Fund, SaveEasy 2030 Fund, SaveEasy 2035 Fund, SaveEasy 2040 Fund, Hang Seng Index Tracking Fund, World Equity Fund, Greater China Equity Fund, Core Accumulation Fund and Age 65 Plus Fund (the “other constituent funds”).

The investment management fees for other constituent funds, managed by FIL Investment Management (Hong Kong) Limited, Allianz Global Investors Asia Pacific Limited, State Street Global Advisors Asia Limited and Invesco Hong Kong Limited are charged at their respective underlying approved pooled investment funds or index tracking collective investment schemes.

The investment management fees payable as at year end were as follows:

|                                 | 2020<br>HK\$ | 2019<br>HK\$ |
|---------------------------------|--------------|--------------|
| BCT (Pro) MPF Conservative Fund | 1,533,920    | 2,065,722    |
| BCT (Pro) E30 Mixed Asset Fund  | 1,301,915    | 1,249,184    |
| BCT (Pro) E50 Mixed Asset Fund  | 1,498,039    | 1,435,250    |
| BCT (Pro) E70 Mixed Asset Fund  | 2,673,302    | 2,520,345    |
| BCT (Pro) Global Bond Fund      | 794,195      | 639,723      |
| BCT (Pro) Global Equity Fund    | 1,652,690    | 1,401,415    |

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**NOTES TO THE FINANCIAL STATEMENTS**

|   | 2020<br>HK\$     | 2019<br>HK\$     |
|---|------------------|------------------|
| BCT (Pro) Asian Equity Fund               | <u>2,205,908</u> | <u>1,838,149</u> |
| BCT (Pro) Flexi Mixed Asset Fund          | <u>-</u>         | <u>-</u>         |
| BCT (Pro) China and Hong Kong Equity Fund | <u>4,241,634</u> | <u>3,631,345</u> |
| BCT (Pro) European Equity Fund            | <u>339,964</u>   | <u>316,846</u>   |
| BCT (Pro) E90 Mixed Asset Fund            | <u>366,049</u>   | <u>325,888</u>   |
| BCT (Pro) SaveEasy 2020 Fund              | <u>-</u>         | <u>-</u>         |
| BCT (Pro) SaveEasy 2025 Fund              | <u>-</u>         | <u>-</u>         |
| BCT (Pro) SaveEasy 2030 Fund              | <u>-</u>         | <u>-</u>         |
| BCT (Pro) SaveEasy 2035 Fund              | <u>-</u>         | <u>-</u>         |
| BCT (Pro) SaveEasy 2040 Fund              | <u>-</u>         | <u>-</u>         |
| BCT (Pro) Hang Seng Index Tracking Fund   | <u>-</u>         | <u>-</u>         |
| BCT (Pro) Hong Kong Dollar Bond Fund      | <u>1,501,893</u> | <u>1,326,332</u> |
| BCT (Pro) World Equity Fund               | <u>-</u>         | <u>-</u>         |
| BCT (Pro) Greater China Equity Fund       | <u>-</u>         | <u>-</u>         |
| BCT (Pro) RMB Bond Fund                   | <u>297,262</u>   | <u>240,740</u>   |
| BCT (Pro) Core Accumulation Fund          | <u>-</u>         | <u>-</u>         |
| BCT (Pro) Age 65 Plus Fund                | <u>-</u>         | <u>-</u>         |

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### (b) Trustee, administration and custodian fees and sponsor fees

#### From 23 April 2018 to 17 January 2019

After the scheme restructuring effective from 23 April 2018 and up to 17 January 2019, the trustee and administration and sponsor fees of E30 Mixed Asset Fund, E50 Mixed Asset Fund and E70 Mixed Asset Fund has decreased from 1% per annum to 0.8% per annum. The trustee and administration and sponsor fees of Asian Equity Fund, European Equity Fund, China and Hong Kong Equity Fund and E90 Mixed Asset Fund has decreased from 0.9% per annum to 0.8% per annum. The trustee and administration and sponsor fees of other constituent fund remained between 0.58% to 0.9%.

#### From 18 January 2019

With effect from 18 January 2019, a new breakdown of the trustee and administration fees has been introduced as follows:

- (i) The Trustee, Administrator and Custodian is entitled to receive a fee calculated between 0.43% to 0.59% per annum of the daily net asset value of the respective constituent funds.
- (ii) The Sponsor is entitled to receive a fee calculated between 0.14% to 0.24% per annum of the daily net asset value of the respective constituent funds except for Core Accumulation Fund and Age 65 Plus Fund.

Prior to 18 January 2019, the trustee and administration fees which were charged by the Trustee, Administrator and Custodian had included fees relating to the services of the Sponsor and Custodian. With effective from 18 January 2019, for enhancing the fees disclosures, the sponsor fees were separately presented from the trustee, administration and custodian fees on the constituent funds.

The fees rates for the relevant period in the year were as follows:

|                                    | From 18 January 2019<br>to 31 December 2020         |              |            | From 23 April 2018<br>to 17 January 2019          |
|------------------------------------|---|--------------|------------|---|
|                                    | Trustee,<br>Administration<br>and Custodian<br>fees | Sponsor fees | Total fees | Trustee,<br>Administration<br>and Sponsor<br>fees |
| BCT (Pro) MPF<br>Conservative Fund | 0.44%   | 0.14%        | 0.58%      | 0.58%   |
| BCT (Pro) E30 Mixed<br>Asset Fund  | 0.56%   | 0.24%        | 0.80%      | 0.80%   |
| BCT (Pro) E50 Mixed<br>Asset Fund  | 0.56%   | 0.24%        | 0.80%      | 0.80%   |

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

|  | From 18 January 2019<br>to 31 December 2020         |              |            | From 23 April 2018<br>to 17 January 2019            |
|--|---|--------------|------------|---|
|  | Trustee,<br>Administration<br>and Custodian<br>fees | Sponsor fees | Total fees | Trustee,<br>Administration<br>and Custodian<br>fees |
| BCT (Pro) E70 Mixed<br>Asset Fund            | 0.56%   | 0.24%        | 0.80%      | 0.80%   |
| BCT (Pro) Global Bond<br>Fund                | 0.56%   | 0.24%        | 0.80%      | 0.80%   |
| BCT (Pro) Global Equity<br>Fund              | 0.56%   | 0.24%        | 0.80%      | 0.80%   |
| BCT (Pro) Asian Equity<br>Fund               | 0.56%   | 0.24%        | 0.80%      | 0.80%   |
| BCT (Pro) Flexi Mixed<br>Asset Fund          | 0.56%   | 0.24%        | 0.80%      | 0.80%   |
| BCT (Pro) China and<br>Hong Kong Equity Fund | 0.56%   | 0.24%        | 0.80%      | 0.80%   |
| BCT (Pro) European<br>Equity Fund            | 0.56%   | 0.24%        | 0.80%      | 0.80%   |
| BCT (Pro) E90 Mixed<br>Asset Fund            | 0.56%   | 0.24%        | 0.80%      | 0.80%   |
| BCT (Pro) SaveEasy<br>2020 Fund              | 0.46%   | 0.14%        | 0.60%      | 0.90%*  |
| BCT (Pro) SaveEasy<br>2025 Fund              | 0.46%   | 0.14%        | 0.60%      | 0.90%*  |
| BCT (Pro) SaveEasy<br>2030 Fund              | 0.46%   | 0.14%        | 0.60%      | 0.90%*  |
| BCT (Pro) SaveEasy<br>2035 Fund              | 0.46%   | 0.14%        | 0.60%      | 0.90%*  |
| BCT (Pro) SaveEasy<br>2040 Fund              | 0.46%   | 0.14%        | 0.60%      | 0.90%*  |

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

|  | From 18 January 2019<br>to 31 December 2020         |              |               | From 23 April 2018<br>to 17 January 2019          |
|--|---|--------------|---------------|---|
|  | Trustee,<br>Administration<br>and Custodian<br>fees | Sponsor fees | Total fees    | Trustee,<br>Administration<br>and Sponsor<br>fees |
| BCT (Pro) Hang Seng Index<br>Tracking Fund | <u>0.56%</u>  | <u>0.14%</u> | <u>0.70%</u>  | <u>0.70%</u>                                      |
| BCT (Pro) Hong Kong Dollar<br>Bond Fund    | <u>0.43%</u>  | <u>0.14%</u> | <u>0.57%</u>  | <u>0.70%*</u>                                     |
| BCT (Pro) World Equity Fund                | <u>0.56%</u>  | <u>0.24%</u> | <u>0.80%</u>  | <u>0.80%*</u>                                     |
| BCT (Pro) Greater China Equity<br>Fund     | <u>0.58%</u>  | <u>0.14%</u> | <u>0.72%</u>  | <u>0.80%*</u>                                     |
| BCT (Pro) RMB Bond Fund                    | <u>0.485%</u>                                       | <u>0.14%</u> | <u>0.625%</u> | <u>0.80%*</u>                                     |
| BCT (Pro) Core Accumulation<br>Fund        | <u>0.59%</u>  | <u>-</u>     | <u>0.59%</u>  | <u>0.59%</u>                                      |
| BCT (Pro) Age 65 Plus Fund                 | <u>0.59%</u>  | <u>-</u>     | <u>0.59%</u>  | <u>0.59%</u>                                      |

### Prior to 18 January 2019

\* The Trustee/ Sponsor may, by way of certain rebates credited to these constituent funds, maintain the current level of management fees in respect of BCT (Pro) SaveEasy Funds, BCT (Pro) Hong Kong Dollar Bond Fund, BCT (Pro) World Equity Fund, BCT (Pro) Greater China Equity Fund and BCT (Pro) RMB Bond Fund with effective from 23 April 2018. As a result of these rebates, the actual trustee, administration and sponsor fees payable out of these constituent funds are lower than the levels of such fees as disclosed above for the relevant period.

### From 18 January 2019

The above new fees breakdown clarified that there are no more rebates in respect of BCT (Pro) SaveEasy Funds, BCT (Pro) Hong Kong Dollar Bond Fund and BCT (Pro) RMB Bond Fund with effect from 18 January 2019 for maintaining the current level of management fee in respect of these constituent funds. There is no rebate for BCT (Pro) World Equity Fund and BCT (Pro) Greater China Equity Fund during the year ended 31 December 2020 and 2019.

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**NOTES TO THE FINANCIAL STATEMENTS**

The fees payable as at year end were as follows:

|  | Sponsor fees<br>payable<br>HK\$ | 2020<br>Trustee,<br>Administration<br>and Custodian<br>fees payable<br>HK\$ | Total fees<br>payable<br>HK\$ | Sponsor fees<br>payable<br>HK\$ | 2019<br>Trustee,<br>Administration<br>and Custodian<br>fees payable<br>HK\$ | Total fees<br>payable<br>HK\$ |
|--|---------------------------------|---|-------------------------------|---------------------------------|---|-------------------------------|
| BCT (Pro) MPF<br>Conservative Fund           | <u>715,829</u>                  | <u>2,249,749</u>  | <u>2,965,578</u>              | <u>964,003</u>                  | <u>3,029,725</u>  | <u>3,993,728</u>              |
| BCT (Pro) E30 Mixed<br>Asset Fund            | <u>600,884</u>                  | <u>1,402,062</u>  | <u>2,002,946</u>              | <u>576,546</u>                  | <u>1,345,275</u>  | <u>1,921,821</u>              |
| BCT (Pro) E50 Mixed<br>Asset Fund            | <u>691,402</u>                  | <u>1,613,272</u>  | <u>2,304,674</u>              | <u>662,423</u>                  | <u>1,545,654</u>  | <u>2,208,077</u>              |
| BCT (Pro) E70 Mixed<br>Asset Fund            | <u>1,233,831</u>                | <u>2,878,940</u>  | <u>4,112,771</u>              | <u>1,163,236</u>                | <u>2,714,217</u>  | <u>3,877,453</u>              |
| BCT (Pro) Global Bond<br>Fund                | <u>397,097</u>                  | <u>926,561</u>  | <u>1,323,658</u>              | <u>319,861</u>                  | <u>746,343</u>  | <u>1,066,204</u>              |
| BCT (Pro) Global Equity<br>Fund              | <u>762,780</u>                  | <u>1,779,820</u>  | <u>2,542,600</u>              | <u>646,807</u>                  | <u>1,509,216</u>  | <u>2,156,023</u>              |
| BCT (Pro) Asian Equity<br>Fund               | <u>912,789</u>                  | <u>2,129,842</u>  | <u>3,042,631</u>              | <u>760,613</u>                  | <u>1,774,764</u>  | <u>2,535,377</u>              |
| BCT (Pro) Flexi Mixed<br>Asset Fund          | <u>271,210</u>                  | <u>632,824</u>  | <u>904,034</u>                | <u>250,987</u>                  | <u>585,636</u>  | <u>836,623</u>                |
| BCT (Pro) China and<br>Hong Kong Equity Fund | <u>1,996,063</u>                | <u>4,657,480</u>  | <u>6,653,543</u>              | <u>1,708,868</u>                | <u>3,987,359</u>  | <u>5,696,227</u>              |
| BCT (Pro) European<br>Equity Fund            | <u>140,675</u>                  | <u>328,241</u>  | <u>468,916</u>                | <u>131,109</u>                  | <u>305,920</u>  | <u>437,029</u>                |
| BCT (Pro) E90 Mixed<br>Asset Fund            | <u>168,946</u>                  | <u>394,207</u>  | <u>563,153</u>                | <u>150,410</u>                  | <u>350,956</u>  | <u>501,366</u>                |
| BCT (Pro) SaveEasy 2020<br>Fund              | <u>58,113</u>                   | <u>190,943</u>  | <u>249,056</u>                | <u>52,772</u>                   | <u>173,393</u>  | <u>226,165</u>                |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

|  | Sponsor fees<br>payable<br>HK\$ | 2020<br>Trustee,<br>Administration<br>and Custodian<br>fees payable<br>HK\$ | Total fees<br>payable<br>HK\$ | Sponsor fees<br>payable<br>HK\$ | 2019<br>Trustee,<br>Administration<br>and Custodian<br>fees payable<br>HK\$ | Total fees<br>payable<br>HK\$ |
|--|---------------------------------|---|-------------------------------|---------------------------------|---|-------------------------------|
| BCT (Pro) SaveEasy 2025<br>Fund            | <u>67,568</u>                   | <u>222,009</u>  | <u>289,577</u>                | <u>57,658</u>                   | <u>189,446</u>  | <u>247,104</u>                |
| BCT (Pro) SaveEasy 2030<br>Fund            | <u>81,725</u>                   | <u>268,526</u>  | <u>350,251</u>                | <u>67,573</u>                   | <u>222,025</u>  | <u>289,598</u>                |
| BCT (Pro) SaveEasy 2035<br>Fund            | <u>77,146</u>                   | <u>253,479</u>  | <u>330,625</u>                | <u>63,116</u>                   | <u>207,380</u>  | <u>270,496</u>                |
| BCT (Pro) SaveEasy 2040<br>Fund            | <u>186,812</u>                  | <u>613,811</u>  | <u>800,623</u>                | <u>150,263</u>                  | <u>493,721</u>  | <u>643,984</u>                |
| BCT (Pro) Hang Seng<br>Index Tracking Fund | <u>345,232</u>                  | <u>1,380,927</u>  | <u>1,726,159</u>              | <u>320,787</u>                  | <u>1,283,148</u>  | <u>1,603,935</u>              |
| BCT (Pro) Hong Kong<br>Dollar Bond Fund    | <u>180,244</u>                  | <u>553,608</u>  | <u>733,852</u>                | <u>155,680</u>                  | <u>478,159</u>  | <u>633,839</u>                |
| BCT (Pro) World Equity<br>Fund             | <u>342,365</u>                  | <u>798,852</u>  | <u>1,141,217</u>              | <u>230,031</u>                  | <u>536,740</u>  | <u>766,771</u>                |
| BCT (Pro) Greater China<br>Equity Fund     | <u>171,198</u>                  | <u>709,248</u>  | <u>880,446</u>                | <u>120,737</u>                  | <u>500,195</u>  | <u>620,932</u>                |
| BCT (Pro) RMB Bond<br>Fund                 | <u>92,481</u>                   | <u>320,382</u>  | <u>412,863</u>                | <u>74,897</u>                   | <u>259,465</u>  | <u>334,362</u>                |
| BCT (Pro) Core<br>Accumulation Fund        | <u>-</u>                        | <u>693,029</u>  | <u>693,029</u>                | <u>-</u>                        | <u>458,204</u>  | <u>458,204</u>                |
| BCT (Pro) Age 65 Plus<br>Fund              | <u>-</u>                        | <u>332,024</u>  | <u>332,024</u>                | <u>-</u>                        | <u>193,086</u>  | <u>193,086</u>                |

## BCT (MPF) PRO CHOICE

### NOTES TO THE FINANCIAL STATEMENTS

#### 5. Contributions received and receivable

Mandatory contributions for both the employers and employees are equal to 5% of the employees' relevant income up to HK\$30,000 per month (2019: HK\$30,000 per month) but in respect of employees earning less than HK\$7,100 per month (2019: HK\$7,100 per month), the employees' mandatory contribution is nil.

Self-employed persons must contribute 5% of their relevant income subject to a maximum contribution of HK\$1,500 per month (2019: HK\$1,500 per month) to the Plan unless their relevant income is less than HK\$7,100 per month (2019: HK\$7,100 per month).

Any contributions made to the Plan by the employers or members in excess of their mandatory contributions are additional voluntary contributions (including tax deductible voluntary contributions effective from 1 April 2019). The maximum tax deductible limit per year of assessment for tax deductible voluntary contributions in the year of assessment 2019 / 2020 is HK\$60,000.

#### 6. Benefits paid and payable

Members will become entitled to benefits in respect of mandatory contributions and tax deductible voluntary contributions (effective from 1 April 2019) to the Plan in the circumstances set out in the Ordinance. Currently, these circumstances include where the members (i) reach the age of 65; (ii) permanently cease employment after reaching the age of 60; (iii) become totally incapacitated; (iv) permanently depart from Hong Kong; (v) die; (vi) get terminal illness; or (vii) have the right to claim a small balance pursuant to the Ordinance.

Employers are permitted to offset the long service payment with the accrued benefits derived from the employer's contributions. However, the amount offset from the member's account in the Plan cannot exceed the amount of the long service payment payable to the member.

Members will become entitled to benefits in respect of additional voluntary contributions to the Plan in circumstances set out in the Trust Deed and the relevant participation agreement.

The following table shows the reconciliation of movement in benefits and forfeitures payable for the year ended 31 December 2020 and 2019:

|  | 2020<br>HK\$    | 2019<br>HK\$    |
|--|-----------------|-----------------|
| Balance as at 1 January  | 299,384,379     | 224,540,174     |
| Charged to statement of changes in net assets available for benefits | 4,723,699,718   | 3,961,060,843   |
| Cash outflow   | (4,654,972,345) | (3,886,216,638) |
| Balance as at 31 December  | 368,111,752     | 299,384,379     |



**7. Financial risk management**

**I. Financial risk factors**

The activities of the Plan and its constituent funds expose them to a variety of financial risks: market risk (including price risk, interest rate risk, and currency risk), credit risk and liquidity risk. The constituent funds' overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the constituent funds' financial performance.

The investment objectives of the constituent funds are as follows:

MPF Conservative Fund is to provide members with a rate of return which matches or exceeds the Hong Kong dollar savings rate. It invests in Hong Kong dollar denominated bank deposits and short term debt securities.

The remaining constituent funds invest in APIFs or index-tracking collective investment schemes (the "ITCISs"). The investments in APIFs or ITCISs are to accomplish the respective investment objectives of the constituent funds.

E30 Mixed Asset Fund is to provide members with capital growth over the long term with a view to minimizing the risk of capital loss by investing indirectly in fixed income securities and maintaining a limited exposure to global equities.

E50 Mixed Asset Fund is to provide members with capital appreciation and a stable level of income over long term by investing indirectly in bank deposits, global bonds and global equities.

E70 Mixed Asset Fund is to provide members with capital appreciation over the long term through diversified investments in global equities where higher rates of returns are usually available. The Fund is subject to higher level of volatility of equity markets in the short to medium term.

Global Bond Fund is to provide members with total investment return over the medium to long term by investing indirectly primarily in investment-grade global fixed income securities.

Global Equity Fund is to provide members with capital growth over the medium to long term by investing indirectly mainly into global equity markets.

Asian Equity Fund is to provide members with long term capital growth by investing indirectly primarily in equity securities listed on the stock exchanges of Asia Pacific markets (excluding Japan, Australia and New Zealand).

China and Hong Kong Equity Fund is to provide members with long term capital appreciation by investing indirectly in a portfolio of (a) Hong Kong and China-related equity securities and (b) other Hong Kong and China-related listed instruments.

## BCT (MPF) PRO CHOICE

### NOTES TO THE FINANCIAL STATEMENTS

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European Equity Fund is to provide members with long term capital appreciation by investing indirectly primarily in a portfolio of equity securities listed in Europe (including the United Kingdom).

Flexi Mixed Asset Fund is to provide members with long-term capital preservation not related to an index by indirectly investing primarily in diversified portfolio of global equities and fixed interest securities.

E90 Mixed Asset Fund is to provide members with capital appreciation over the long term by investing indirectly in global equities with the flexibility to invest in fixed income securities.

SaveEasy 2020 Fund, SaveEasy 2025 Fund, SaveEasy 2030 Fund, SaveEasy 2035 Fund and SaveEasy 2040 Fund are to provide members with capital growth over the long term by investing indirectly in a diversification of the asset allocation between equities, bonds and cash approaching to the specific year as designed.

Hang Seng Index Tracking Fund is to provide members with long term capital appreciation by investing indirectly in the shares of constituent companies of the Hang Seng Index.

Hong Kong Dollar Bond Fund is to provide members with long term capital appreciation by investing indirectly in a portfolio consisting primarily of Hong Kong dollar denominated bonds (including government and corporate bonds).

The objectives of World Equity Fund and Greater China Equity Fund are to provide members with capital appreciation over the long term by investing in ITCISs which, in turn, invest in global and Greater China equity markets respectively.

RMB Bond Fund is to provide members with steady growth over the long term by indirectly investing primarily in RMB denominated debt instruments and money market instruments issued or distributed outside the mainland China.

Core Accumulation Fund and Age 65 Plus Fund are to provide members with capital growth and stable growth respectively by investing in a globally diversified manner.

The investments in APIFs and ITCISs are subject to the terms and conditions of the respective offering documents of the APIFs and ITCISs and are susceptible to market price risk arising from uncertainties about future values of those APIFs and ITCISs. The investment managers make investment decisions after extensive due diligence of the underlying APIFs and ITCISs, and their strategy. All of the APIFs and ITCISs in the investment portfolio are managed by portfolio managers who are compensated by the respective APIFs, ITCISs or constituent funds for their services. Such compensation generally consists of an asset based fee and is reflected in the valuation of the constituent funds' investments in each of the APIFs and ITCISs, or valuation of the constituent funds.

The right of the Plan and its constituent funds to request redemption of their investments in APIFs and ITCISs is on a daily basis.

## **BCT (MPF) PRO CHOICE**

### **NOTES TO THE FINANCIAL STATEMENTS**

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The exposure to investments in APIFs and ITCISs at fair value is disclosed in Note 7 I (a)(i). These investments are included in financial assets at fair value through profit or loss in the statement of net assets available for benefits for the Plan and its constituent funds and the statement of net assets for the constituent funds.

(a) Market risk

Refer to Notes 8 and 12 for the overall market exposures of the constituent funds.

(i) Price risk

The MPF Conservative Fund only invests in debt securities, certificates of deposit and fixed deposits with original maturity terms of not exceeding 12 months and the average portfolio remaining maturity period of not more than 90 days. Due to the short term in nature of the investments, the fund has no significant exposure to the market price risk. The investment manager of the fund considers that the fund has no significant exposure to market price fluctuations and therefore the price sensitivity analysis is not necessary. For the interest rate risk exposure, please refer to Note 7 I (a)(ii).

Other constituent funds of the Plan are subject to market price risk arising from uncertainties about future prices of the investments of the underlying APIFs or ITCISs. All investments present a risk of loss of capital. The constituent funds' market price risk is managed through a careful selection of securities and diversification of the investment portfolio.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

The overall market exposures for the constituent funds were as follows:

### E30 Mixed Asset Fund

|  | Fair value | % of net assets | Relevant index for the investments (Note 1)           | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|------------|-----------------|---|--|------------------------------------|
| <u>As at 31 December 2020</u><br>(HK\$'000)                          |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 2,974,219  | 99.72           | Willis Towers Watson MPF Benchmark (Equity 20% - 40%) | 5%   | 162,038                            |
| Total Investments  | 2,974,219  | 99.72           |   |  | 162,038                            |
| <u>As at 31 December 2019</u><br>(HK\$'000)                          |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 2,825,765  | 99.67           | Willis Towers Watson MPF Benchmark (Equity 20% - 40%) | 5%   | 148,105                            |
| Total Investments  | 2,825,765  | 99.67           |   |  | 148,105                            |

E30 Mixed Asset Fund invests in the following funds of BCT Pooled Investment Fund Series

|   | 2020                     |                    | 2019                     |                    |
|---|--------------------------|--------------------|--------------------------|--------------------|
|   | Fair value<br>(HK\$'000) | % of net<br>assets | Fair value<br>(HK\$'000) | % of net<br>assets |
| Dynamic Asian Equity Fund                   | 96,661                   | 3.24               | 89,302                   | 3.15               |
| Dynamic China & Hong Kong Equity Fund       | 186,354                  | 6.25               | 175,595                  | 6.19               |
| Dynamic European Equity Fund                | 131,670                  | 4.41               | 123,098                  | 4.34               |
| Dynamic Global Emerging Markets Equity Fund | 77,133                   | 2.59               | 68,521                   | 2.42               |
| Dynamic Global Bond Fund                    | 1,659,828                | 55.66              | 1,583,631                | 55.86              |
| Smart Asian Equity Fund                     | 22,427                   | 0.75               | 21,139                   | 0.75               |
| Smart China & Hong Kong Equity Fund         | 42,739                   | 1.43               | 42,477                   | 1.50               |
| Smart European Equity Fund                  | 47,663                   | 1.60               | 45,697                   | 1.61               |
| Smart Global Bond Fund                      | 412,002                  | 13.81              | 396,357                  | 13.98              |
| Smart Japanese Equity Fund                  | 119,745                  | 4.01               | 111,211                  | 3.92               |
| Smart North American Equity Fund            | 177,997                  | 5.97               | 168,737                  | 5.95               |

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

|  | % of net assets of underlying APIF |      |
|--|------------------------------------|------|
|  | 2020                               | 2019 |
| Listed equities                        | 30%                                | 29%  |
| Bonds                                  | 68%                                | 69%  |
| Cash and other net assets              | 2%                                 | 2%   |
| Net assets attributable to unitholders | 100%                               | 100% |

The following table shows the net market exposures of these underlying APIFs:

|  | % of net assets of underlying APIF |      |
|--|------------------------------------|------|
|  | 2020                               | 2019 |
| Hong Kong                              | 33%                                | 31%  |
| Japan                                  | 13%                                | 13%  |
| Asia Pacific ex Japan ex Hong Kong     | 12%                                | 7%   |
| North America                          | 19%                                | 20%  |
| Europe                                 | 20%                                | 22%  |
| Other                                  | 1%                                 | 5%   |
| Total investments                      | 98%                                | 98%  |
| Cash and other net assets              | 2%                                 | 2%   |
| Net assets attributable to unitholders | 100%                               | 100% |

Refer the net asset value of these underlying APIFs to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### E50 Mixed Asset Fund

|  | Fair value | % of net assets | Relevant index for the investments (Note 1)           | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|------------|-----------------|---|--|------------------------------------|
| <b>As at 31 December 2020</b><br>(HK\$'000)                          |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 3,444,196  | 99.78           | Willis Towers Watson MPF Benchmark (Equity 40% - 60%) | 5%   | 176,432                            |
| Total investments  | 3,444,196  | 99.78           |   |  | 176,432                            |
| <b>As at 31 December 2019</b><br>(HK\$'000)                          |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 3,268,484  | 99.73           | Willis Towers Watson MPF Benchmark (Equity 40% - 60%) | 5%   | 172,649                            |
| Total investments  | 3,268,484  | 99.73           |   |  | 172,649                            |

E50 Mixed Asset Fund invests in the following funds of BCT Pooled Investment Fund Series

|   | 2020                     |                    | 2019                     |                    |
|---|--------------------------|--------------------|--------------------------|--------------------|
|   | Fair value<br>(HK\$'000) | % of net<br>assets | Fair value<br>(HK\$'000) | % of net<br>assets |
| Dynamic Asian Equity Fund                   | 181,929                  | 5.27               | 168,033                  | 5.13               |
| Dynamic China & Hong Kong Equity Fund       | 369,000                  | 10.68              | 348,013                  | 10.63              |
| Dynamic European Equity Fund                | 251,883                  | 7.30               | 236,698                  | 7.22               |
| Dynamic Global Emerging Markets Equity Fund | 142,504                  | 4.13               | 130,864                  | 3.99               |
| Dynamic Global Bond Fund                    | 1,366,063                | 39.57              | 1,308,380                | 39.93              |
| Smart Asian Equity Fund                     | 44,234                   | 1.28               | 40,094                   | 1.22               |
| Smart China & Hong Kong Equity Fund         | 87,678                   | 2.54               | 84,582                   | 2.58               |
| Smart European Equity Fund                  | 94,095                   | 2.73               | 88,950                   | 2.71               |
| Smart Global Bond Fund                      | 338,209                  | 9.80               | 326,129                  | 9.95               |
| Smart Japanese Equity Fund                  | 225,255                  | 6.53               | 210,900                  | 6.43               |
| Smart North American Equity Fund            | 343,346                  | 9.95               | 325,841                  | 9.94               |

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

|  | % of net assets of underlying APIF |      |
|--|------------------------------------|------|
|  | 2020                               | 2019 |
| Listed equities                        | 50%                                | 49%  |
| Bonds                                  | 48%                                | 49%  |
| Cash and other net assets              | 2%                                 | 2%   |
| Net assets attributable to unitholders | 100%                               | 100% |

The following table shows the net market exposures of these underlying APIFs:

|  | % of net assets of underlying APIF |      |
|--|------------------------------------|------|
|  | 2020                               | 2019 |
| Hong Kong                              | 34%                                | 31%  |
| Japan                                  | 13%                                | 13%  |
| Asia Pacific ex Japan ex Hong Kong     | 11%                                | 7%   |
| North America                          | 19%                                | 20%  |
| Europe                                 | 20%                                | 22%  |
| Other                                  | 1%                                 | 5%   |
| Total investments                      | 98%                                | 98%  |
| Cash and other net assets              | 2%                                 | 2%   |
| Net assets attributable to unitholders | 100%                               | 100% |

Refer the net asset value of these underlying APIFs to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### E70 Mixed Asset Fund

|  | Fair value | % of net assets | Relevant index for the investments (Note 1)           | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|------------|-----------------|---|--|------------------------------------|
| <b>As at 31 December 2020</b><br>(HK\$'000)                          |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 6,188,859  | 99.92           | Willis Towers Watson MPF Benchmark (Equity 60% - 80%) | 5%   | 322,519                            |
| Total investments  | 6,188,859  | 99.92           |   |  | 322,519                            |
| <b>As at 31 December 2019</b><br>(HK\$'000)                          |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 5,765,195  | 99.91           | Willis Towers Watson MPF Benchmark (Equity 60% - 80%) | 5%   | 306,878                            |
| Total investments  | 5,765,195  | 99.91           |   |  | 306,878                            |

E70 Mixed Asset Fund invests in the following funds of BCT Pooled Investment Fund Series

|   | 2020                     |                 | 2019                     |                 |
|---|--------------------------|-----------------|--------------------------|-----------------|
|   | Fair value<br>(HK\$'000) | % of net assets | Fair value<br>(HK\$'000) | % of net assets |
| Dynamic Asian Equity Fund                   | 453,790                  | 7.33            | 414,358                  | 7.18            |
| Dynamic China & Hong Kong Equity Fund       | 937,133                  | 15.13           | 868,846                  | 15.06           |
| Dynamic European Equity Fund                | 630,118                  | 10.17           | 583,078                  | 10.10           |
| Dynamic Global Emerging Markets Equity Fund | 350,878                  | 5.66            | 318,257                  | 5.52            |
| Dynamic Global Bond Fund                    | 1,460,375                | 23.58           | 1,377,949                | 23.88           |
| Smart Asian Equity Fund                     | 109,644                  | 1.77            | 103,196                  | 1.79            |
| Smart China & Hong Kong Equity Fund         | 226,051                  | 3.65            | 215,528                  | 3.74            |
| Smart European Equity Fund                  | 237,389                  | 3.83            | 220,984                  | 3.83            |
| Smart Global Bond Fund                      | 361,059                  | 5.83            | 339,559                  | 5.88            |
| Smart Japanese Equity Fund                  | 559,801                  | 9.04            | 516,650                  | 8.95            |
| Smart North American Equity Fund            | 862,621                  | 13.93           | 806,790                  | 13.98           |

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

|  | % of net assets of underlying APIF |      |
|--|------------------------------------|------|
|  | 2020                               | 2019 |
| Listed equities                        | 70%                                | 69%  |
| Bonds                                  | 29%                                | 30%  |
| Cash and other net assets              | 1%                                 | 1%   |
| Net assets attributable to unitholders | 100%                               | 100% |

The following table shows the net market exposures of these underlying APIFs:

|  | % of net assets of underlying APIF |      |
|--|------------------------------------|------|
|  | 2020                               | 2019 |
| Hong Kong                              | 35%                                | 32%  |
| Japan                                  | 13%                                | 13%  |
| Asia Pacific ex Japan ex Hong Kong     | 11%                                | 7%   |
| North America                          | 19%                                | 20%  |
| Europe                                 | 20%                                | 22%  |
| Other                                  | 1%                                 | 5%   |
| Total investments                      | 99%                                | 99%  |
| Cash and other net assets              | 1%                                 | 1%   |
| Net assets attributable to unitholders | 100%                               | 100% |

Refer the net asset value of these underlying APIFs to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Global Bond Fund

|  | Fair value | % of net assets | Relevant index for the investments (Note 1)      | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|------------|-----------------|--|--|------------------------------------|
| <u>As at 31 December 2020</u><br>(HK\$'000)                          |            |                 |  |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |  |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 1,950,041  | 99.06           | FTSE World Government Bond Index (35% HKD Hedge) | 5%   | 90,479                             |
| Total investments  | 1,950,041  | 99.06           |  |  | 90,479                             |
| <u>As at 31 December 2019</u><br>(HK\$'000)                          |            |                 |  |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |  |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 1,553,852  | 99.14           | FTSE World Government Bond Index (35% HKD Hedge) | 5%   | 61,722                             |
| Total investments  | 1,553,852  | 99.14           |  |  | 61,722                             |

Global Bond Fund invests in the following funds of BCT Pooled Investment Fund Series

|                          | 2020                     |                 | 2019                     |                 |
|--------------------------|--------------------------|-----------------|--------------------------|-----------------|
|                          | Fair value<br>(HK\$'000) | % of net assets | Fair value<br>(HK\$'000) | % of net assets |
| Dynamic Global Bond Fund | 1,560,435                | 79.27           | 1,243,778                | 79.36           |
| Smart Global Bond Fund   | 389,606                  | 19.79           | 310,074                  | 19.78           |

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| Bonds                                  | 97%                                 | 98%  |
| Cash and other net assets              | 3%                                  | 2%   |
| Net assets attributable to unitholders | 100%                                | 100% |

The following table shows the net market exposures of these underlying APIFs:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| Hong Kong                              | 3%                                  | 3%   |
| Japan                                  | 9%                                  | 9%   |
| Asia Pacific ex Japan ex Hong Kong     | 6%                                  | 3%   |
| North America                          | 34%                                 | 40%  |
| Europe                                 | 37%                                 | 34%  |
| Other                                  | 8%                                  | 9%   |
| Total investments                      | 97%                                 | 98%  |
| Cash and other net assets              | 3%                                  | 2%   |
| Net assets attributable to unitholders | 100%                                | 100% |

Refer the net asset value of these underlying APIFs to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Global Equity Fund

|  | Fair value | % of net assets | Relevant index for the investments (Note 1) | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|------------|-----------------|---|--|------------------------------------|
| <u>As at 31 December 2020</u><br>(HK\$'000)                          |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 3,803,903  | 99.64           | FTSE MPF All World Hedged TR                | 5%   | 196,862                            |
| Total investments  | 3,803,903  | 99.64           |   |  | 196,862                            |
| <u>As at 31 December 2019</u><br>(HK\$'000)                          |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 3,219,350  | 99.53           | FTSE MPF All World Hedged TR                | 5%   | 165,488                            |
| Total investments  | 3,219,350  | 99.53           |   |  | 165,488                            |

Global Equity Fund invests in the following funds of BCT Pooled Investment Fund Series

|   | 2020                     |                 | 2019                     |                 |
|---|--------------------------|-----------------|--------------------------|-----------------|
|   | Fair value<br>(HK\$'000) | % of net assets | Fair value<br>(HK\$'000) | % of net assets |
| Dynamic Asian Equity Fund                   | 242,698                  | 6.36            | 200,660                  | 6.20            |
| Dynamic European Equity Fund                | 873,073                  | 22.87           | 740,704                  | 22.90           |
| Dynamic Global Emerging Markets Equity Fund | 299,666                  | 7.85            | 251,712                  | 7.78            |
| Smart Japanese Equity Fund                  | 342,173                  | 8.96            | 285,048                  | 8.81            |
| Smart North American Equity Fund            | 2,046,293                | 53.60           | 1,741,226                | 53.84           |

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| Listed equities                        | 100%                                | 98%  |
| Cash and other net assets              | -                                   | 2%   |
| Net assets attributable to unitholders | 100%                                | 100% |

The following table shows the net market exposures of these underlying APIFs:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| Hong Kong                              | 6%                                  | 5%   |
| Japan                                  | 9%                                  | 9%   |
| Asia Pacific ex Japan ex Hong Kong     | 7%                                  | 5%   |
| North America                          | 53%                                 | 52%  |
| Europe                                 | 23%                                 | 23%  |
| Other                                  | 2%                                  | 4%   |
| Total investments                      | 100%                                | 98%  |
| Cash and other net assets              | -                                   | 2%   |
| Net assets attributable to unitholders | 100%                                | 100% |

Refer the net asset value of these underlying APIFs to page 159.



# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Asian Equity Fund

|  | Fair value | % of net assets | Relevant index for the investments (Note 1)                         | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|------------|-----------------|---|--|------------------------------------|
| <b>As at 31 December 2020</b><br>(HK\$'000)                          |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 4,691,607  | 100.04          | FTSE MPF Asia Pacific excluding Japan, Australia and New Zealand TR | 5%   | 233,218                            |
| Total investments  | 4,691,607  | 100.04          |   |  | 233,218                            |

### As at 31 December 2019

(HK\$'000)

#### Approved Pooled Investment Fund

|  |           |       |   |    |         |
|--|-----------|-------|---|----|---------|
| BCT Pooled Investment Fund Series (details refer to the table below) | 3,819,567 | 99.97 | FTSE MPF Asia Pacific excluding Japan, Australia and New Zealand TR | 5% | 186,771 |
| Total investments  | 3,819,567 | 99.97 |   |    | 186,771 |

Asian Equity Fund invests in the following funds of BCT Pooled Investment Fund Series

|                           | 2020                  |                 | 2019                  |                 |
|---------------------------|-----------------------|-----------------|-----------------------|-----------------|
|                           | Fair value (HK\$'000) | % of net assets | Fair value (HK\$'000) | % of net assets |
| Dynamic Asian Equity Fund | 3,764,409             | 80.27           | 3,057,232             | 80.02           |
| Smart Asian Equity Fund   | 927,198               | 19.77           | 762,335               | 19.95           |

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| Listed equities                        | 99%                                 | 98%  |
| Cash and other net assets              | 1%                                  | 2%   |
| Net assets attributable to unitholders | 100%                                | 100% |

The following table shows the net market exposures of these underlying APIFs:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| Hong Kong                              | 46%                                 | 45%  |
| Asia Pacific ex Japan ex Hong Kong     | 53%                                 | 53%  |
| Total investments                      | 99%                                 | 98%  |
| Cash and other net assets              | 1%                                  | 2%   |
| Net assets attributable to unitholders | 100%                                | 100% |

Refer the net asset value of these underlying APIFs to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Flexi Mixed Asset Fund

|   | Fair value       | % of net assets | Relevant index for the investments (Note 1) | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|---|------------------|-----------------|---|--|------------------------------------|
| <u>As at 31 December 2020</u><br>(HK\$'000)   |                  |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>  |                  |                 |   |  |                                    |
| Allianz Global Investors Choice Fund – Allianz Choice Flexi Balanced Fund (Class A) | 1,338,945        | 99.90           | FTSE All World                              | 5%   | 66,947                             |
| Total investments   | <u>1,338,945</u> | <u>99.90</u>    |   |  | <u>66,947</u>                      |

|   |                  |              |                |    |               |
|---|------------------|--------------|----------------|----|---------------|
| <u>As at 31 December 2019</u><br>(HK\$'000)   |                  |              |                |    |               |
| <b>Approved Pooled Investment Fund</b>  |                  |              |                |    |               |
| Allianz Global Investors Choice Fund – Allianz Choice Flexi Balanced Fund (Class A) | 1,236,613        | 99.89        | FTSE All World | 5% | 61,831        |
| Total investments   | <u>1,236,613</u> | <u>99.89</u> |                |    | <u>61,831</u> |

Flexi Mixed Asset Fund invests in Allianz Global Investors Choice Fund – Allianz Choice Flexi Balanced Fund (Class A) (the “underlying APIF”).

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

|                           | <u>% of net assets underlying APIF</u> |             |
|---------------------------|--|-------------|
|                           | <u>2020</u>                            | <u>2019</u> |
| Listed equities           | 27%                                    | 20%         |
| Bonds                     | 66%                                    | 75%         |
| Cash and other net assets | 7%                                     | 5%          |
|                           | <u>100%</u>                            | <u>100%</u> |

The following table shows the net market exposures of the underlying APIF:

|                                    | <u>% of net assets of underlying APIF</u> |             |
|------------------------------------|---|-------------|
|                                    | <u>2020</u>                               | <u>2019</u> |
| Hong Kong                          | 11%                                       | 8%          |
| Japan                              | 2%  | 2%          |
| Asia Pacific ex Japan ex Hong Kong | 4%  | 2%          |
| North America                      | 62%                                       | 76%         |
| Europe                             | 7%  | 6%          |
| Other                              | 7%  | 1%          |
| Total investments                  | <u>93%</u>                                | <u>95%</u>  |
| Cash and other net assets          | <u>7%</u>                                 | <u>5%</u>   |
|                                    | <u>100%</u>                               | <u>100%</u> |

Refer the net asset value of the underlying APIF to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### China and Hong Kong Equity Fund

|  | Fair value | % of net assets | Relevant index for the investments (Note 1) | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|------------|-----------------|---|--|------------------------------------|
| <b>As at 31 December 2020</b>  |            |                 |   |  |                                    |
| (HK\$'000)   |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 10,260,687 | 99.77           | FTSE MPF Hong Kong TR                       | 5%   | 507,448                            |
| Total investments  | 10,260,687 | 99.77           |   |  | 507,448                            |

### As at 31 December 2019

(HK\$'000)

#### Approved Pooled Investment Fund

|  |           |       |                       |    |         |
|--|-----------|-------|-----------------------|----|---------|
| BCT Pooled Investment Fund Series (details refer to the table below) | 8,596,988 | 99.84 | FTSE MPF Hong Kong TR | 5% | 421,259 |
| Total investments  | 8,596,988 | 99.84 |                       |    | 421,259 |

#### China and Hong Kong Equity Fund invests in the following funds of BCT Pooled Investment Fund Series

|                                       | 2020                  |                 | 2019                  |                 |
|---------------------------------------|-----------------------|-----------------|-----------------------|-----------------|
|                                       | Fair value (HK\$'000) | % of net assets | Fair value (HK\$'000) | % of net assets |
| Dynamic China & Hong Kong Equity Fund | 8,253,689             | 80.25           | 6,881,865             | 79.92           |
| Smart China & Hong Kong Equity Fund   | 2,006,998             | 19.52           | 1,715,123             | 19.92           |

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| Listed equities                        | 99%                                 | 99%  |
| Cash and other net assets              | 1%                                  | 1%   |
| Net assets attributable to unitholders | 100%                                | 100% |

The following table shows the net market exposures of these underlying APIFs:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| China                                  | 80%                                 | 70%  |
| Hong Kong                              | 14%                                 | 20%  |
| Other                                  | 5%                                  | 9%   |
| Total investments                      | 99%                                 | 99%  |
| Cash and other net assets              | 1%                                  | 1%   |
| Net assets attributable to unitholders | 100%                                | 100% |

Refer the net asset value of these underlying APIFs to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### European Equity Fund

|  | Fair value | % of net assets | Relevant index for the investments (Note 1) | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|------------|-----------------|---|--|------------------------------------|
|--|------------|-----------------|---|--|------------------------------------|

As at 31 December 2020

(HK\$'000)

#### Approved Pooled Investment Fund

|  |         |       |                           |    |        |
|--|---------|-------|---------------------------|----|--------|
| BCT Pooled Investment Fund Series (details refer to the table below) | 691,456 | 98.23 | FTSE MPF Europe Hedged TR | 5% | 39,250 |
| Total investments  | 691,456 | 98.23 |                           |    | 39,250 |

As at 31 December 2019

(HK\$'000)

#### Approved Pooled Investment Fund

|  |         |       |                           |    |        |
|--|---------|-------|---------------------------|----|--------|
| BCT Pooled Investment Fund Series (details refer to the table below) | 644,720 | 99.23 | FTSE MPF Europe Hedged TR | 5% | 35,637 |
| Total investments  | 644,720 | 99.23 |                           |    | 35,637 |

European Equity Fund invests in the following funds of BCT Pooled Investment Fund Series

|                              | 2020                  |                 | 2019                  |                 |
|------------------------------|-----------------------|-----------------|-----------------------|-----------------|
|                              | Fair value (HK\$'000) | % of net assets | Fair value (HK\$'000) | % of net assets |
| Dynamic European Equity Fund | 503,831               | 71.57           | 467,257               | 71.92           |
| Smart European Equity Fund   | 187,625               | 26.66           | 177,463               | 27.31           |

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| Listed equities                        | 99%                                 | 97%  |
| Cash and other net assets              | 1%                                  | 3%   |
| Net assets attributable to unitholders | 100%                                | 100% |

The following table shows the net market exposures of these underlying APIFs:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| Europe                                 | 99%                                 | 96%  |
| Other                                  | -                                   | 1%   |
| Total investments                      | 99%                                 | 97%  |
| Cash and other net assets              | 1%                                  | 3%   |
| Net assets attributable to unitholders | 100%                                | 100% |

Refer the net asset value of these underlying APIFs to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### E90 Mixed Asset Fund

|  | Fair value | % of net assets | Relevant index for the investments (Note 1)       | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|------------|-----------------|---|--|------------------------------------|
| <u>As at 31 December 2020</u><br>(HK\$'000)                          |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 852,649    | 99.82           | Willis Towers Watson MPF Benchmark (Equity > 80%) | 5%   | 44,271                             |
| Total investments  | 852,649    | 99.82           |   |  | 44,271                             |
| <u>As at 31 December 2019</u><br>(HK\$'000)                          |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                               |            |                 |   |  |                                    |
| BCT Pooled Investment Fund Series (details refer to the table below) | 746,983    | 99.71           | Willis Towers Watson MPF Benchmark (Equity > 80%) | 5%   | 39,772                             |
| Total investments  | 746,983    | 99.71           |   |  | 39,772                             |

E90 Mixed Asset Fund invests in the following funds of BCT Pooled Investment Fund Series

|   | 2020                     |                 | 2019                     |                 |
|---|--------------------------|-----------------|--------------------------|-----------------|
|   | Fair value<br>(HK\$'000) | % of net assets | Fair value<br>(HK\$'000) | % of net assets |
| Dynamic Asian Equity Fund                   | 83,105                   | 9.73            | 71,787                   | 9.58            |
| Dynamic China & Hong Kong Equity Fund       | 159,592                  | 18.67           | 140,076                  | 18.70           |
| Dynamic European Equity Fund                | 111,198                  | 13.02           | 97,701                   | 13.04           |
| Dynamic Global Emerging Markets Equity Fund | 61,136                   | 7.16            | 52,243                   | 6.97            |
| Dynamic Global Bond Fund                    | 66,207                   | 7.75            | 58,069                   | 7.75            |
| Smart Asian Equity Fund                     | 20,364                   | 2.38            | 17,360                   | 2.32            |
| Smart China & Hong Kong Equity Fund         | 38,398                   | 4.50            | 34,516                   | 4.61            |
| Smart European Equity Fund                  | 41,743                   | 4.89            | 36,697                   | 4.90            |
| Smart Global Bond Fund                      | 15,282                   | 1.79            | 14,514                   | 1.94            |
| Smart Japanese Equity Fund                  | 102,831                  | 12.04           | 89,216                   | 11.91           |
| Smart North American Equity Fund            | 152,793                  | 17.89           | 134,804                  | 17.99           |

The market exposures of the constituent fund through its investments in the underlying APIFs was as follows:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| Listed equities                        | 90%                                 | 88%  |
| Bonds                                  | 9%                                  | 10%  |
| Cash and other net assets              | 1%                                  | 2%   |
| Net assets attributable to unitholders | 100%                                | 100% |

The following table shows the net market exposures of these underlying APIFs:

|  | % of net assets of underlying APIFs |      |
|--|-------------------------------------|------|
|  | 2020                                | 2019 |
| Hong Kong                              | 33%                                 | 32%  |
| Japan                                  | 13%                                 | 13%  |
| Asia Pacific ex Japan ex Hong Kong     | 12%                                 | 7%   |
| North America                          | 19%                                 | 20%  |
| Europe                                 | 21%                                 | 21%  |
| Other                                  | 1%                                  | 5%   |
| Total investments                      | 99%                                 | 98%  |
| Cash and other net assets              | 1%                                  | 2%   |
| Net assets attributable to unitholders | 100%                                | 100% |

Refer the net asset value of these underlying APIFs to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### SaveEasy 2020 Fund

|   | Fair value     | % of net assets | Relevant index for the investments (Note 1)  | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|---|----------------|-----------------|--|--|------------------------------------|
| <b>As at 31 December 2020</b><br>(HK\$'000)                   |                |                 |  |  |                                    |
| <b>Approved Pooled Investment Fund</b>                        |                |                 |  |  |                                    |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2020 Fund | 492,710        | 99.66           | FTSE AW North America Index,<br>FTSE AW Asia Pacific ex Japan<br>ex Hong Kong,<br>FTSE AW Europe Index,<br>FTSE MPF Hong Kong,<br>FTSE AW Japan Index,<br>FTSE MPF World Government Bond<br>Index, hedge to HK\$,<br>1 Month HIBOR | 5%   | 25,538                             |
| <b>Total investments</b>                                      | <b>492,710</b> | <b>99.66</b>    |  |  | <b>25,538</b>                      |

|   |                |              |  |    |               |
|---|----------------|--------------|--|----|---------------|
| <b>As at 31 December 2019</b><br>(HK\$'000)                   |                |              |  |    |               |
| <b>Approved Pooled Investment Fund</b>                        |                |              |  |    |               |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2020 Fund | 447,603        | 99.84        | FTSE AW North America Index,<br>FTSE AW Asia Pacific ex Japan<br>ex Hong Kong,<br>FTSE AW Europe Index,<br>FTSE MPF Hong Kong,<br>FTSE AW Japan Index,<br>FTSE MPF World Government Bond<br>Index, hedge to HK\$,<br>1 Month HIBOR | 5% | 23,641        |
| <b>Total investments</b>                                      | <b>447,603</b> | <b>99.84</b> |  |    | <b>23,641</b> |

SaveEasy 2020 Fund invests in Fidelity Global Investment Fund – Fidelity SaveEasy 2020 Fund (the “underlying APIF”).

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

|   | <b>% of net assets of underlying APIF</b> |             |
|---|---|-------------|
|   | <b>2020</b>                               | <b>2019</b> |
| Listed equities                               | 35%                                       | 45%         |
| Bonds   | 55%                                       | 54%         |
| Cash and other net assets                     | 10%                                       | 1%          |
| <b>Net assets attributable to unitholders</b> | <b>100%</b>                               | <b>100%</b> |

The following table shows the net market exposures of the underlying APIF:

|   | <b>% of net assets of underlying APIF</b> |             |
|---|---|-------------|
|   | <b>2020</b>                               | <b>2019</b> |
| Hong Kong                                     | 30%                                       | 33%         |
| Japan   | 12%                                       | 13%         |
| Asia Pacific ex Japan ex Hong Kong            | 12%                                       | 13%         |
| North America                                 | 18%                                       | 20%         |
| Europe  | 18%                                       | 20%         |
| <b>Total investments</b>                      | <b>90%</b>                                | <b>99%</b>  |
| <b>Cash and other net assets</b>              | <b>10%</b>                                | <b>1%</b>   |
| <b>Net assets attributable to unitholders</b> | <b>100%</b>                               | <b>100%</b> |

Refer the net asset value of the underlying APIF to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### SaveEasy 2025 Fund

|   | Fair value | % of net assets | Relevant index for the investments (Note 1)  | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|---|------------|-----------------|--|--|------------------------------------|
| <b>As at 31 December 2020</b>                                 |            |                 |  |  |                                    |
| <b>(HK\$'000)</b>   |            |                 |  |  |                                    |
| <b>Approved Pooled Investment Fund</b>                        |            |                 |  |  |                                    |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2025 Fund | 583,315    | 99.62           | FTSE AW North America Index,<br>FTSE AW Asia Pacific ex Japan<br>ex Hong Kong,<br>FTSE AW Europe Index,<br>FTSE MPF Hong Kong,<br>FTSE AW Japan Index,<br>FTSE MPF World Government Bond<br>Index, hedge to HK\$ | 5%   | 29,019                             |
| Total investments   | 583,315    | 99.62           |  |  | 29,019                             |
| <b>As at 31 December 2019</b>                                 |            |                 |  |  |                                    |
| <b>(HK\$'000)</b>   |            |                 |  |  |                                    |
| <b>Approved Pooled Investment Fund</b>                        |            |                 |  |  |                                    |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2025 Fund | 491,347    | 99.72           | FTSE AW North America Index,<br>FTSE AW Asia Pacific ex Japan<br>ex Hong Kong,<br>FTSE AW Europe Index,<br>FTSE MPF Hong Kong,<br>FTSE AW Japan Index,<br>FTSE MPF World Government Bond<br>Index, hedge to HK\$ | 5%   | 25,069                             |
| Total investments   | 491,347    | 99.72           |  |  | 25,069                             |

SaveEasy 2025 Fund invests in Fidelity Global Investment Fund – Fidelity SaveEasy 2025 Fund (the “underlying APIF”).

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

|  | <b>% of net assets of underlying APIF</b> |             |
|--|---|-------------|
|  | <b>2020</b>                               | <b>2019</b> |
| Listed equities                        | 86%                                       | 88%         |
| Bonds                                  | 14%                                       | 12%         |
| Cash and other net assets              | -   | -           |
| Net assets attributable to unitholders | 100%                                      | 100%        |

The following table shows the net market exposures of the underlying APIF:

|  | <b>% of net assets of underlying APIF</b> |             |
|--|---|-------------|
|  | <b>2020</b>                               | <b>2019</b> |
| Hong Kong                              | 34%                                       | 34%         |
| Japan                                  | 13%                                       | 13%         |
| Asia Pacific ex Japan ex Hong Kong     | 13%                                       | 13%         |
| North America                          | 20%                                       | 20%         |
| Europe                                 | 20%                                       | 20%         |
| Total investments                      | 100%                                      | 100%        |
| Cash and other net assets              | -   | -           |
| Net assets attributable to unitholders | 100%                                      | 100%        |

Refer the net asset value of the underlying APIF to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### SaveEasy 2030 Fund

|   | Fair value | % of net assets | Relevant index for the investments (Note 1)  | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|---|------------|-----------------|--|--|------------------------------------|
| <b>As at 31 December 2020</b><br>(HK\$'000)                   |            |                 |  |  |                                    |
| <b>Approved Pooled Investment Fund</b>                        |            |                 |  |  |                                    |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2030 Fund | 709,532    | 99.75           | FTSE AW North America Index,<br>FTSE AW Asia Pacific ex Japan ex Hong Kong,<br>FTSE AW Europe Index,<br>FTSE MPF Hong Kong,<br>FTSE AW Japan Index,<br>FTSE MPF World Government Bond Index, hedge to HK\$ | 5%   | 35,014                             |
| Total investments   | 709,532    | 99.75           |  |  | 35,014                             |

### As at 31 December 2019 (HK\$'000)

#### Approved Pooled Investment Fund

|   |         |       |  |    |        |
|---|---------|-------|--|----|--------|
| Fidelity Global Investment Fund – Fidelity SaveEasy 2030 Fund | 581,396 | 99.45 | FTSE AW North America Index,<br>FTSE AW Asia Pacific ex Japan ex Hong Kong,<br>FTSE AW Europe Index,<br>FTSE MPF Hong Kong,<br>FTSE AW Japan Index,<br>FTSE MPF World Government Bond Index, hedge to HK\$ | 5% | 29,377 |
| Total investments   | 581,396 | 99.45 |  |    | 29,377 |

SaveEasy 2030 Fund invests in Fidelity Global Investment Fund – Fidelity SaveEasy 2030 Fund (the “underlying APIF”).

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

|  | % of net assets of underlying APIF |      |
|--|------------------------------------|------|
|  | 2020                               | 2019 |
| Listed equities                        | 96%                                | 96%  |
| Bonds                                  | 4%                                 | 4%   |
| Cash and other net assets              | -                                  | -    |
| Net assets attributable to unitholders | 100%                               | 100% |

The following table shows the net market exposures of the underlying APIF:

|  | % of net assets of underlying APIF |      |
|--|------------------------------------|------|
|  | 2020                               | 2019 |
| Hong Kong                              | 34%                                | 34%  |
| Japan                                  | 13%                                | 13%  |
| Asia Pacific ex Japan ex Hong Kong     | 13%                                | 13%  |
| North America                          | 20%                                | 20%  |
| Europe                                 | 20%                                | 20%  |
| Total investments                      | 100%                               | 100% |
| Cash and other net assets              | -                                  | -    |
| Net assets attributable to unitholders | 100%                               | 100% |

Refer the net asset value of the underlying APIF to page 159.



# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### SaveEasy 2035 Fund

|   | Fair value     | % of net assets | Relevant index for the investments (Note 1)  | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|---|----------------|-----------------|--|--|------------------------------------|
| <b>As at 31 December 2020</b>                                 |                |                 |  |  |                                    |
| (HK\$'000)  |                |                 |  |  |                                    |
| <b>Approved Pooled Investment Fund</b>                        |                |                 |  |  |                                    |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2035 Fund | 670,044        | 99.59           | FTSE AW North America Index,<br>FTSE AW Asia Pacific ex Japan ex Hong Kong,<br>FTSE AW Europe Index,<br>FTSE MPF Hong Kong,<br>FTSE AW Japan Index,<br>FTSE MPF World Government Bond Index, hedge to HK\$ | 5%   | 32,966                             |
| <b>Total investments</b>                                      | <b>670,044</b> | <b>99.59</b>    |  |  | <b>32,966</b>                      |

### As at 31 December 2019 (HK\$'000)

#### Approved Pooled Investment Fund

|   |                |              |  |    |               |
|---|----------------|--------------|--|----|---------------|
| Fidelity Global Investment Fund – Fidelity SaveEasy 2035 Fund | 543,163        | 99.88        | FTSE AW North America Index,<br>FTSE AW Asia Pacific ex Japan ex Hong Kong,<br>FTSE AW Europe Index,<br>FTSE MPF Hong Kong,<br>FTSE AW Japan Index,<br>FTSE MPF World Government Bond Index, hedge to HK\$ | 5% | 27,293        |
| <b>Total investments</b>                                      | <b>543,163</b> | <b>99.88</b> |  |    | <b>27,293</b> |

SaveEasy 2035 Fund invests in Fidelity Global Investment Fund – Fidelity SaveEasy 2035 Fund (the “underlying APIF”).

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

|   | <b>% of net assets of underlying APIF</b> |             |
|---|---|-------------|
|   | <b>2020</b>                               | <b>2019</b> |
| Listed equities                               | 99%                                       | 99%         |
| Bonds   | 1%  | 1%          |
| Cash and other net assets                     | -   | -           |
| <b>Net assets attributable to unitholders</b> | <b>100%</b>                               | <b>100%</b> |

The following table shows the net market exposures of the underlying APIF:

|   | <b>% of net assets of underlying APIF</b> |             |
|---|---|-------------|
|   | <b>2020</b>                               | <b>2019</b> |
| Hong Kong                                     | 34%                                       | 34%         |
| Japan   | 13%                                       | 13%         |
| Asia Pacific ex Japan ex Hong Kong            | 13%                                       | 13%         |
| North America                                 | 20%                                       | 20%         |
| Europe  | 20%                                       | 20%         |
| <b>Total investments</b>                      | <b>100%</b>                               | <b>100%</b> |
| Cash and other net assets                     | -   | -           |
| <b>Net assets attributable to unitholders</b> | <b>100%</b>                               | <b>100%</b> |

Refer the net asset value of the underlying APIF to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### SaveEasy 2040 Fund

|   | Fair value       | % of net assets | Relevant index for the investments (Note 1)  | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|---|------------------|-----------------|--|--|------------------------------------|
| <u>As at 31 December 2020</u><br>(HK\$'000)                   |                  |                 |  |  |                                    |
| <b>Approved Pooled Investment Fund</b>                        |                  |                 |  |  |                                    |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2040 Fund | 1,629,287        | 99.59           | FTSE AW North America Index,<br>FTSE AW Asia Pacific ex Japan ex Hong Kong,<br>FTSE AW Europe Index,<br>FTSE MPF Hong Kong,<br>FTSE AW Japan Index,<br>FTSE MPF World Government Bond Index, hedge to HK\$ | 5%   | 79,830                             |
| Total investments   | <u>1,629,287</u> | <u>99.59</u>    |  |  | <u>79,830</u>                      |

As at 31 December 2019  
(HK\$'000)

### Approved Pooled Investment Fund

|   |                  |              |  |    |               |
|---|------------------|--------------|--|----|---------------|
| Fidelity Global Investment Fund – Fidelity SaveEasy 2040 Fund | 1,295,307        | 99.72        | FTSE AW North America Index,<br>FTSE AW Asia Pacific ex Japan ex Hong Kong,<br>FTSE AW Europe Index,<br>FTSE MPF Hong Kong,<br>FTSE AW Japan Index,<br>FTSE MPF World Government Bond Index, hedge to HK\$ | 5% | 64,729        |
| Total investments   | <u>1,295,307</u> | <u>99.72</u> |  |    | <u>64,729</u> |

SaveEasy 2040 Fund invests in Fidelity Global Investment Fund – Fidelity SaveEasy 2040 Fund (the “underlying APIF”).

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

|  | <u>% of net assets of underlying APIF</u> |             |
|--|---|-------------|
|  | <u>2020</u>                               | <u>2019</u> |
| Listed equities                        | 100%                                      | 99%         |
| Bonds                                  | -   | 1%          |
| Cash and other net assets              | -   | -           |
| Net assets attributable to unitholders | <u>100%</u>                               | <u>100%</u> |

The following table shows the net market exposures of the underlying APIF:

|  | <u>% of net assets of underlying APIF</u> |             |
|--|---|-------------|
|  | <u>2020</u>                               | <u>2019</u> |
| Hong Kong                              | 34%                                       | 34%         |
| Japan                                  | 13%                                       | 13%         |
| Asia Pacific ex Japan ex Hong Kong     | 13%                                       | 13%         |
| North America                          | 20%                                       | 20%         |
| Europe                                 | 20%                                       | 20%         |
| Total investments                      | <u>100%</u>                               | <u>100%</u> |
| Cash and other net assets              | -   | -           |
| Net assets attributable to unitholders | <u>100%</u>                               | <u>100%</u> |

Refer the net asset value of the underlying APIF to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Hang Seng Index Tracking Fund

|   | Fair value       | % of net assets | Relevant index for the investments (Note 1) | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|---|------------------|-----------------|---|--|------------------------------------|
| <u>As at 31 December 2020</u>                         |                  |                 |   |  |                                    |
| (HK\$'000)  |                  |                 |   |  |                                    |
| Index Tracking Collective Investment Scheme ("ITCIS") |                  |                 |   |  |                                    |
| Tracker Fund of Hong Kong                             | 2,989,635        | 101.25          | Hang Seng Index                             | 5%   | 149,143                            |
| Total investments                                     | <u>2,989,635</u> | <u>101.25</u>   |   |  | <u>149,143</u>                     |

### As at 31 December 2019

(HK\$'000)

### Index Tracking Collective Investment Scheme ("ITCIS")

|                           |                  |              |                 |    |                |
|---------------------------|------------------|--------------|-----------------|----|----------------|
| Tracker Fund of Hong Kong | 2,746,502        | 99.87        | Hang Seng Index | 5% | 137,271        |
| Total investments         | <u>2,746,502</u> | <u>99.87</u> |                 |    | <u>137,271</u> |

Hang Seng Index Tracking Fund invests in the Tracker Fund of Hong Kong (the "underlying ITCIS").

The market exposures of the constituent fund through its investments in the underlying ITCIS was as follows:

|  | <u>% of net assets of underlying ITCIS</u> |             |
|--|--|-------------|
|  | <u>2020</u>                                | <u>2019</u> |
| Listed equities                        | 100%                                       | 100%        |
| Cash and other net assets              | -  | -           |
| Net assets attributable to unitholders | <u>100%</u>                                | <u>100%</u> |

The following table shows the net market exposures of the underlying ITCIS:

|  | <u>% of net assets of underlying ITCIS</u> |             |
|--|--|-------------|
|  | <u>2020</u>                                | <u>2019</u> |
| Hong Kong                              | 100%                                       | 100%        |
| Total investments                      | 100%                                       | 100%        |
| Cash and other net assets              | -  | -           |
| Net assets attributable to unitholders | <u>100%</u>                                | <u>100%</u> |

Refer the net asset value of the underlying ITCIS to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Hong Kong Dollar Bond Fund

|  | Fair value | % of net assets | Relevant index for the investments (Note 1)   | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|------------|-----------------|---|--|------------------------------------|
| <u>As at 31 December 2020</u>          |            |                 |   |  |                                    |
| (HK\$'000)                             |            |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b> |            |                 |   |  |                                    |
| JPMorgan SAR HK\$ Bond Fund (Class B)  | 1,510,546  | 99.48           | Markit iBoxx Asian Local Bond Index Hong Kong | 5%   | 70,963                             |
| Total investments                      | 1,510,546  | 99.48           |   |  | 70,963                             |

### As at 31 December 2019

(HK\$'000)

### **Approved Pooled Investment Fund**

|                                       |           |       |   |    |        |
|---------------------------------------|-----------|-------|---|----|--------|
| JPMorgan SAR HK\$ Bond Fund (Class B) | 1,300,224 | 99.40 | Markit iBoxx Asian Local Bond Index Hong Kong | 5% | 64,055 |
| Total investments                     | 1,300,224 | 99.40 |   |    | 64,055 |

Hong Kong Dollar Bond Fund invests in JPMorgan SAR HK\$ Bond Fund (Class B) (the "underlying APIF").

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

|  | <u>% of net assets of underlying APIF</u> |             |
|--|---|-------------|
|  | <u>2020</u>                               | <u>2019</u> |
| Bonds                                  | 97%                                       | 96%         |
| Cash and other net assets              | 3%  | 4%          |
| Net assets attributable to unitholders | 100%                                      | 100%        |

The following table shows the net market exposures of the underlying APIF:

|  | <u>% of net assets of underlying APIF</u> |             |
|--|---|-------------|
|  | <u>2020</u>                               | <u>2019</u> |
| Hong Kong                              | 56%                                       | 49%         |
| Asia Pacific ex Japan ex Hong Kong     | 39%                                       | 44%         |
| Others                                 | 2%  | 3%          |
| Total investments                      | 97%                                       | 96%         |
| Cash and other net assets              | 3%  | 4%          |
| Net assets attributable to unitholders | 100%                                      | 100%        |

Refer the net asset value of the underlying APIF to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### World Equity Fund

|  |            |                    |  | % of<br>reasonable<br>possible<br>change of the |  |
|--|------------|--------------------|--|---|--|
|  | Fair value | % of net<br>assets | Relevant index for the<br>investments<br>(Note 1)  | relevant<br>index<br>(Note 2)                   | Change in net<br>asset value<br>(Note 3) |
| <b>As at 31 December 2020</b><br>(HK\$'000)                    |            |                    |  |   |  |
| <b>Index Tracking Collective Investment Schemes ("ITCISs")</b> |            |                    |  |   |  |
| Total investments  | 1,719,218  | 100.19             | Hang Seng Index,<br>S&P 500 Index (EOD),<br>MSCI Japan,<br>FTSE Developed Europe Index,<br>MSCI Pacific ex Japan | 5%  | 85,533                                   |

### As at 31 December 2019

(HK\$'000)

#### Index Tracking Collective Investment Schemes ("ITCISs")

|                   |           |       |  |    |        |
|-------------------|-----------|-------|--|----|--------|
| Total investments | 1,159,026 | 98.87 | Hang Seng Index,<br>S&P 500 Index (EOD),<br>MSCI Japan,<br>FTSE Developed Europe Index,<br>MSCI Pacific ex Japan | 5% | 58,411 |
|-------------------|-----------|-------|--|----|--------|

World Equity Fund invests in iShares MSCI Japan ETF, iShares MSCI Pacific Ex Japan ETF, Lyxor Core STOXX Europe 600 (DR), SPDR S&P 500 ETF Trust and Tracker Fund of Hong Kong (2019: iShares MSCI Japan ETF, iShares MSCI Pacific Ex Japan ETF, SPDR S&P 500 ETF Trust, Tracker Fund of Hong Kong and Vanguard FTSE Developed Europe UCITS ETF) (the "underlying ITCISs").

|  | 2020                     |                    | 2019                     |                    |
|--|--------------------------|--------------------|--------------------------|--------------------|
|  | Fair value<br>(HK\$'000) | % of net<br>assets | Fair value<br>(HK\$'000) | % of net<br>assets |
| iShares MSCI Japan ETF                   | 138,454                  | 8.07               | 92,375                   | 7.88               |
| iShares MSCI Pacific Ex Japan ETF        | 172,559                  | 10.06              | 116,001                  | 9.90               |
| Lyxor Core STOXX Europe 600 (DR)         | 445,434                  | 25.96              | -                        | -                  |
| SPDR S&P 500 ETF Trust                   | 875,529                  | 51.02              | 592,130                  | 50.50              |
| Tracker Fund of Hong Kong                | 87,242                   | 5.08               | 58,906                   | 5.03               |
| Vanguard FTSE Developed Europe UCITS ETF | -                        | -                  | 299,614                  | 25.56              |

The market exposures of the constituent fund through its investments in the underlying ITCISs was as follows:

|  | % of net assets of underlying ITCISs |      |
|--|--------------------------------------|------|
|  | 2020                                 | 2019 |
| Listed equities                        | 100%                                 | 100% |
| Cash and other net assets              | -                                    | -    |
| Net assets attributable to unitholders | 100%                                 | 100% |

The following table shows the net market exposures of the underlying ITCISs:

|  | % of net assets of underlying ITCISs |      |
|--|--------------------------------------|------|
|  | 2020                                 | 2019 |
| Hong Kong                              | 5%                                   | 5%   |
| Japan                                  | 8%                                   | 8%   |
| Asia Pacific ex Japan ex Hong Kong     | 10%                                  | 10%  |
| North America                          | 51%                                  | 51%  |
| Europe                                 | 26%                                  | 26%  |
| Total investments                      | 100%                                 | 100% |
| Cash and other net assets              | -                                    | -    |
| Net assets attributable to unitholders | 100%                                 | 100% |

Refer the net asset value of these underlying ITCISs to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Greater China Equity Fund

|  | Fair value | % of net assets | Relevant index for the investments (Note 1)   | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|------------|-----------------|---|--|------------------------------------|
| <b>As at 31 December 2020</b>                                  |            |                 |   |  |                                    |
| (HK\$'000)   |            |                 |   |  |                                    |
| <b>Index Tracking Collective Investment Schemes ("ITCISs")</b> |            |                 |   |  |                                    |
| Total investments  | 1,489,451  | 99.47           | FTSE Greater China HKD Index, Hang Seng Index | 5%   | 73,354                             |
|  |            |                 |   |  |                                    |

### As at 31 December 2019

(HK\$'000)

### Index Tracking Collective Investment Schemes ("ITCISs")

|                   |           |       |   |    |        |
|-------------------|-----------|-------|---|----|--------|
| Total investments | 1,046,167 | 99.69 | FTSE Greater China HKD Index, Hang Seng Index | 5% | 52,221 |
|                   |           |       |   |    |        |

Greater China Equity Fund invests in SPDR FTSE Greater China ETF and Tracker Fund of Hong Kong (the "underlying ITCISs").

|                             | 2020                     |                    | 2019                     |                    |
|-----------------------------|--------------------------|--------------------|--------------------------|--------------------|
|                             | Fair value<br>(HK\$'000) | % of net<br>assets | Fair value<br>(HK\$'000) | % of net<br>assets |
| SPDR FTSE Greater China ETF | 1,189,454                | 79.44              | 836,069                  | 79.67              |
| Tracker Fund of Hong Kong   | 299,997                  | 20.03              | 210,098                  | 20.02              |

The market exposures of the constituent fund through its investments in the underlying ITCISs was as follows:

|  | % of net assets of underlying ITCISs |      |
|--|--------------------------------------|------|
|  | 2020                                 | 2019 |
| Listed equities                        | 100%                                 | 100% |
| Cash and other net assets              | -                                    | -    |
|  | 100%                                 | 100% |
| Net assets attributable to unitholders |                                      |      |

The following table shows the net market exposures of the underlying ITCISs:

|  | % of net assets of underlying ITCISs |      |
|--|--------------------------------------|------|
|  | 2020                                 | 2019 |
| Hong Kong                              | 30%                                  | 27%  |
| China                                  | 51%                                  | 51%  |
| Taiwan                                 | 19%                                  | 22%  |
|  |                                      |      |
| Total investments                      | 100%                                 | 100% |
| Cash and other net assets              | -                                    | -    |
|  | 100%                                 | 100% |
| Net assets attributable to unitholders |                                      |      |

Refer the net asset value of these underlying ITCISs to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### RMB Bond Fund

|  | Fair value     | % of net assets | Relevant index for the investments (Note 1)     | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|--|----------------|-----------------|---|--|------------------------------------|
| <u>As at 31 December 2020</u><br>(HK\$'000)              |                |                 |   |  |                                    |
| <b>Approved Pooled Investment Fund</b>                   |                |                 |   |  |                                    |
| Invesco Pooled Investment Fund – RMB Bond Fund (Class B) | 785,132        | 99.46           | Markit iBoxx ALBI China Offshore Non-Government | 5%   | 34,267                             |
| Total investments  | <u>785,132</u> | <u>99.46</u>    |   |  | <u>34,267</u>                      |

As at 31 December 2019  
(HK\$'000)

### **Approved Pooled Investment Fund**

|  |                |              |   |    |               |
|--|----------------|--------------|---|----|---------------|
| Invesco Pooled Investment Fund – RMB Bond Fund (Class B) | 630,920        | 99.65        | Markit iBoxx ALBI China Offshore Non-Government | 5% | 27,536        |
| Total investments  | <u>630,920</u> | <u>99.65</u> |   |    | <u>27,536</u> |

RMB Bond Fund invests in Invesco Pooled Investment Fund – RMB Bond Fund (Class B) (This investment fund is denominated in HKD only and not in RMB) (the “underlying APIF”).

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

|  | <u>% of net assets of underlying APIF</u> |             |
|--|---|-------------|
|  | <u>2020</u>                               | <u>2019</u> |
| Bonds                                  | 99%                                       | 99%         |
| Cash and other net assets              | 1%  | 1%          |
| Net assets attributable to unitholders | <u>100%</u>                               | <u>100%</u> |

The following table shows the net market exposures of the underlying APIF:

|  | <u>% of net assets of underlying APIF</u> |             |
|--|---|-------------|
|  | <u>2020</u>                               | <u>2019</u> |
| China                                  | 99%                                       | 99%         |
| Total investments                      | 99%                                       | 99%         |
| Cash and other net assets              | 1%  | 1%          |
| Net assets attributable to unitholders | <u>100%</u>                               | <u>100%</u> |

Refer the net asset value of the underlying APIF to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Core Accumulation Fund

|   | Fair value       | % of net assets | Relevant index for the investments (Note 1)  | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|---|------------------|-----------------|--|--|------------------------------------|
| <b>As at 31 December 2020</b>                                     |                  |                 |  |  |                                    |
| (HK\$'000)  |                  |                 |  |  |                                    |
| <b>Approved Pooled Investment Fund</b>                            |                  |                 |  |  |                                    |
| Invesco Pooled Investment Fund – Core Accumulation Fund (Class A) | 1,412,552        | 99.38           | FTSE MPF All-World Index (Unhedged Total Return),<br>FTSE MPF World Government Bond Index (HKD Hedged Total Return),<br>MPFA Prescribed Savings Rate | 5%   | 69,763                             |
| <b>Total investments</b>  | <b>1,412,552</b> | <b>99.38</b>    |  |  | <b>69,763</b>                      |
| <b>As at 31 December 2019</b>                                     |                  |                 |  |  |                                    |
| (HK\$'000)  |                  |                 |  |  |                                    |
| <b>Approved Pooled Investment Fund</b>                            |                  |                 |  |  |                                    |
| Invesco Pooled Investment Fund – Core Accumulation Fund (Class A) | 936,250          | 99.17           | FTSE MPF All-World Index (Unhedged Total Return),<br>FTSE MPF World Government Bond Index (HKD Hedged Total Return),<br>MPFA Prescribed Savings Rate | 5%   | 46,814                             |
| <b>Total investments</b>  | <b>936,250</b>   | <b>99.17</b>    |  |  | <b>46,814</b>                      |

Core Accumulation Fund invests in Invesco Pooled Investment Fund – Core Accumulation Fund (Class A) (the “underlying APIF”) which in turns invests in two approved pooled investment funds as allowed under the Mandatory Provident Fund Schemes (General) Regulation.

The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

|   | <b>% of net assets of underlying APIF</b> |             |
|---|---|-------------|
|   | <b>2020</b>                               | <b>2019</b> |
| Listed equities                               | 62%                                       | 62%         |
| Bonds   | 37%                                       | 36%         |
| Cash and other net assets                     | 1%  | 2%          |
| <b>Net assets attributable to unitholders</b> | <b>100%</b>                               | <b>100%</b> |

The following table shows the net market exposures of the underlying APIF:

|   | <b>% of net assets of underlying APIF</b> |             |
|---|---|-------------|
|   | <b>2020</b>                               | <b>2019</b> |
| Hong Kong                                     | 3%  | 2%          |
| Japan   | 6%  | 7%          |
| Asia Pacific ex Japan ex Hong Kong            | 7%  | 8%          |
| North America                                 | 53%                                       | 51%         |
| Europe  | 28%                                       | 27%         |
| Other   | 2%  | 3%          |
| <b>Total investments</b>                      | <b>99%</b>                                | <b>98%</b>  |
| <b>Cash and other net assets</b>              | <b>1%</b>                                 | <b>2%</b>   |
| <b>Net assets attributable to unitholders</b> | <b>100%</b>                               | <b>100%</b> |

Refer the net asset value of the underlying APIF to page 159.



# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Age 65 Plus Fund

|   | Fair value     | % of net assets | Relevant index for the investments (Note 1)  | % of reasonable possible change of the relevant index (Note 2) | Change in net asset value (Note 3) |
|---|----------------|-----------------|--|--|------------------------------------|
| <u>As at 31 December 2020</u><br>(HK\$'000)                 |                |                 |  |  |                                    |
| <b>Approved Pooled Investment Fund</b>                      |                |                 |  |  |                                    |
| Invesco Pooled Investment Fund - Age 65 Plus Fund (Class A) | 670,392        | 98.47           | FTSE MPF All-World Index (Unhedged Total Return),<br>FTSE MPF World Government Bond Index (HKD Hedged Total Return),<br>MPFA Prescribed Savings Rate | 5%   | 32,267                             |
| Total investments   | <u>670,392</u> | <u>98.47</u>    |  |  | <u>32,267</u>                      |

|   |                |              |  |    |               |
|---|----------------|--------------|--|----|---------------|
| <u>As at 31 December 2019</u><br>(HK\$'000)                 |                |              |  |    |               |
| <b>Approved Pooled Investment Fund</b>                      |                |              |  |    |               |
| Invesco Pooled Investment Fund - Age 65 Plus Fund (Class A) | 385,819        | 97.95        | FTSE MPF All-World Index (Unhedged Total Return),<br>FTSE MPF World Government Bond Index (HKD Hedged Total Return),<br>MPFA Prescribed Savings Rate | 5% | 18,788        |
| Total investments   | <u>385,819</u> | <u>97.95</u> |  |    | <u>18,788</u> |

Age 65 Plus Fund invests in Invesco Pooled Investment Fund – Age 65 Plus Fund (Class A) (the “underlying APIF”) which in turns invests in two approved pooled investment funds as allowed under the Mandatory Provident Fund Schemes (General) Regulation. The market exposures of the constituent fund through its investments in the underlying APIF was as follows:

|  | <u>% of net assets of underlying APIF</u> |             |
|--|---|-------------|
|  | <u>2020</u>                               | <u>2019</u> |
| Listed equities                        | 21%                                       | 19%         |
| Bonds                                  | 77%                                       | 78%         |
| Cash and other net assets              | 2%  | 3%          |
| Net assets attributable to unitholders | <u>100%</u>                               | <u>100%</u> |

The following table shows the net market exposures of the underlying APIF:

|  | <u>% of net assets of underlying APIF</u> |             |
|--|---|-------------|
|  | <u>2020</u>                               | <u>2019</u> |
| Hong Kong                              | 1%  | 1%          |
| Japan                                  | 5%  | 5%          |
| Asia Pacific ex Japan ex Hong Kong     | 8%  | 8%          |
| North America                          | 41%                                       | 41%         |
| Europe                                 | 40%                                       | 37%         |
| Other                                  | 3%  | 5%          |
| Total investments                      | <u>98%</u>                                | <u>97%</u>  |
| Cash and other net assets              | <u>2%</u>                                 | <u>3%</u>   |
| Net assets attributable to unitholders | <u>100%</u>                               | <u>100%</u> |

Refer the net asset value of the underlying APIF to page 159.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Notes

- <sup>1</sup> Relevant index for the investments represents the relevant market index which has similar investment portfolio composition as the underlying investments.
- <sup>2</sup> The analysis is based on the assumption that the relevant index increased/decreased by 5% (2019: 5%), with all other variables held constant and that the fair value of the constituent funds' investments moved according to the historical correlation with the index. The investment managers have used their view of what would be a "reasonable shift" in each key market to estimate the change for use in the market sensitivity analysis. Changes in market index % are revised annually depending on investment managers' current view of market volatility and other relevant factors.
- <sup>3</sup> Change in net asset value of the constituent funds is calculated based on the fair value of investments multiplied by the estimated % of reasonable possible change of the relevant index and the historical correlation of the constituent funds' investments with the index. Disclosures above are shown in absolute terms, changes and impacts could be positive or negative.
- <sup>4</sup> The net asset value of the underlying APIFs and ITCISs invested by the constituent funds as at 31 December 2020 and 2019 are as follow:

|   | 2020<br>HK\$ million | 2019<br>HK\$ million |
|---|----------------------|----------------------|
| Allianz Global Investors Choice Fund – Allianz Choice Flexi Balanced Fund | 2,407                | 2,291                |
| Invesco Pooled Investment Fund – Age 65 Plus Fund                         | 1,603                | 1,039                |
| Invesco Pooled Investment Fund – Core Accumulation Fund                   | 3,231                | 2,170                |
| Invesco Pooled Investment Fund – RMB Bond Fund                            | 1,243                | 1,015                |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2020 Fund             | 951                  | 873                  |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2025 Fund             | 1,068                | 895                  |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2030 Fund             | 1,281                | 1,045                |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2035 Fund             | 1,238                | 1,009                |
| Fidelity Global Investment Fund – Fidelity SaveEasy 2040 Fund             | 3,092                | 2,568                |
| JPMorgan SAR HK\$ Bond Fund (Class B)                                     | 1,511                | 1,300                |
| Tracker Fund of Hong Kong   | 104,762              | 89,671               |
| SPDR S&P 500 ETF Trust  | 2,550,633            | 2,393,543            |
| iShares MSCI Pacific Ex Japan ETF   | 16,031               | 17,524               |
| iShares MSCI Japan ETF  | 104,282              | 110,070              |
| Lyxor Core STOXX Europe 600 (DR)  | 21,485               | -                    |
| Vanguard FTSE Developed Europe UCITS ETF                                  | -                    | 18,138               |
| SPDR FTSE Greater China ETF   | 1,209                | 849                  |
| Dynamic Asian Equity Fund (Class A)                                       | 4,823                | 4,001                |
| Dynamic China & Hong Kong Equity Fund (Class A)                           | 9,906                | 8,414                |
| Dynamic European Equity Fund (Class A)                                    | 2,502                | 2,249                |
| Dynamic Global Emerging Markets Equity Fund (Class A)                     | 932                  | 822                  |
| Dynamic Global Bond Fund (Class A)  | 6,116                | 5,572                |
| Smart Asian Equity Fund (Class A)   | 1,124                | 944                  |
| Smart China & Hong Kong Equity Fund (Class A)                             | 2,402                | 2,092                |
| Smart European Equity Fund (Class A)                                      | 609                  | 570                  |
| Smart Global Bond Fund (Class A)  | 2,004                | 1,387                |
| Smart Japanese Equity Fund (Class A)                                      | 1,350                | 1,213                |
| Smart North American Equity Fund (Class A)                                | 3,583                | 3,177                |

The constituent funds' maximum exposure to loss from their interests in APIFs and ITCISs is equal to the total fair value of their investments in the APIFs and ITCISs.

Once the constituent funds have disposed of their units in APIFs or ITCISs, the constituent funds cease to be exposed to any risk from the APIFs or ITCISs.

The constituent funds' investment strategies entail trading on other funds on a regular basis. As at 31 December 2020 and 2019 the constituent funds had no capital commitment obligations and no amounts due to APIFs or ITCISs for unsettled purchases.

The net gain/(loss) incurred on investments in APIFs and ITCISs during the year ended 31 December 2020 and 2019 are stated in the respective constituent funds' statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

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(ii) Interest rate risk

The constituent funds of the Plan which invested in interest bearing financial assets are subject to interest rate risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash of the constituent funds are invested in short-term commercial papers or deposits.

The majority of the financial assets and liabilities of E30 Mixed Asset Fund, E50 Mixed Asset Fund, E70 Mixed Asset Fund, Global Bond Fund, Global Equity Fund, Asian Equity Fund, Flexi Mixed Asset Fund, China and Hong Kong Equity Fund, European Equity Fund, E90 Mixed Asset Fund, SaveEasy 2020 Fund, SaveEasy 2025 Fund, SaveEasy 2030 Fund, SaveEasy 2035 Fund, SaveEasy 2040 Fund, Hang Seng Index Tracking Fund, Hong Kong Dollar Bond Fund, World Equity Fund, Greater China Equity Fund, RMB Bond Fund, Core Accumulation Fund and Age 65 Plus Fund are non-interest bearing. Their interest bearing financial assets comprise bank balances. The investment managers consider that these funds are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. As a result, no sensitivity analysis on interest rate movements is required.

The majority of the financial assets and liabilities of the Plan are non-interest bearing. The only interest bearing financial assets comprise bank balances. Any excess cash and cash equivalents of the Plan are invested at short-term market interest rates and have no significant exposure to interest rate risk. As such, no interest rate risk sensitivity is disclosed.

The table below summarised the exposure to bank balances of E30 Mixed Asset Fund, E50 Mixed Asset Fund, E70 Mixed Asset Fund, Global Bond Fund, Global Equity Fund, Asian Equity Fund, Flexi Mixed Asset Fund, China and Hong Kong Equity Fund, European Equity Fund, E90 Mixed Asset Fund, SaveEasy 2020 Fund, SaveEasy 2025 Fund, SaveEasy 2030 Fund, SaveEasy 2035 Fund, SaveEasy 2040 Fund, Hang Seng Index Tracking Fund, Hong Kong Dollar Bond Fund, World Equity Fund, Greater China Equity Fund, RMB Bond Fund, Core Accumulation Fund and Age 65 Plus Fund as at 31 December 2020 and 2019:

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

|                                 | As at<br>31 December 2020 |                    | As at<br>31 December 2019 |                    |
|---------------------------------|---------------------------|--------------------|---------------------------|--------------------|
|                                 | Fair value<br>HK\$        | % of net<br>assets | Fair value<br>HK\$        | % of net<br>assets |
| E30 Mixed Asset Fund            |                           |                    |                           |                    |
| - Bank balances                 | <u>15,866,251</u>         | <u>0.53</u>        | <u>16,950,661</u>         | <u>0.60</u>        |
| E50 Mixed Asset Fund            |                           |                    |                           |                    |
| - Bank balances                 | <u>13,415,604</u>         | <u>0.39</u>        | <u>12,801,215</u>         | <u>0.39</u>        |
| E70 Mixed Asset Fund            |                           |                    |                           |                    |
| - Bank balances                 | <u>13,233,636</u>         | <u>0.21</u>        | <u>14,536,766</u>         | <u>0.25</u>        |
| Global Bond Fund                |                           |                    |                           |                    |
| - Bank balances                 | <u>12,945,801</u>         | <u>0.66</u>        | <u>7,388,081</u>          | <u>0.47</u>        |
| Global Equity Fund              |                           |                    |                           |                    |
| - Bank balances                 | <u>13,056,299</u>         | <u>0.34</u>        | <u>11,962,924</u>         | <u>0.37</u>        |
| Asian Equity Fund               |                           |                    |                           |                    |
| - Bank balances                 | <u>34,997</u>             | <u>-</u>           | <u>38,769</u>             | <u>-</u>           |
| Flexi Mixed Asset Fund          |                           |                    |                           |                    |
| - Bank balances                 | <u>1,511,824</u>          | <u>0.11</u>        | <u>1,238,480</u>          | <u>0.10</u>        |
| China and Hong Kong Equity Fund |                           |                    |                           |                    |
| - Bank balances                 | <u>52,039</u>             | <u>-</u>           | <u>55,444</u>             | <u>-</u>           |
| European Equity Fund            |                           |                    |                           |                    |
| - Bank balances                 | <u>11,349,062</u>         | <u>1.61</u>        | <u>5,184,359</u>          | <u>0.80</u>        |
| E90 Mixed Asset Fund            |                           |                    |                           |                    |
| - Bank balances                 | <u>2,793,498</u>          | <u>0.33</u>        | <u>2,155,904</u>          | <u>0.29</u>        |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

|  | As at<br>31 December 2020 |                    | As at<br>31 December 2019 |                    |
|--|---------------------------|--------------------|---------------------------|--------------------|
|  | Fair value<br>HK\$        | % of net<br>assets | Fair value<br>HK\$        | % of net<br>assets |
| SaveEasy 2020 Fund<br>- Bank balances            | 1,408,447                 | 0.28               | 1,712,040                 | 0.38               |
| SaveEasy 2025 Fund<br>- Bank balances            | 942,883                   | 0.16               | 1,150,595                 | 0.23               |
| SaveEasy 2030 Fund<br>- Bank balances            | 1,319,976                 | 0.19               | 1,091,427                 | 0.19               |
| SaveEasy 2035 Fund<br>- Bank balances            | 2,091,638                 | 0.31               | 841,589                   | 0.15               |
| SaveEasy 2040 Fund<br>- Bank balances            | 2,451,382                 | 0.15               | 1,952,149                 | 0.15               |
| Hang Seng Index Tracking Fund<br>- Bank balances | 8,473,991                 | 0.29               | 14,283,440                | 0.52               |
| Hong Kong Dollar Bond Fund<br>- Bank balances    | 4,941,647                 | 0.33               | 3,791,919                 | 0.29               |
| World Equity Fund<br>- Bank balances             | 4,022,216                 | 0.23               | 12,221,111                | 1.04               |
| Greater China Equity Fund<br>- Bank balances     | 8,766,868                 | 0.59               | 6,024,788                 | 0.57               |
| RMB Bond Fund<br>- Bank balances                 | 896,265                   | 0.11               | 707,828                   | 0.11               |
| Core Accumulation Fund<br>- Bank balances        | 1,625,945                 | 0.11               | 940,862                   | 0.10               |
| Age 65 Plus Fund<br>- Bank balances              | 920,784                   | 0.14               | 516,862                   | 0.13               |

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

The table below summarised the MPF Conservative Fund's exposure to interest rate risk, categorised by remaining maturity period for the constituent funds investing in interest bearing financial assets:

### MPF Conservative Fund

At 31 December 2020  
(HK\$'000)

|  | Up to 3<br>months | 3-12<br>months | Over 12<br>months | Non-interest<br>bearing | Total     |
|--|-------------------|----------------|-------------------|-------------------------|-----------|
| Bank balances  | 156,756           | -              | -                 | -                       | 156,756   |
| Financial assets at fair value through<br>profit or loss | 6,522,915         | 2,035,508      | -                 | -                       | 8,558,423 |
| Other assets   | -                 | -              | -                 | 124,772                 | 124,772   |
| Total assets   | 6,679,671         | 2,035,508      | -                 | 124,772                 | 8,839,951 |
| Total liabilities  | -                 | -              | -                 | (106,887)               | (106,887) |
| Total interest sensitivity gap                           | 6,679,671         | 2,035,508      | -                 |                         |           |

At 31 December 2019  
(HK\$'000)

|  | Up to 3<br>months | 3-12<br>months | Over 12<br>months | Non-interest<br>bearing | Total     |
|--|-------------------|----------------|-------------------|-------------------------|-----------|
| Bank balances  | 198,181           | -              | -                 | -                       | 198,181   |
| Financial assets at fair value through<br>profit or loss | 6,461,005         | 1,505,563      | -                 | -                       | 7,966,568 |
| Other assets   | -                 | -              | -                 | 96,497                  | 96,497    |
| Total assets   | 6,659,186         | 1,505,563      | -                 | 96,497                  | 8,261,246 |
| Total liabilities  | -                 | -              | -                 | (86,308)                | (86,308)  |
| Total interest sensitivity gap                           | 6,659,186         | 1,505,563      | -                 |                         |           |

At 31 December 2020, should interest rates have changed by 1% (2019: 1%) with all other variables remaining constant, the change in net assets attributable to members would be as follows:

|                       | As at<br>31 December 2020                    |   | As at<br>31 December 2019                    |   |
|-----------------------|--|---|--|---|
|                       | Estimated<br>% change<br>in interest<br>rate | Change in<br>net assets<br>attributable<br>to members<br>HK\$'000 | Estimated<br>% change<br>in interest<br>rate | Change in<br>net assets<br>attributable<br>to members<br>HK\$'000 |
| MPF Conservative Fund | ± 1%   | 87,152  | ± 1%   | 81,647  |

The investment managers monitor the constituent funds' overall interest sensitivity on a daily/weekly basis.

NOTES TO THE FINANCIAL STATEMENTS

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(iii) Currency risk

At 31 December 2020 and 2019, the Plan did not have any assets or liabilities denominated in currencies other than its functional currency, Hong Kong dollar. As a result, the Plan is not subject to significant currency risk.

Certain constituent funds hold financial assets denominated in currencies other than their functional currency, Hong Kong dollars. These constituent funds are therefore exposed to currency risk, as the value of their financial assets denominated in other currencies will fluctuate due to changes in exchange rates.

Except for the MPF Conservative Fund of which its Hong Kong dollar effective currency exposure must be maintained at 100% as required by the General Regulation, all other constituent funds are required to maintain their Hong Kong dollar effective currency exposure at a minimum of 30% as required by the General Regulation. The investment managers may enter into currency forward contracts from time to time to reduce currency exposure. The constituent funds and their counterparty settled the forward foreign exchange contracts on a net basis except for World Equity Fund. Refer to Note 12 for details of outstanding currency forward contracts as at 31 December 2020 and 2019.

The table below summarises the relevant constituent funds' monetary and non-monetary exposure to currency risk and the impact on net assets should the currencies have strengthened or weakened by 5% against the Hong Kong dollar, with all other variables remaining constant, as at 31 December 2020 and 2019.

The investment managers do not consider there to be a change in the current Hong Kong dollar peg to the US dollar that would have a material impact on the below constituent funds, consequently no sensitivity analysis has been performed on the Hong Kong dollar to US dollar currency pair.

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**E30 Mixed Asset Fund**

At 31 December 2020

Original currencies

Hong Kong dollar

equivalent (HK\$'000)

JPY

EUR

GBP

Assets

Monetary assets

-

-

-

Non-monetary assets

-

-

-

Liabilities

Monetary liabilities

(2,523)

(9,718)

(2,576)

Non-monetary liabilities

-

-

-

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%

±5%

±5%

Impact on net assets  
attributable to members

Monetary

±126

±486

±129

Non-monetary

-

-

-

At 31 December 2019

Original currencies

Hong Kong dollar

equivalent (HK\$'000)

EUR

GBP

Assets

Monetary assets

-

-

Non-monetary assets

-

-

Liabilities

Monetary liabilities

(83)

(178)

Non-monetary liabilities

-

-

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%

±5%

Impact on net assets  
attributable to members

Monetary

±4

±9

Non-monetary

-

-



# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### E50 Mixed Asset Fund

At 31 December 2020

Original currencies

Hong Kong dollar

equivalent (HK\$'000)

JPY

EUR

GBP

Assets

Monetary assets

-

-

-

Non-monetary assets

-

-

-

Liabilities

Monetary liabilities

(2,271)

(7,647)

(2,211)

Non-monetary liabilities

-

-

-

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%

±5%

±5%

Impact on net assets  
attributable to members

Monetary

±114

±382

±111

Non-monetary

-

-

-

At 31 December 2019

Original currencies

Hong Kong dollar

equivalent (HK\$'000)

EUR

GBP

Assets

Monetary assets

-

-

Non-monetary assets

-

-

Liabilities

Monetary liabilities

(90)

(164)

Non-monetary liabilities

-

-

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%

±5%

Impact on net assets  
attributable to members

Monetary

±4

±8

Non-monetary

-

-

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

**E70 Mixed Asset Fund**

At 31 December 2020

Original currencies

Hong Kong dollar

equivalent (HK\$'000)

JPY

EUR

GBP

Assets

Monetary assets

-

-

-

Non-monetary assets

-

-

-

Liabilities

Monetary liabilities

(2,838)

(7,562)

(2,638)

Non-monetary liabilities

-

-

-

Estimated % change in the

relevant exchange rate of

the foreign currency

against Hong Kong dollar

±5%

±5%

±5%

Impact on net assets

attributable to members

Monetary

±142

±378

±132

Non-monetary

-

-

-

At 31 December 2019

Original currencies

Hong Kong dollar

equivalent (HK\$'000)

EUR

GBP

Assets

Monetary assets

-

-

Non-monetary assets

-

-

Liabilities

Monetary liabilities

(141)

(204)

Non-monetary liabilities

-

-

Estimated % change in the

relevant exchange rate of

the foreign currency

against Hong Kong dollar

±5%

±5%

Impact on net assets

attributable to members

Monetary

±7

±10

Non-monetary

-

-

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**Global Bond Fund**

At 31 December 2020

Original currencies

Hong Kong dollar  
equivalent (HK\$'000)

JPY

EUR

GBP

**Assets**

Monetary assets

-

-

-

Non-monetary assets

-

-

-

**Liabilities**

Monetary liabilities

(2,175)

(9,337)

(2,203)

Non-monetary liabilities

-

-

-

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%

±5%

±5%

Impact on net assets  
attributable to members

Monetary

±109

±467

±110

Non-monetary

-

-

-

At 31 December 2019

Original currencies

Hong Kong dollar  
equivalent (HK\$'000)

EUR

GBP

**Assets**

Monetary assets

-

-

Non-monetary assets

-

-

**Liabilities**

Monetary liabilities

(55)

(122)

Non-monetary liabilities

-

-

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%

±5%

Impact on net assets  
attributable to members

Monetary

±3

±6

Non-monetary

-

-

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### Global Equity Fund

At 31 December 2020

Original currencies

Hong Kong dollar

equivalent (HK\$'000)

US\$

JPY

EUR

GBP

Assets

Monetary assets

-

-

-

-

Non-monetary assets

-

-

-

-

Liabilities

Monetary liabilities

(2)

(2,370)

(8,234)

(3,316)

Non-monetary liabilities

-

-

-

-

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%

±5%

±5%

Impact on net assets  
attributable to members

Monetary

±118

±412

±166

Non-monetary

-

-

-

At 31 December 2019

Original currencies

Hong Kong dollar

equivalent (HK\$'000)

EUR

GBP

Assets

Monetary assets

-

-

Non-monetary assets

-

-

Liabilities

Monetary liabilities

(64)

(259)

Non-monetary liabilities

-

-

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%

±5%

Impact on net assets  
attributable to members

Monetary

±3

±13

Non-monetary

-

-

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

---

**European Equity Fund**

At 31 December 2020

Original currencies

|   |     |                      |
|---|-----|----------------------|
| Hong Kong dollar<br>equivalent (HK\$'000) | EUR | Other<br>currencies* |
|---|-----|----------------------|

Assets

|                 |     |   |
|-----------------|-----|---|
| Monetary assets | 592 | - |
|-----------------|-----|---|

|                     |   |   |
|---------------------|---|---|
| Non-monetary assets | - | - |
|---------------------|---|---|

Liabilities

|                      |         |         |
|----------------------|---------|---------|
| Monetary liabilities | (6,713) | (3,462) |
|----------------------|---------|---------|

|                          |   |   |
|--------------------------|---|---|
| Non-monetary liabilities | - | - |
|--------------------------|---|---|

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

|     |     |
|-----|-----|
| ±5% | ±5% |
|-----|-----|

Impact on net assets  
attributable to members

|          |      |      |
|----------|------|------|
| Monetary | ±306 | ±173 |
|----------|------|------|

|              |   |   |
|--------------|---|---|
| Non-monetary | - | - |
|--------------|---|---|

At 31 December 2019

Original currencies

|   |     |                      |
|---|-----|----------------------|
| Hong Kong dollar<br>equivalent (HK\$'000) | EUR | Other<br>currencies* |
|---|-----|----------------------|

Assets

|                 |   |   |
|-----------------|---|---|
| Monetary assets | - | - |
|-----------------|---|---|

|                     |   |   |
|---------------------|---|---|
| Non-monetary assets | - | - |
|---------------------|---|---|

Liabilities

|                      |      |       |
|----------------------|------|-------|
| Monetary liabilities | (42) | (386) |
|----------------------|------|-------|

|                          |   |   |
|--------------------------|---|---|
| Non-monetary liabilities | - | - |
|--------------------------|---|---|

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

|     |     |
|-----|-----|
| ±5% | ±5% |
|-----|-----|

Impact on net assets  
attributable to members

|          |    |     |
|----------|----|-----|
| Monetary | ±2 | ±19 |
|----------|----|-----|

|              |   |   |
|--------------|---|---|
| Non-monetary | - | - |
|--------------|---|---|

\*Other currencies include GBP and CHF (2019: GBP and CHF).

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### E90 Mixed Asset Fund

At 31 December 2020

Original currencies

Hong Kong dollar

equivalent (HK\$'000)

JPY

EUR

Assets

Monetary assets

-

-

Non-monetary assets

-

-

Liabilities

Monetary liabilities

(239)

(526)

Non-monetary liabilities

-

-

Estimated % change in the

relevant exchange rate of

the foreign currency

against Hong Kong dollar

±5%

±5%

Impact on net assets

attributable to members

Monetary

±12

±26

Non-monetary

-

-

The constituent fund was not exposed to significant currency risk as at 31 December 2019.

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### RMB Bond Fund

At 31 December 2020

Original currencies

Hong Kong dollar

equivalent (HK\$'000)

CNY

#### Assets

Monetary assets

-

Non-monetary assets

-

#### Liabilities

Monetary liabilities

(1,869)

Non-monetary liabilities

-

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%

Impact on net assets  
attributable to members

Monetary

±93

Non-monetary

-

At 31 December 2019

Original currencies

Hong Kong dollar

equivalent (HK\$'000)

CNY

#### Assets

Monetary assets

-

Non-monetary assets

-

#### Liabilities

Monetary liabilities

(1,306)

Non-monetary liabilities

-

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%

Impact on net assets  
attributable to members

Monetary

±65

Non-monetary

-

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

### World Equity Fund\*

At 31 December 2020

Original currencies

Hong Kong dollar  
equivalent (HK\$'000)

|                     | US\$      | GBP     | EUR     |
|---------------------|-----------|---------|---------|
| Assets              |           |         |         |
| Monetary assets     | (374,846) | 153,553 | 4,330   |
| Non-monetary assets | 1,186,543 | -       | 445,433 |

Liabilities

|                          |       |           |           |
|--------------------------|-------|-----------|-----------|
| Monetary liabilities     | 1,509 | (153,553) | (146,972) |
| Non-monetary liabilities | -     | -         | -         |

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%                      ±5%

Impact on net assets  
attributable to members

|              |   |         |
|--------------|---|---------|
| Monetary     | - | ±7,132  |
| Non-monetary | - | ±22,272 |

At 31 December 2019

Original currencies

Hong Kong dollar  
equivalent (HK\$'000)

|                     | US\$      | GBP     |
|---------------------|-----------|---------|
| Assets              |           |         |
| Monetary assets     | (244,206) | (2,089) |
| Non-monetary assets | 800,506   | 299,614 |

Liabilities

|                          |       |          |
|--------------------------|-------|----------|
| Monetary liabilities     | 1,901 | (94,410) |
| Non-monetary liabilities | -     | -        |

Estimated % change in the  
relevant exchange rate of  
the foreign currency  
against Hong Kong dollar

±5%

Impact on net assets  
attributable to members

|              |         |
|--------------|---------|
| Monetary     | ±4,825  |
| Non-monetary | ±14,981 |

*\*The notional value of forward foreign exchange contracts was used for the calculation of currency risk sensitivity analysis.*

At 31 December 2020, the MPF Conservative Fund, Asian Equity Fund, Flexi Mixed Asset Fund, China & Hong Kong Equity Fund, SaveEasy 2020 Fund, SaveEasy 2025 Fund, SaveEasy 2030 Fund, SaveEasy 2035 Fund, SaveEasy 2040 Fund, Hang Seng Index Tracking Fund, Hong Kong Dollar Bond Fund, Greater China Equity Fund, Core Accumulation Fund and Age 65 Plus Fund did not have any assets or liabilities denominated in currencies other than their functional currency, Hong Kong dollar. As a result, these constituent funds are not subject to significant currency risk.

At 31 December 2019, the MPF Conservative Fund, Asian Equity Fund, Flexi Mixed Asset Fund, China & Hong Kong Equity Fund, E90 Mixed Asset Fund, SaveEasy 2020 Fund, SaveEasy 2025 Fund, SaveEasy 2030 Fund, SaveEasy 2035 Fund, SaveEasy 2040 Fund, Hang Seng Index Tracking Fund, Hong Kong Dollar Bond Fund, Greater China Equity Fund, Core Accumulation Fund and Age 65 Plus Fund did not have any assets or liabilities denominated in currencies other than their functional currency, Hong Kong dollar. As a result, these constituent funds are not subject to significant currency risk.



## BCT (MPF) PRO CHOICE

### NOTES TO THE FINANCIAL STATEMENTS

(b) Credit risk

The Plan and its constituent funds are exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The main concentration to which the Plan and its constituent funds are exposed arises from the investments in debt securities. The Plan and its constituent funds are also exposed to counterparty credit risk on trading derivative products, bank balances, amounts receivables on sale of financial assets at fair value through profit or loss, amounts receivable from derivative counterparties, dividends receivable, interest receivable, contributions receivable and other receivable balances.

MPF Conservative Fund may also invest in debt securities, certificates of deposit and fixed deposits and is therefore exposed to credit risk if the issuers default and will not repay the principal amount at maturity and interest as scheduled. Investment transactions are settled upon delivery using approved brokers. The credit risk of default is considered minimal, and counterparty risk is mitigated as delivery of investments sold is only made to brokers against payment. In a purchase, payment is made when the securities have been received from the broker. The transaction will fail if either party fails to meet their respective obligations.

The credit risk is mitigated as the debt securities held are subject to the requirements of (i) minimum credit rating, and (ii) maximum holding of 10% of net asset value for any single issuer except for those issued or guaranteed by the government and other bodies permitted by the Mandatory Provident Fund Schemes Authority of Hong Kong.

As at 31 December 2020, MPF Conservative Fund and World Equity Fund's financial assets which were potentially subject to concentrations of credit risk consisted principally of investments held with the sub-custodian. As at 31 December 2020, the sub-custodian had a credit rating of P-1 (2019: P-1).

As at 31 December 2020 and 2019, the Plan and the following constituent funds held debt securities and bank balances with the following credit ratings, which are rated by well-known rating agencies and the table below set out credit rating as a percentage of total bank balances, debt securities and certificates of deposit, and bank balances and fixed deposits.

|   | <u>The Plan</u> |             |
|---|-----------------|-------------|
|   | 2020            | 2019        |
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |                 |             |
| Rating  |                 |             |
| <u>Bank Balances</u>  |                 |             |
| P-1/A-1+/F1+  | 96%             | 96%         |
| P-2/A-2/F2  | 4%              | 4%          |
| Total   | <u>100%</u>     | <u>100%</u> |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

|   | <u>MPF Conservative Fund</u> |             |
|---|------------------------------|-------------|
|   | 2020                         | 2019        |
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |                              |             |
| Rating  |                              |             |
| <u>Debt Securities and Certificates of Deposit</u>                  |                              |             |
| P-1/A-1+/F1+  | 87%                          | 100%        |
| P-2/A-2/F2  | 13%                          | -           |
| Total   | <u>100%</u>                  | <u>100%</u> |
| <u>Bank Balances and Fixed Deposits</u>                             |                              |             |
| P-1/A-1+/F1+  | 61%                          | 66%         |
| P-2/A-2/F2  | 39%                          | 34%         |
| Total   | <u>100%</u>                  | <u>100%</u> |

|   | <u>E30 Mixed Asset Fund</u> |             |
|---|-----------------------------|-------------|
|   | 2020                        | 2019        |
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |                             |             |
| Rating  |                             |             |
| <u>Bank Balances</u>  |                             |             |
| P-1/A-1+/F1+  | <u>100%</u>                 | <u>100%</u> |

|   | <u>E50 Mixed Asset Fund</u> |             |
|---|-----------------------------|-------------|
|   | 2020                        | 2019        |
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |                             |             |
| Rating  |                             |             |
| <u>Bank Balances</u>  |                             |             |
| P-1/A-1+/F1+  | <u>100%</u>                 | <u>100%</u> |

|   | <u>E70 Mixed Asset Fund</u> |             |
|---|-----------------------------|-------------|
|   | 2020                        | 2019        |
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |                             |             |
| Rating  |                             |             |
| <u>Bank Balances</u>  |                             |             |
| P-1/A-1+/F1+  | <u>100%</u>                 | <u>100%</u> |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

Global Bond Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

Global Equity Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

Asian Equity Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

Flexi Mixed Asset Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

China and Hong Kong Equity Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

European Equity Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

E90 Mixed Asset Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

SaveEasy 2020 Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

SaveEasy 2025 Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

SaveEasy 2030 Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

SaveEasy 2035 Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

SaveEasy 2040 Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

Hang Seng Index Tracking Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

Hong Kong Dollar Bond Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

World Equity Fund

|   | 2020        | 2019        |
|---|-------------|-------------|
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |             |             |
| Rating  |             |             |
| <u>Bank Balances</u>  |             |             |
| P-1/A-1+/F1+  | <u>100%</u> | <u>100%</u> |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

|   | <u>Greater China Equity Fund</u> |             |
|---|----------------------------------|-------------|
|   | 2020                             | 2019        |
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |                                  |             |
| Rating  |                                  |             |
| <u>Bank Balances</u>  |                                  |             |
| P-1/A-1+/F1+  | <u>100%</u>                      | <u>100%</u> |

|   | <u>RMB Bond Fund</u> |             |
|---|----------------------|-------------|
|   | 2020                 | 2019        |
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |                      |             |
| Rating  |                      |             |
| <u>Bank Balances</u>  |                      |             |
| P-1/A-1+/F1+  | <u>100%</u>          | <u>100%</u> |

|   | <u>Core Accumulation Fund</u> |             |
|---|-------------------------------|-------------|
|   | 2020                          | 2019        |
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |                               |             |
| Rating  |                               |             |
| <u>Bank Balances</u>  |                               |             |
| P-1/A-1+/F1+  | <u>100%</u>                   | <u>100%</u> |

|   | <u>Age 65 Plus Fund</u> |             |
|---|-------------------------|-------------|
|   | 2020                    | 2019        |
| Portfolio by rating category (Moody's, Standard & Poor's and Fitch) |                         |             |
| Rating  |                         |             |
| <u>Bank Balances</u>  |                         |             |
| P-1/A-1+/F1+  | <u>100%</u>             | <u>100%</u> |

The maximum exposure to credit risk at year end is the carrying amount of the financial assets as shown on the statement of net assets available for benefits for the Plan and its constituent funds and the statement of net assets for the constituent funds.

## NOTES TO THE FINANCIAL STATEMENTS

The Plan and its constituent funds measure credit risk and expected credit losses using probability of default, exposure at default and loss given default. The Trustee considers both historical analysis and forward looking information in determining any expected credit loss. At 31 December 2020 and 2019, bank balances and fixed deposits were held with counterparties with credit rating of P-2/A-2/F2 or higher and the remaining balance of receivables mainly comprised amounts receivable on sales of financial assets at fair value through profit or loss, dividends receivable, interest receivable, contributions receivable, amounts receivable on funds switching, amounts receivable on subscription, amounts receivable from derivative counterparties and other receivables which were due to be settled within 3 month. The Trustee considers 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. As a result, no loss allowance has been recognised based on 12-month expected credit losses as any such impairment would be wholly insignificant to the Plan and its constituent funds.

(c) Liquidity risk

The constituent funds are exposed to daily cash redemptions of units. The constituent funds therefore invest the majority of their assets in investments that are traded in an active market and can be readily disposed of. All investments in approved pooled investments funds permit redemptions on a daily basis and with a short settlement period. The investment managers consider the liquidity risk is low.

The table below analyses the constituent funds' financial liabilities into relevant maturity groupings based on the remaining period at the year end date to the contractual maturity date. In addition, the derivative financial instruments as disclosed below are net settled and are analysed based on their contractual maturities which are considered to be essential to an understanding of the timing of cash flows based on the investment strategy of the respective constituent funds. The amounts in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

The Plan

|  | Less than<br>1 month | 1-<3 months   | 3-6 months | Over 6 months |
|--|----------------------|---------------|------------|---------------|
| At 31 December 2020<br>(HK\$'000)  |                      |               |            |               |
| <b>Liabilities:</b>  |                      |               |            |               |
| Derivative financial instruments   | 78,498               | 14,784        | 65         | -             |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 169,758              | -             | -          | -             |
| Benefits and forfeitures payable   | 368,112              | -             | -          | -             |
| Accruals and other payables  | 61,330               | 565           | -          | 5,469         |
| <b>Total financial liabilities</b>   | <b>677,698</b>       | <b>15,349</b> | <b>65</b>  | <b>5,469</b>  |

|  | Less than<br>1 month | 1-<3 months  | 3-6 months | Over 6 months |
|--|----------------------|--------------|------------|---------------|
| At 31 December 2019<br>(HK\$'000)  |                      |              |            |               |
| <b>Liabilities:</b>  |                      |              |            |               |
| Derivative financial instruments   | 1,792                | 2,072        | -          | -             |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 147,386              | -            | -          | -             |
| Benefits and forfeitures payable   | 299,384              | -            | -          | -             |
| Amounts payable to derivative<br>counterparties  | 24,900               | -            | -          | -             |
| Accruals and other payables  | 57,767               | 3,089        | -          | 5,145         |
| <b>Total financial liabilities</b>   | <b>531,229</b>       | <b>5,161</b> | <b>-</b>   | <b>5,145</b>  |



**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

**MPF Conservative Fund**

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 4,506                | 131         | -          | 835              |
| Amounts payable on redemption      | 18,792               | -           | -          | -                |
| Amounts payable on funds switching | 82,623               | -           | -          | -                |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |
| Total financial liabilities        | 105,921              | 131         | -          | 835              |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |
|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 6,065                | 520         | -          | 768              |
| Amounts payable on redemption      | 17,644               | -           | -          | -                |
| Amounts payable on funds switching | 61,311               | -           | -          | -                |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |
| Total financial liabilities        | 85,020               | 520         | -          | 768              |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

**E30 Mixed Asset Fund**

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|--|----------------------|-------------|------------|------------------|
| <b>At 31 December 2020</b><br>(HK\$'000)   |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 3,307                | 39          | -          | 392              |
| Amounts payable on redemption  | 6,152                | -           | -          | -                |
| Amounts payable on funds switching   | 3,021                | -           | -          | -                |
| Derivative financial instruments   | 14,817               | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 19,070               | -           | -          | -                |
| <b>Total financial liabilities</b>   | <b>46,367</b>        | <b>39</b>   | <b>-</b>   | <b>392</b>       |
| <b>At 31 December 2019</b><br>(HK\$'000)   |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 3,173                | 187         | -          | 385              |
| Amounts payable to derivative<br>counterparties  | 7,400                | -           | -          | -                |
| Amounts payable on redemption  | 4,303                | -           | -          | -                |
| Amounts payable on funds switching   | 4,354                | -           | -          | -                |
| Derivative financial instruments   | 262                  | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 23,351               | -           | -          | -                |
| <b>Total financial liabilities</b>   | <b>42,843</b>        | <b>187</b>  | <b>-</b>   | <b>385</b>       |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

**E50 Mixed Asset Fund**

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|--|----------------------|-------------|------------|------------------|
| <b>At 31 December 2020</b><br>(HK\$'000)   |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 3,805                | 37          | -          | 450              |
| Amounts payable on redemption  | 4,143                | -           | -          | -                |
| Amounts payable on funds switching   | 3,858                | -           | -          | -                |
| Derivative financial instruments   | 12,116               | -           | 13         | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 23,704               | -           | -          | -                |
| <b>Total financial liabilities</b>   | <b>47,626</b>        | <b>37</b>   | <b>13</b>  | <b>450</b>       |
| <br><b>At 31 December 2019</b><br>(HK\$'000)   |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 3,645                | 209         | -          | 446              |
| Amounts payable to derivative<br>counterparties  | 4,400                | -           | -          | -                |
| Amounts payable on redemption  | 4,498                | -           | -          | -                |
| Amounts payable on funds switching   | 2,109                | -           | -          | -                |
| Derivative financial instruments   | 254                  | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 30,145               | -           | -          | -                |
| <b>Total financial liabilities</b>   | <b>45,051</b>        | <b>209</b>  | <b>-</b>   | <b>446</b>       |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

E70 Mixed Asset Fund

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|--|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 6,791                | 65          | -          | 835              |
| Amounts payable on redemption  | 6,596                | -           | -          | -                |
| Amounts payable on funds switching   | 2,214                | -           | -          | -                |
| Derivative financial instruments   | 12,986               | -           | 52         | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 46,254               | -           | -          | -                |
| Total financial liabilities  | <u>74,841</u>        | <u>65</u>   | <u>52</u>  | <u>835</u>       |
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 6,401                | 367         | -          | 839              |
| Amounts payable to derivative<br>counterparties  | 6,100                | -           | -          | -                |
| Amounts payable on redemption  | 6,904                | -           | -          | -                |
| Amounts payable on funds switching   | 2,350                | -           | -          | -                |
| Derivative financial instruments   | 346                  | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 44,409               | -           | -          | -                |
| Total financial liabilities  | <u>66,510</u>        | <u>367</u>  | <u>-</u>   | <u>839</u>       |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

Global Bond Fund

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|--|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 2,119                | 16          | -          | 152              |
| Amounts payable on redemption  | 3,962                | -           | -          | -                |
| Amounts payable on funds switching   | 10,873               | -           | -          | -                |
| Derivative financial instruments   | 13,715               | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 6,685                | -           | -          | -                |
| Total financial liabilities  | 37,354               | 16          | -          | 152              |

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|--|----------------------|-------------|------------|------------------|
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 1,707                | 92          | -          | 123              |
| Amounts payable to derivative<br>counterparties  | 2,100                | -           | -          | -                |
| Amounts payable on redemption  | 1,988                | -           | -          | -                |
| Amounts payable on funds switching   | 12,758               | -           | -          | -                |
| Derivative financial instruments   | 176                  | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 3,219                | -           | -          | -                |
| Total financial liabilities  | 21,948               | 92          | -          | 123              |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

Global Equity Fund

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|--|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 4,199                | 24          | -          | 279              |
| Amounts payable on redemption  | 5,349                | -           | -          | -                |
| Amounts payable on funds switching   | 14,882               | -           | -          | -                |
| Derivative financial instruments   | 13,921               | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 27,899               | -           | -          | -                |
| Total financial liabilities  | 66,250               | 24          | -          | 279              |
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 3,559                | 181         | -          | 267              |
| Amounts payable to derivative<br>counterparties  | 4,800                | -           | -          | -                |
| Amounts payable on redemption  | 4,066                | -           | -          | -                |
| Amounts payable on funds switching   | 7,267                | -           | -          | -                |
| Derivative financial instruments   | 323                  | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 13,389               | -           | -          | -                |
| Total financial liabilities  | 33,404               | 181         | -          | 267              |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

Asian Equity Fund

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|--|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 5,253                | 24          | -          | 339              |
| Amounts payable on redemption  | 7,306                | -           | -          | -                |
| Amounts payable on funds switching   | 15,801               | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 6,470                | -           | -          | -                |
| Total financial liabilities  | 34,830               | 24          | -          | 339              |
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 4,377                | 222         | -          | 336              |
| Amounts payable on redemption  | 6,365                | -           | -          | -                |
| Amounts payable on funds switching   | 8,051                | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 3,278                | -           | -          | -                |
| Total financial liabilities  | 22,071               | 222         | -          | 336              |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

Flexi Mixed Asset Fund

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 905                  | 10          | -          | 96               |
| Amounts payable on redemption      | 2,089                | -           | -          | -                |
| Amounts payable on funds switching | 2,427                | -           | -          | -                |
|                                    | <u>5,421</u>         | <u>10</u>   | <u>-</u>   | <u>96</u>        |
| Total financial liabilities        | <u>5,421</u>         | <u>10</u>   | <u>-</u>   | <u>96</u>        |
|                                    |                      |             |            |                  |
|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 838                  | 74          | -          | 90               |
| Amounts payable on redemption      | 1,651                | -           | -          | -                |
| Amounts payable on funds switching | 6,012                | -           | -          | -                |
|                                    | <u>8,501</u>         | <u>74</u>   | <u>-</u>   | <u>90</u>        |
| Total financial liabilities        | <u>8,501</u>         | <u>74</u>   | <u>-</u>   | <u>90</u>        |



**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

China and Hong Kong Equity Fund

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|--|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 10,903               | 70          | -          | 843              |
| Amounts payable on redemption  | 14,447               | -           | -          | -                |
| Amounts payable on funds switching   | 49,030               | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 25,919               | -           | -          | -                |
| Total financial liabilities  | 100,299              | 70          | -          | 843              |
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 9,333                | 512         | -          | 810              |
| Amounts payable on redemption  | 12,874               | -           | -          | -                |
| Amounts payable on funds switching   | 41,140               | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 13,747               | -           | -          | -                |
| Total financial liabilities  | 77,094               | 512         | -          | 810              |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

European Equity Fund

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|--|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 809                  | 5           | -          | 46               |
| Amounts payable on redemption  | 795                  | -           | -          | -                |
| Amounts payable on funds switching   | 2,968                | -           | -          | -                |
| Derivative financial instruments   | 10,175               | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 520                  | -           | -          | -                |
| Total financial liabilities  | 15,267               | 5           | -          | 46               |
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 754                  | 40          | -          | 48               |
| Amounts payable to derivative<br>counterparties  | 100                  | -           | -          | -                |
| Amounts payable on redemption  | 1,956                | -           | -          | -                |
| Amounts payable on funds switching   | 6,000                | -           | -          | -                |
| Derivative financial instruments   | 428                  | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 560                  | -           | -          | -                |
| Total financial liabilities  | 9,798                | 40          | -          | 48               |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

E90 Mixed Asset Fund

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|--|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 930                  | 6           | -          | 56               |
| Amounts payable on redemption  | 1,147                | -           | -          | -                |
| Amounts payable on funds switching   | 1,046                | -           | -          | -                |
| Derivative financial instruments   | 765                  | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 5,968                | -           | -          | -                |
| Total financial liabilities  | <u>9,856</u>         | <u>6</u>    | <u>-</u>   | <u>56</u>        |

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over 6<br>months |
|--|----------------------|-------------|------------|------------------|
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 828                  | 45          | -          | 55               |
| Amounts payable on redemption  | 1,213                | -           | -          | -                |
| Amounts payable on funds switching   | 1,074                | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value through<br>profit or loss | 4,665                | -           | -          | -                |
| Total financial liabilities  | <u>7,780</u>         | <u>45</u>   | <u>-</u>   | <u>55</u>        |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

SaveEasy 2020 Fund

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 249                  | 4           | -          | 35               |
| Amounts payable on redemption      | 773                  | -           | -          | -                |
| Amounts payable on funds switching | 1,260                | -           | -          | -                |
| Total financial liabilities        | 2,282                | 4           | -          | 35               |

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 227                  | 28          | -          | 32               |
| Amounts payable on redemption      | 1,263                | -           | -          | -                |
| Amounts payable on funds switching | 1,120                | -           | -          | -                |
| Total financial liabilities        | 2,610                | 28          | -          | 32               |

SaveEasy 2025 Fund

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 290                  | 4           | -          | 37               |
| Amounts payable on redemption      | 1,207                | -           | -          | -                |
| Amounts payable on funds switching | 1,350                | -           | -          | -                |
| Total financial liabilities        | 2,847                | 4           | -          | 37               |

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 248                  | 29          | -          | 34               |
| Amounts payable on redemption      | 788                  | -           | -          | -                |
| Amounts payable on funds switching | 1,274                | -           | -          | -                |
| Total financial liabilities        | 2,310                | 29          | -          | 34               |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

SaveEasy 2030 Fund

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 351                  | 4           | -          | 44               |
| Amounts payable on redemption      | 894                  | -           | -          | -                |
| Amounts payable on funds switching | 727                  | -           | -          | -                |
| Total financial liabilities        | 1,972                | 4           | -          | 44               |

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 290                  | 33          | -          | 40               |
| Amounts payable on redemption      | 388                  | -           | -          | -                |
| Amounts payable on funds switching | 1,363                | -           | -          | -                |
| Total financial liabilities        | 2,041                | 33          | -          | 40               |

SaveEasy 2035 Fund

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 331                  | 4           | -          | 41               |
| Amounts payable on redemption      | 731                  | -           | -          | -                |
| Amounts payable on funds switching | 1,512                | -           | -          | -                |
| Total financial liabilities        | 2,574                | 4           | -          | 41               |

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 270                  | 32          | -          | 38               |
| Amounts payable on redemption      | 744                  | -           | -          | -                |
| Amounts payable on funds switching | 984                  | -           | -          | -                |
| Total financial liabilities        | 1,998                | 32          | -          | 38               |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

SaveEasy 2040 Fund

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 802                  | 9           | -          | 97               |
| Amounts payable on redemption      | 2,257                | -           | -          | -                |
| Amounts payable on funds switching | 2,111                | -           | -          | -                |
| Total financial liabilities        | <u>5,170</u>         | <u>9</u>    | <u>-</u>   | <u>97</u>        |

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 645                  | 69          | -          | 87               |
| Amounts payable on redemption      | 2,177                | -           | -          | -                |
| Amounts payable on funds switching | 1,559                | -           | -          | -                |
| Total financial liabilities        | <u>4,381</u>         | <u>69</u>   | <u>-</u>   | <u>87</u>        |

Hang Seng Index Tracking Fund

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 1,730                | 24          | -          | 398              |
| Amounts payable on redemption      | 7,726                | -           | -          | -                |
| Amounts payable on funds switching | 67,072               | -           | -          | -                |
| Total financial liabilities        | <u>76,528</u>        | <u>24</u>   | <u>-</u>   | <u>398</u>       |

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 1,607                | 147         | -          | 360              |
| Amounts payable on redemption      | 5,518                | -           | -          | -                |
| Amounts payable on funds switching | 38,764               | -           | -          | -                |
| Total financial liabilities        | <u>45,889</u>        | <u>147</u>  | <u>-</u>   | <u>360</u>       |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

Hong Kong Dollar Bond Fund

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 2,237                | 11          | -          | 112              |
| Amounts payable on redemption      | 3,476                | -           | -          | -                |
| Amounts payable on funds switching | 14,818               | -           | -          | -                |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |
| Total financial liabilities        | 20,531               | 11          | -          | 112              |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |
|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 1,960                | 71          | -          | 94               |
| Amounts payable on redemption      | 1,763                | -           | -          | -                |
| Amounts payable on funds switching | 11,646               | -           | -          | -                |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |
| Total financial liabilities        | 15,369               | 71          | -          | 94               |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

World Equity Fund

|  | Less than<br>1 month | 1-<3 months   | 3-6 months | Over<br>6 months |
|--|----------------------|---------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |               |            |                  |
| <b>Liabilities:</b>  |                      |               |            |                  |
| Accruals and other payables  | 1,142                | 57            | -          | 94               |
| Amounts payable on redemption  | 2,350                | -             | -          | -                |
| Amounts payable on funds switching   | 17,233               | -             | -          | -                |
| Derivative financial instruments   | 3                    | 12,915        | -          | -                |
|  | <u>20,728</u>        | <u>12,972</u> | <u>-</u>   | <u>94</u>        |
| Total financial liabilities  | <u>20,728</u>        | <u>12,972</u> | <u>-</u>   | <u>94</u>        |
|  |                      |               |            |                  |
|  | Less than<br>1 month | 1-<3 months   | 3-6 months | Over<br>6 months |
| At 31 December 2019<br>(HK\$'000)  |                      |               |            |                  |
| <b>Liabilities:</b>  |                      |               |            |                  |
| Accruals and other payables  | 767                  | 67            | -          | 64               |
| Amounts payable on redemption  | 1,502                | -             | -          | -                |
| Amounts payable on funds switching   | 3,904                | -             | -          | -                |
| Derivative financial instruments   | 3                    | 766           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value<br>through profit or loss | 10,622               | -             | -          | -                |
|  | <u>16,798</u>        | <u>833</u>    | <u>-</u>   | <u>64</u>        |
| Total financial liabilities  | <u>16,798</u>        | <u>833</u>    | <u>-</u>   | <u>64</u>        |



**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

Greater China Equity Fund

|  | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|--|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 881                  | 7           | -          | 97               |
| Amounts payable on redemption  | 2,486                | -           | -          | -                |
| Amounts payable on funds switching   | 10,061               | -           | -          | -                |
| Amounts payable on purchase of<br>financial assets at fair value<br>through profit or loss | 7,269                | -           | -          | -                |
| Total financial liabilities  | 20,697               | 7           | -          | 97               |
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>  |                      |             |            |                  |
| Accruals and other payables  | 622                  | 57          | -          | 84               |
| Amounts payable on redemption  | 1,331                | -           | -          | -                |
| Amounts payable on funds switching   | 6,139                | -           | -          | -                |
| Total financial liabilities  | 8,092                | 57          | -          | 84               |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

RMB Bond Fund

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 711                  | 4           | -          | 63               |
| Amounts payable on redemption      | 1,939                | -           | -          | -                |
| Amounts payable on funds switching | 5,423                | -           | -          | -                |
| Derivative financial instruments   | -                    | 1,869       | -          | -                |
| Total financial liabilities        | 8,073                | 1,873       | -          | 63               |

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 575                  | 40          | -          | 58               |
| Amounts payable on redemption      | 1,604                | -           | -          | -                |
| Amounts payable on funds switching | 2,707                | -           | -          | -                |
| Derivative financial instruments   | -                    | 1,306       | -          | -                |
| Total financial liabilities        | 4,886                | 1,346       | -          | 58               |

Core Accumulation Fund

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 694                  | 7           | -          | 87               |
| Amounts payable on redemption      | 2,322                | -           | -          | -                |
| Amounts payable on funds switching | 9,808                | -           | -          | -                |
| Total financial liabilities        | 12,824               | 7           | -          | 87               |

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 459                  | 46          | -          | 62               |
| Amounts payable on redemption      | 1,739                | -           | -          | -                |
| Amounts payable on funds switching | 5,560                | -           | -          | -                |
| Total financial liabilities        | 7,758                | 46          | -          | 62               |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

Age 65 Plus Fund

|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
|------------------------------------|----------------------|-------------|------------|------------------|
| At 31 December 2020<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 332                  | 3           | -          | 41               |
| Amounts payable on redemption      | 1,123                | -           | -          | -                |
| Amounts payable on funds switching | 4,342                | -           | -          | -                |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |
| Total financial liabilities        | 5,797                | 3           | -          | 41               |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |
|                                    | Less than<br>1 month | 1-<3 months | 3-6 months | Over<br>6 months |
| At 31 December 2019<br>(HK\$'000)  |                      |             |            |                  |
| <b>Liabilities:</b>                |                      |             |            |                  |
| Accruals and other payables        | 194                  | 21          | -          | 25               |
| Amounts payable on redemption      | 563                  | -           | -          | -                |
| Amounts payable on funds switching | 4,585                | -           | -          | -                |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |
| Total financial liabilities        | 5,342                | 21          | -          | 25               |
|                                    | <hr/>                | <hr/>       | <hr/>      | <hr/>            |

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

The investment managers manage the liquidity risk of each constituent fund by investing predominantly in investments that they expect to be able to liquidate, normally within 7 days or less. The table below analyses the constituent funds' expected liquidity of financial assets held.

|                                   | Less than<br>1 month | 1-3 months | Over 3 months |
|-----------------------------------|----------------------|------------|---------------|
| At 31 December 2020<br>(HK\$'000) |                      |            |               |
| MPF Conservative Fund             | 8,838,444            | 1,171      | 336           |
| E30 Mixed Asset Fund              | 3,029,433            | -          | -             |
| E50 Mixed Asset Fund              | 3,499,815            | -          | 1             |
| E70 Mixed Asset Fund              | 6,269,837            | -          | -             |
| Global Bond Fund                  | 2,006,031            | -          | -             |
| Global Equity Fund                | 3,884,268            | -          | 2             |
| Asian Equity Fund                 | 4,724,768            | -          | -             |
| Flexi Mixed Asset Fund            | 1,345,827            | -          | -             |
| China and Hong Kong Equity Fund   | 10,385,071           | -          | -             |
| European Equity Fund              | 719,207              | -          | -             |
| E90 Mixed Asset Fund              | 864,096              | -          | -             |
| SaveEasy 2020 Fund                | 496,716              | -          | -             |
| SaveEasy 2025 Fund                | 588,431              | -          | -             |
| SaveEasy 2030 Fund                | 713,326              | -          | -             |
| SaveEasy 2035 Fund                | 675,388              | -          | -             |
| SaveEasy 2040 Fund                | 1,641,279            | -          | -             |
| Hang Seng Index Tracking Fund     | 3,029,567            | -          | -             |
| Hong Kong Dollar Bond Fund        | 1,539,163            | -          | -             |
| World Equity Fund                 | 1,741,868            | 7,948      | -             |
| Greater China Equity Fund         | 1,518,243            | -          | -             |
| RMB Bond Fund                     | 799,399              | -          | -             |
| Core Accumulation Fund            | 1,434,282            | -          | -             |
| Age 65 Plus Fund                  | 686,629              | -          | -             |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

|                                   | Less than<br>1 month | 1-3 months | Over 3 months |
|-----------------------------------|----------------------|------------|---------------|
| At 31 December 2019<br>(HK\$'000) |                      |            |               |
| MPF Conservative Fund             | 8,255,657            | 5,489      | 100           |
| E30 Mixed Asset Fund              | 2,878,669            | -          | -             |
| E50 Mixed Asset Fund              | 3,323,178            | -          | -             |
| E70 Mixed Asset Fund              | 5,837,979            | -          | -             |
| Global Bond Fund                  | 1,589,460            | -          | -             |
| Global Equity Fund                | 3,268,321            | -          | -             |
| Asian Equity Fund                 | 3,843,367            | -          | -             |
| Flexi Mixed Asset Fund            | 1,246,625            | -          | -             |
| China and Hong Kong Equity Fund   | 8,689,287            | -          | -             |
| European Equity Fund              | 659,620              | -          | -             |
| E90 Mixed Asset Fund              | 757,007              | -          | -             |
| SaveEasy 2020 Fund                | 450,991              | -          | -             |
| SaveEasy 2025 Fund                | 495,101              | -          | -             |
| SaveEasy 2030 Fund                | 586,740              | -          | -             |
| SaveEasy 2035 Fund                | 545,897              | -          | -             |
| SaveEasy 2040 Fund                | 1,303,523            | -          | -             |
| Hang Seng Index Tracking Fund     | 2,796,411            | -          | -             |
| Hong Kong Dollar Bond Fund        | 1,323,663            | -          | -             |
| World Equity Fund                 | 1,186,479            | 3,469      | -             |
| Greater China Equity Fund         | 1,057,687            | -          | -             |
| RMB Bond Fund                     | 639,395              | -          | -             |
| Core Accumulation Fund            | 951,985              | -          | -             |
| Age 65 Plus Fund                  | 399,276              | -          | -             |

At 31 December 2020 and 2019, no individual member held more than 10% of each constituent fund's units.

**II. Capital risk management**

The capital of the constituent funds is represented by the net assets attributable to members. Subscription and redemptions 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 objective of the constituent funds when managing capital is to safeguard the constituent funds' ability to continue as a going concern in order to provide returns for 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.

In order to maintain or adjust the capital structure, the policy of the constituent funds is to perform the following:

- monitor the level of daily subscriptions and redemptions relative to the liquid assets; and
- redeem and issue units in accordance with the trust deed of the constituent funds.

The Trustee monitors capital on the basis of the value of net assets attributable to members.

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**III. Fair value estimation**

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the year end date. The quoted market price used for financial assets held by the constituent funds is the last traded price; the quoted market price for financial liabilities is the current asking price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the constituent funds for similar financial instruments.

HKFRS 13 requires the constituent funds to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the constituent funds. The constituent funds consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table analyses within the fair value hierarchy the constituent funds' investments (by class) measured at fair value at 31 December 2020 and 2019:

### MPF Conservative Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$      | Level 2<br>HK\$      | Total balance<br>HK\$ |
|-----------------------------------|----------------------|----------------------|-----------------------|
| <b>Assets</b>                     |                      |                      |                       |
| Financial assets held for trading |                      |                      |                       |
| -Debt securities                  | -                    | 50,558,897           | 50,558,897            |
| -Certificates of deposit          | -                    | 2,598,248,179        | 2,598,248,179         |
| -Fixed deposits                   | 5,909,615,636        | -                    | 5,909,615,636         |
|                                   | <u>5,909,615,636</u> | <u>2,648,807,076</u> | <u>8,558,422,712</u>  |

As at 31 December 2019

|                                   | Level 1<br>HK\$      | Level 2<br>HK\$      | Total balance<br>HK\$ |
|-----------------------------------|----------------------|----------------------|-----------------------|
| <b>Assets</b>                     |                      |                      |                       |
| Financial assets held for trading |                      |                      |                       |
| -Debt securities                  | -                    | 49,875,250           | 49,875,250            |
| -Certificates of deposit          | -                    | 2,062,813,502        | 2,062,813,502         |
| -Fixed deposits                   | 5,853,879,411        | -                    | 5,853,879,411         |
|                                   | <u>5,853,879,411</u> | <u>2,112,688,752</u> | <u>7,966,568,163</u>  |



**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**E30 Mixed Asset Fund**

As at 31 December 2020

|  | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|--|-----------------|-----------------|-----------------------|
| <b>Assets</b>                          |                 |                 |                       |
| Financial assets held for trading      |                 |                 |                       |
| -Approved pooled investment funds      | -               | 2,974,218,878   | 2,974,218,878         |
| -Derivative financial instruments      | -               | 61,843          | 61,843                |
|  | -               | 2,974,280,721   | 2,974,280,721         |
| <b>Liabilities</b>                     |                 |                 |                       |
| Financial liabilities held for trading |                 |                 |                       |
| -Derivative financial instruments      | -               | (14,816,928)    | (14,816,928)          |

As at 31 December 2019

|  | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|--|-----------------|-----------------|-----------------------|
| <b>Assets</b>                          |                 |                 |                       |
| Financial assets held for trading      |                 |                 |                       |
| -Approved pooled investment funds      | -               | 2,825,764,858   | 2,825,764,858         |
| -Derivative financial instruments      | -               | 4,442,514       | 4,442,514             |
|  | -               | 2,830,207,372   | 2,830,207,372         |
| <b>Liabilities</b>                     |                 |                 |                       |
| Financial liabilities held for trading |                 |                 |                       |
| -Derivative financial instruments      | -               | (261,903)       | (261,903)             |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

E50 Mixed Asset Fund

As at 31 December 2020

|  | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|--|-----------------|-----------------|-----------------------|
| <b>Assets</b>                          |                 |                 |                       |
| Financial assets held for trading      |                 |                 |                       |
| -Approved pooled investment funds      | -               | 3,444,196,495   | 3,444,196,495         |
| -Derivative financial instruments      | -               | 53,171          | 53,171                |
|  | -               | 3,444,249,666   | 3,444,249,666         |
| <b>Liabilities</b>                     |                 |                 |                       |
| Financial liabilities held for trading |                 |                 |                       |
| -Derivative financial instruments      | -               | (12,129,125)    | (12,129,125)          |

As at 31 December 2019

|  | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|--|-----------------|-----------------|-----------------------|
| <b>Assets</b>                          |                 |                 |                       |
| Financial assets held for trading      |                 |                 |                       |
| -Approved pooled investment funds      | -               | 3,268,483,990   | 3,268,483,990         |
| -Derivative financial instruments      | -               | 3,750,571       | 3,750,571             |
|  | -               | 3,272,234,561   | 3,272,234,561         |
| <b>Liabilities</b>                     |                 |                 |                       |
| Financial liabilities held for trading |                 |                 |                       |
| -Derivative financial instruments      | -               | (253,961)       | (253,961)             |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

E70 Mixed Asset Fund

As at 31 December 2020

|  | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|--|-----------------|-----------------|-----------------------|
| <b>Assets</b>                          |                 |                 |                       |
| Financial assets held for trading      |                 |                 |                       |
| -Approved pooled investment funds      | -               | 6,188,859,466   | 6,188,859,466         |
| -Derivative financial instruments      | -               | 69,026          | 69,026                |
|  | -               | 6,188,928,492   | 6,188,928,492         |
| <b>Liabilities</b>                     |                 |                 |                       |
| Financial liabilities held for trading |                 |                 |                       |
| -Derivative financial instruments      | -               | (13,038,288)    | (13,038,288)          |

As at 31 December 2019

|  | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|--|-----------------|-----------------|-----------------------|
| <b>Assets</b>                          |                 |                 |                       |
| Financial assets held for trading      |                 |                 |                       |
| -Approved pooled investment funds      | -               | 5,765,195,441   | 5,765,195,441         |
| -Derivative financial instruments      | -               | 4,293,443       | 4,293,443             |
|  | -               | 5,769,488,884   | 5,769,488,884         |
| <b>Liabilities</b>                     |                 |                 |                       |
| Financial liabilities held for trading |                 |                 |                       |
| -Derivative financial instruments      | -               | (345,681)       | (345,681)             |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

Global Bond Fund

As at 31 December 2020

|  | Level 1<br>HK\$ | Level 2<br>HK\$      | Total balance<br>HK\$ |
|--|-----------------|----------------------|-----------------------|
| <b>Assets</b>                          |                 |                      |                       |
| Financial assets held for trading      |                 |                      |                       |
| -Approved pooled investment funds      | -               | 1,950,041,160        | 1,950,041,160         |
| -Derivative financial instruments      | -               | 56,000               | 56,000                |
|  | <u>-</u>        | <u>1,950,097,160</u> | <u>1,950,097,160</u>  |
| <b>Liabilities</b>                     |                 |                      |                       |
| Financial liabilities held for trading |                 |                      |                       |
| -Derivative financial instruments      | -               | (13,714,924)         | (13,714,924)          |
|  | <u>-</u>        | <u>(13,714,924)</u>  | <u>(13,714,924)</u>   |

As at 31 December 2019

|  | Level 1<br>HK\$ | Level 2<br>HK\$      | Total balance<br>HK\$ |
|--|-----------------|----------------------|-----------------------|
| <b>Assets</b>                          |                 |                      |                       |
| Financial assets held for trading      |                 |                      |                       |
| -Approved pooled investment funds      | -               | 1,553,852,315        | 1,553,852,315         |
| -Derivative financial instruments      | -               | 3,381,688            | 3,381,688             |
|  | <u>-</u>        | <u>1,557,234,003</u> | <u>1,557,234,003</u>  |
| <b>Liabilities</b>                     |                 |                      |                       |
| Financial liabilities held for trading |                 |                      |                       |
| -Derivative financial instruments      | -               | (176,325)            | (176,325)             |
|  | <u>-</u>        | <u>(176,325)</u>     | <u>(176,325)</u>      |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

Global Equity Fund

As at 31 December 2020

|  | Level 1<br>HK\$ | Level 2<br>HK\$      | Total balance<br>HK\$ |
|--|-----------------|----------------------|-----------------------|
| <b>Assets</b>                          |                 |                      |                       |
| Financial assets held for trading      |                 |                      |                       |
| -Approved pooled investment funds      | -               | 3,803,902,735        | 3,803,902,735         |
| -Derivative financial instruments      | -               | 142,221              | 142,221               |
|  | <u>-</u>        | <u>3,804,044,956</u> | <u>3,804,044,956</u>  |
| <b>Liabilities</b>                     |                 |                      |                       |
| Financial liabilities held for trading |                 |                      |                       |
| -Derivative financial instruments      | -               | (13,921,468)         | (13,921,468)          |
|  | <u>-</u>        | <u>(13,921,468)</u>  | <u>(13,921,468)</u>   |

As at 31 December 2019

|  | Level 1<br>HK\$ | Level 2<br>HK\$      | Total balance<br>HK\$ |
|--|-----------------|----------------------|-----------------------|
| <b>Assets</b>                          |                 |                      |                       |
| Financial assets held for trading      |                 |                      |                       |
| -Approved pooled investment funds      | -               | 3,219,350,430        | 3,219,350,430         |
| -Derivative financial instruments      | -               | 5,537,196            | 5,537,196             |
|  | <u>-</u>        | <u>3,224,887,626</u> | <u>3,224,887,626</u>  |
| <b>Liabilities</b>                     |                 |                      |                       |
| Financial liabilities held for trading |                 |                      |                       |
| -Derivative financial instruments      | -               | (323,280)            | (323,280)             |
|  | <u>-</u>        | <u>(323,280)</u>     | <u>(323,280)</u>      |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

Asian Equity Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$             | Level 2<br>HK\$             | Total balance<br>HK\$       |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                     |                             |                             |                             |
| Financial assets held for trading |                             |                             |                             |
| -Approved pooled investment funds | -                           | 4,691,607,279               | 4,691,607,279               |
|                                   | <u>                    </u> | <u>                    </u> | <u>                    </u> |

As at 31 December 2019

|                                   | Level 1<br>HK\$             | Level 2<br>HK\$             | Total balance<br>HK\$       |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                     |                             |                             |                             |
| Financial assets held for trading |                             |                             |                             |
| -Approved pooled investment funds | -                           | 3,819,566,506               | 3,819,566,506               |
|                                   | <u>                    </u> | <u>                    </u> | <u>                    </u> |

Flexi Mixed Asset Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$             | Level 2<br>HK\$             | Total balance<br>HK\$       |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                     |                             |                             |                             |
| Financial assets held for trading |                             |                             |                             |
| -Approved pooled investment fund  | 1,338,944,873               | -                           | 1,338,944,873               |
|                                   | <u>                    </u> | <u>                    </u> | <u>                    </u> |

As at 31 December 2019

|                                   | Level 1<br>HK\$             | Level 2<br>HK\$             | Total balance<br>HK\$       |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                     |                             |                             |                             |
| Financial assets held for trading |                             |                             |                             |
| -Approved pooled investment fund  | 1,236,612,671               | -                           | 1,236,612,671               |
|                                   | <u>                    </u> | <u>                    </u> | <u>                    </u> |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

China and Hong Kong Equity Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$             | Level 2<br>HK\$             | Total balance<br>HK\$       |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                     |                             |                             |                             |
| Financial assets held for trading |                             |                             |                             |
| -Approved pooled investment funds | -                           | 10,260,686,859              | 10,260,686,859              |
|                                   | <u>                    </u> | <u>                    </u> | <u>                    </u> |

As at 31 December 2019

|                                   | Level 1<br>HK\$             | Level 2<br>HK\$             | Total balance<br>HK\$       |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                     |                             |                             |                             |
| Financial assets held for trading |                             |                             |                             |
| -Approved pooled investment funds | -                           | 8,596,987,797               | 8,596,987,797               |
|                                   | <u>                    </u> | <u>                    </u> | <u>                    </u> |

European Equity Fund

As at 31 December 2020

|  | Level 1<br>HK\$             | Level 2<br>HK\$             | Total balance<br>HK\$       |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                          |                             |                             |                             |
| Financial assets held for trading      |                             |                             |                             |
| -Approved pooled investment funds      | -                           | 691,455,713                 | 691,455,713                 |
| -Derivative financial instruments      | -                           | 591,818                     | 591,818                     |
|  | <u>                    </u> | <u>                    </u> | <u>                    </u> |
|  | -                           | 692,047,531                 | 692,047,531                 |
|  | <u>                    </u> | <u>                    </u> | <u>                    </u> |
| <b>Liabilities</b>                     |                             |                             |                             |
| Financial liabilities held for trading |                             |                             |                             |
| -Derivative financial instruments      | -                           | (10,174,736)                | (10,174,736)                |
|  | <u>                    </u> | <u>                    </u> | <u>                    </u> |

As at 31 December 2019

|  | Level 1<br>HK\$             | Level 2<br>HK\$             | Total balance<br>HK\$       |
|--|-----------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                          |                             |                             |                             |
| Financial assets held for trading      |                             |                             |                             |
| -Approved pooled investment funds      | -                           | 644,720,437                 | 644,720,437                 |
| -Derivative financial instruments      | -                           | 763,867                     | 763,867                     |
|  | <u>                    </u> | <u>                    </u> | <u>                    </u> |
|  | -                           | 645,484,304                 | 645,484,304                 |
|  | <u>                    </u> | <u>                    </u> | <u>                    </u> |
| <b>Liabilities</b>                     |                             |                             |                             |
| Financial liabilities held for trading |                             |                             |                             |
| -Derivative financial instruments      | -                           | (428,218)                   | (428,218)                   |
|  | <u>                    </u> | <u>                    </u> | <u>                    </u> |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

E90 Mixed Asset Fund

As at 31 December 2020

|  | Level 1<br>HK\$ | Level 2<br>HK\$    | Total balance<br>HK\$ |
|--|-----------------|--------------------|-----------------------|
| <b>Assets</b>                          |                 |                    |                       |
| Financial assets held for trading      |                 |                    |                       |
| -Approved pooled investment funds      | -               | 852,648,627        | 852,648,627           |
| -Derivative financial instruments      | -               | 5,582              | 5,582                 |
|  | <u>-</u>        | <u>852,654,209</u> | <u>852,654,209</u>    |
| <b>Liabilities</b>                     |                 |                    |                       |
| Financial liabilities held for trading |                 |                    |                       |
| -Derivative financial instruments      | -               | (764,605)          | (764,605)             |
|  | <u>-</u>        | <u>(764,605)</u>   | <u>(764,605)</u>      |

As at 31 December 2019

|                                   | Level 1<br>HK\$ | Level 2<br>HK\$    | Total balance<br>HK\$ |
|-----------------------------------|-----------------|--------------------|-----------------------|
| <b>Assets</b>                     |                 |                    |                       |
| Financial assets held for trading |                 |                    |                       |
| -Approved pooled investment funds | -               | 746,983,192        | 746,983,192           |
| -Derivative financial instruments | -               | 271,378            | 271,378               |
|                                   | <u>-</u>        | <u>747,254,570</u> | <u>747,254,570</u>    |

SaveEasy 2020 Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$    | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|--------------------|-----------------|-----------------------|
| <b>Assets</b>                     |                    |                 |                       |
| Financial assets held for trading |                    |                 |                       |
| -Approved pooled investment fund  | 492,709,939        | -               | 492,709,939           |
|                                   | <u>492,709,939</u> | <u>-</u>        | <u>492,709,939</u>    |

As at 31 December 2019

|                                   | Level 1<br>HK\$    | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|--------------------|-----------------|-----------------------|
| <b>Assets</b>                     |                    |                 |                       |
| Financial assets held for trading |                    |                 |                       |
| -Approved pooled investment fund  | 447,602,522        | -               | 447,602,522           |
|                                   | <u>447,602,522</u> | <u>-</u>        | <u>447,602,522</u>    |



**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

SaveEasy 2025 Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|-----------------|-----------------|-----------------------|
| <b>Assets</b>                     |                 |                 |                       |
| Financial assets held for trading |                 |                 |                       |
| -Approved pooled investment fund  | 583,315,049     | -               | 583,315,049           |

As at 31 December 2019

|                                   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|-----------------|-----------------|-----------------------|
| <b>Assets</b>                     |                 |                 |                       |
| Financial assets held for trading |                 |                 |                       |
| -Approved pooled investment fund  | 491,347,410     | -               | 491,347,410           |

SaveEasy 2030 Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|-----------------|-----------------|-----------------------|
| <b>Assets</b>                     |                 |                 |                       |
| Financial assets held for trading |                 |                 |                       |
| -Approved pooled investment fund  | 709,531,616     | -               | 709,531,616           |

As at 31 December 2019

|                                   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|-----------------|-----------------|-----------------------|
| <b>Assets</b>                     |                 |                 |                       |
| Financial assets held for trading |                 |                 |                       |
| -Approved pooled investment fund  | 581,396,175     | -               | 581,396,175           |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

SaveEasy 2035 Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|-----------------|-----------------|-----------------------|
| <b>Assets</b>                     |                 |                 |                       |
| Financial assets held for trading |                 |                 |                       |
| -Approved pooled investment fund  | 670,043,731     | -               | 670,043,731           |

As at 31 December 2019

|                                   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|-----------------|-----------------|-----------------------|
| <b>Assets</b>                     |                 |                 |                       |
| Financial assets held for trading |                 |                 |                       |
| -Approved pooled investment fund  | 543,162,802     | -               | 543,162,802           |

SaveEasy 2040 Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|-----------------|-----------------|-----------------------|
| <b>Assets</b>                     |                 |                 |                       |
| Financial assets held for trading |                 |                 |                       |
| -Approved pooled investment fund  | 1,629,286,599   | -               | 1,629,286,599         |

As at 31 December 2019

|                                   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|-----------------|-----------------|-----------------------|
| <b>Assets</b>                     |                 |                 |                       |
| Financial assets held for trading |                 |                 |                       |
| -Approved pooled investment fund  | 1,295,306,676   | -               | 1,295,306,676         |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

Hang Seng Index Tracking Fund

As at 31 December 2020

|  | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|--|-----------------|-----------------|-----------------------|
| <b>Assets</b>                                |                 |                 |                       |
| Financial assets held for trading            |                 |                 |                       |
| -Index tracking collective investment scheme | 2,989,634,550   | -               | 2,989,634,550         |

As at 31 December 2019

|  | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|--|-----------------|-----------------|-----------------------|
| <b>Assets</b>                                |                 |                 |                       |
| Financial assets held for trading            |                 |                 |                       |
| -Index tracking collective investment scheme | 2,746,501,833   | -               | 2,746,501,833         |

Hong Kong Dollar Bond Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|-----------------|-----------------|-----------------------|
| <b>Assets</b>                     |                 |                 |                       |
| Financial assets held for trading |                 |                 |                       |
| -Approved pooled investment fund  | 1,510,545,629   | -               | 1,510,545,629         |

As at 31 December 2019

|                                   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|-----------------|-----------------|-----------------------|
| <b>Assets</b>                     |                 |                 |                       |
| Financial assets held for trading |                 |                 |                       |
| -Approved pooled investment fund  | 1,300,223,601   | -               | 1,300,223,601         |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

World Equity Fund

As at 31 December 2020

|   | Level 1<br>HK\$      | Level 2<br>HK\$     | Total balance<br>HK\$ |
|---|----------------------|---------------------|-----------------------|
| <b>Assets</b>                                 |                      |                     |                       |
| Financial assets held for trading             |                      |                     |                       |
| -Index tracking collective investment schemes | 1,719,217,987        | -                   | 1,719,217,987         |
| -Derivative financial instruments             | -                    | 7,948,067           | 7,948,067             |
|   | <u>1,719,217,987</u> | <u>7,948,067</u>    | <u>1,727,166,054</u>  |
| <b>Liabilities</b>                            |                      |                     |                       |
| Financial liabilities held for trading        |                      |                     |                       |
| -Derivative financial instruments             | -                    | (12,918,443)        | (12,918,443)          |
|   | <u>-</u>             | <u>(12,918,443)</u> | <u>(12,918,443)</u>   |

As at 31 December 2019

|   | Level 1<br>HK\$      | Level 2<br>HK\$  | Total balance<br>HK\$ |
|---|----------------------|------------------|-----------------------|
| <b>Assets</b>                                 |                      |                  |                       |
| Financial assets held for trading             |                      |                  |                       |
| -Index tracking collective investment schemes | 1,159,026,212        | -                | 1,159,026,212         |
| -Derivative financial instruments             | -                    | 1,476,536        | 1,476,536             |
|   | <u>1,159,026,212</u> | <u>1,476,536</u> | <u>1,160,502,748</u>  |
| <b>Liabilities</b>                            |                      |                  |                       |
| Financial liabilities held for trading        |                      |                  |                       |
| -Derivative financial instruments             | -                    | (768,655)        | (768,655)             |
|   | <u>-</u>             | <u>(768,655)</u> | <u>(768,655)</u>      |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

Greater China Equity Fund

As at 31 December 2020

|   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|---|-----------------|-----------------|-----------------------|
| <b>Assets</b>                                 |                 |                 |                       |
| Financial assets held for trading             |                 |                 |                       |
| -Index tracking collective investment schemes | 1,489,450,580   | -               | 1,489,450,580         |

As at 31 December 2019

|   | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|---|-----------------|-----------------|-----------------------|
| <b>Assets</b>                                 |                 |                 |                       |
| Financial assets held for trading             |                 |                 |                       |
| -Index tracking collective investment schemes | 1,046,167,080   | -               | 1,046,167,080         |

RMB Bond Fund

As at 31 December 2020

|  | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|--|-----------------|-----------------|-----------------------|
| <b>Assets</b>                          |                 |                 |                       |
| Financial assets held for trading      |                 |                 |                       |
| -Approved pooled investment fund       | 785,132,220     | -               | 785,132,220           |
| <b>Liabilities</b>                     |                 |                 |                       |
| Financial liabilities held for trading |                 |                 |                       |
| -Derivative financial instruments      | -               | (1,869,281)     | (1,869,281)           |

As at 31 December 2019

|  | Level 1<br>HK\$ | Level 2<br>HK\$ | Total balance<br>HK\$ |
|--|-----------------|-----------------|-----------------------|
| <b>Assets</b>                          |                 |                 |                       |
| Financial assets held for trading      |                 |                 |                       |
| -Approved pooled investment fund       | 630,920,027     | -               | 630,920,027           |
| <b>Liabilities</b>                     |                 |                 |                       |
| Financial liabilities held for trading |                 |                 |                       |
| -Derivative financial instruments      | -               | (1,305,724)     | (1,305,724)           |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

Core Accumulation Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$      | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|----------------------|-----------------|-----------------------|
| <b>Assets</b>                     |                      |                 |                       |
| Financial assets held for trading |                      |                 |                       |
| -Approved pooled investment fund  | 1,412,552,387        | -               | 1,412,552,387         |
|                                   | <u>1,412,552,387</u> | <u>-</u>        | <u>1,412,552,387</u>  |

As at 31 December 2019

|                                   | Level 1<br>HK\$    | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|--------------------|-----------------|-----------------------|
| <b>Assets</b>                     |                    |                 |                       |
| Financial assets held for trading |                    |                 |                       |
| -Approved pooled investment fund  | 936,250,030        | -               | 936,250,030           |
|                                   | <u>936,250,030</u> | <u>-</u>        | <u>936,250,030</u>    |

Age 65 Plus Fund

As at 31 December 2020

|                                   | Level 1<br>HK\$    | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|--------------------|-----------------|-----------------------|
| <b>Assets</b>                     |                    |                 |                       |
| Financial assets held for trading |                    |                 |                       |
| -Approved pooled investment fund  | 670,392,186        | -               | 670,392,186           |
|                                   | <u>670,392,186</u> | <u>-</u>        | <u>670,392,186</u>    |

As at 31 December 2019

|                                   | Level 1<br>HK\$    | Level 2<br>HK\$ | Total balance<br>HK\$ |
|-----------------------------------|--------------------|-----------------|-----------------------|
| <b>Assets</b>                     |                    |                 |                       |
| Financial assets held for trading |                    |                 |                       |
| -Approved pooled investment fund  | 385,818,896        | -               | 385,818,896           |
|                                   | <u>385,818,896</u> | <u>-</u>        | <u>385,818,896</u>    |

## **BCT (MPF) PRO CHOICE**

### **NOTES TO THE FINANCIAL STATEMENTS**

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Investments whose values are based on quoted market prices in active markets, and therefore classified within level 1. The constituent funds do not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2.

As of 31 December 2020 and 31 December 2019, the constituent funds did not hold any investments classified within level 3.

There were no transfers between levels of investments held by the constituent funds for the years ended 31 December 2020 and 2019.

The assets and liabilities of the constituent funds in the statement of net assets, excluding financial assets at fair value through profit or loss and derivative financial instruments, at 31 December 2020 and 2019 are carried at amortised cost; their carrying values are a reasonable approximation of fair value. There are no other financial assets and liabilities not carrying at fair value but for which the fair value is disclosed.

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**8. Financial assets at fair value through profit or loss**

|  | <u>2020</u><br>HK\$ | <u>2019</u><br>HK\$ |
|--|---------------------|---------------------|
| <b>BCT (Pro) MPF Conservative Fund</b>   |                     |                     |
| Debt securities  | 50,558,897          | 49,875,250          |
| Certificates of deposit  | 2,598,248,179       | 2,062,813,502       |
| Fixed deposits   | 5,909,615,636       | 5,853,879,411       |
|  | <hr/>               | <hr/>               |
| Investments, at fair value<br>(at cost: 2020: HK\$8,553,650,545 ; 2019: HK\$7,948,370,128)   | 8,558,422,712       | 7,966,568,163       |
|  | <hr/>               | <hr/>               |
| <b>BCT (Pro) E30 Mixed Asset Fund</b>  |                     |                     |
| Approved pooled investment funds, at fair value<br>(at cost: 2020: HK\$2,577,172,454 ; 2019: HK\$2,720,380,691)<br>(Refer to Note 12 for the investment in derivative financial instruments) | 2,974,218,878       | 2,825,764,858       |
|  | <hr/>               | <hr/>               |
| <b>BCT (Pro) E50 Mixed Asset Fund</b>  |                     |                     |
| Approved pooled investment funds, at fair value<br>(at cost: 2020: HK\$2,948,074,368 ; 2019: HK\$3,151,158,901)<br>(Refer to Note 12 for the investment in derivative financial instruments) | 3,444,196,495       | 3,268,483,990       |
|  | <hr/>               | <hr/>               |
| <b>BCT (Pro) E70 Mixed Asset Fund</b>  |                     |                     |
| Approved pooled investment funds, at fair value<br>(at cost: 2020: HK\$5,245,944,340 ; 2019: HK\$5,581,881,255)<br>(Refer to Note 12 for the investment in derivative financial instruments) | 6,188,859,466       | 5,765,195,441       |
|  | <hr/>               | <hr/>               |
| <b>BCT (Pro) Global Bond Fund</b>  |                     |                     |
| Approved pooled investment funds, at fair value<br>(at cost: 2020: HK\$1,781,751,969 ; 2019: HK\$1,507,521,227)<br>(Refer to Note 12 for the investment in derivative financial instruments) | 1,950,041,160       | 1,553,852,315       |
|  | <hr/>               | <hr/>               |
| <b>BCT (Pro) Global Equity Fund</b>  |                     |                     |
| Approved pooled investment funds, at fair value<br>(at cost: 2020: HK\$3,109,987,740 ; 2019: HK\$2,981,032,779)<br>(Refer to Note 12 for the investment in derivative financial instruments) | 3,803,902,735       | 3,219,350,430       |
|  | <hr/>               | <hr/>               |
| <b>BCT (Pro) Asian Equity Fund</b>   |                     |                     |
| Approved pooled investment funds, at fair value<br>(at cost: 2020: HK\$3,712,602,911 ; 2019: HK\$3,752,508,444)  | 4,691,607,279       | 3,819,566,506       |
|  | <hr/>               | <hr/>               |



**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

|  | <u>2020</u><br>HK\$ | <u>2019</u><br>HK\$ |
|--|---------------------|---------------------|
| BCT (Pro) Flexi Mixed Asset Fund   |                     |                     |
| Approved pooled investment fund, at fair value<br>(at cost: 2020: HK\$1,144,572,575 ; 2019: HK\$1,123,293,168)   | 1,338,944,873       | 1,236,612,671       |
|  | -----               | -----               |
| BCT (Pro) China and Hong Kong Equity Fund  |                     |                     |
| Approved pooled investment funds, at fair value<br>(at cost: 2020: HK\$8,283,566,973 ; 2019: HK\$8,383,919,349)  | 10,260,686,859      | 8,596,987,797       |
|  | -----               | -----               |
| BCT (Pro) European Equity Fund   |                     |                     |
| Approved pooled investment funds, at fair value<br>(at cost: 2020: HK\$630,113,787 ; 2019: HK\$642,024,417)<br>(Refer to Note 12 for the investment in derivative financial instruments) | 691,455,713         | 644,720,437         |
|  | -----               | -----               |
| BCT (Pro) E90 Mixed Asset Fund   |                     |                     |
| Approved pooled investment funds, at fair value<br>(at cost: 2020: HK\$710,695,811 ; 2019: HK\$718,426,721)<br>(Refer to Note 12 for the investment in derivative financial instruments) | 852,648,627         | 746,983,192         |
|  | -----               | -----               |
| BCT (Pro) SaveEasy 2020 Fund   |                     |                     |
| Approved pooled investment fund, at fair value<br>(at cost: 2020: HK\$396,937,909 ; 2019: HK\$375,022,658)   | 492,709,939         | 447,602,522         |
|  | -----               | -----               |
| BCT (Pro) SaveEasy 2025 Fund   |                     |                     |
| Approved pooled investment fund, at fair value<br>(at cost: 2020: HK\$433,020,002 ; 2019: HK\$396,817,145)   | 583,315,049         | 491,347,410         |
|  | -----               | -----               |
| BCT (Pro) SaveEasy 2030 Fund   |                     |                     |
| Approved pooled investment fund, at fair value<br>(at cost: 2020: HK\$524,206,863 ; 2019: HK\$469,196,778)   | 709,531,616         | 581,396,175         |
|  | -----               | -----               |
| BCT (Pro) SaveEasy 2035 Fund   |                     |                     |
| Approved pooled investment fund, at fair value<br>(at cost: 2020: HK\$494,443,776 ; 2019: HK\$439,323,324)   | 670,043,731         | 543,162,802         |
|  | -----               | -----               |
| BCT (Pro) SaveEasy 2040 Fund   |                     |                     |
| Approved pooled investment fund, at fair value<br>(at cost: 2020: HK\$1,230,783,763 ; 2019: HK\$1,071,204,074)   | 1,629,286,599       | 1,295,306,676       |
|  | -----               | -----               |

# BCT (MPF) PRO CHOICE

## NOTES TO THE FINANCIAL STATEMENTS

|  | 2020<br>HK\$          | 2019<br>HK\$          |
|--|-----------------------|-----------------------|
| <b>BCT (Pro) Hang Seng Index Tracking Fund</b>   |                       |                       |
| Index tracking collective investment scheme, at fair value<br>(at cost: 2020: HK\$2,792,888,135 ; 2019: HK\$2,483,873,160)   | 2,989,634,550         | 2,746,501,833         |
| <b>BCT (Pro) Hong Kong Dollar Bond Fund</b>  |                       |                       |
| Approved pooled investment fund, at fair value<br>(at cost: 2020: HK\$1,422,018,921 ; 2019: HK\$1,250,045,560)   | 1,510,545,629         | 1,300,223,601         |
| <b>BCT (Pro) World Equity Fund</b>   |                       |                       |
| Index tracking collective investment schemes, at fair value<br>(at cost: 2020: HK\$1,410,699,201 ; 2019: HK\$1,004,724,688)<br>(Refer to Note 12 for the investment in derivative financial instruments) | 1,719,217,987         | 1,159,026,212         |
| <b>BCT (Pro) Greater China Equity Fund</b>   |                       |                       |
| Index tracking collective investment schemes, at fair value<br>(at cost: 2020: HK\$1,090,515,081 ; 2019: HK\$833,255,065)  | 1,489,450,580         | 1,046,167,080         |
| <b>BCT (Pro) RMB Bond Fund</b>   |                       |                       |
| Approved pooled investment fund, at fair value<br>(at cost: 2020: HK\$719,637,894 ; 2019: HK\$623,673,885)<br>(Refer to Note 12 for the investment in derivative financial instruments)                  | 785,132,220           | 630,920,027           |
| <b>BCT (Pro) Core Accumulation Fund</b>  |                       |                       |
| Approved pooled investment fund, at fair value<br>(at cost: 2020: HK\$1,212,778,400 ; 2019: HK\$865,128,277)   | 1,412,552,387         | 936,250,030           |
| <b>BCT (Pro) Age 65 Plus Fund</b>  |                       |                       |
| Approved pooled investment fund, at fair value<br>(at cost: 2020: HK\$621,695,639 ; 2019: HK\$368,884,737)   | 670,392,186           | 385,818,896           |
| <b>Total investments, at fair value</b>  | <b>59,416,797,270</b> | <b>51,207,809,064</b> |
| <b>Total investments, at cost</b>  | <b>51,047,758,727</b> | <b>48,691,666,431</b> |

### 9. Accrued benefits

The total accrued benefits vested in the members' accounts amounted to HK\$58,455,274,450 as at 31 December 2020 (2019: HK\$50,633,581,187).

### 10. Taxation

The Plan is not subject to Hong Kong profits tax as it is not considered to be carrying on a business in Hong Kong.

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**10. Taxation (Continued)**

Certain constituent funds currently incur withholding taxes imposed by certain countries on dividend income. Such income is recorded gross of withholding taxes in the statement of comprehensive income. Withholding taxes are shown as a separate item in the statement of comprehensive income.

**11. Transactions with related parties/associates**

Certain constituent funds invest directly in the units of other unit trusts managed by the investment managers as disclosed in Note 4. Connected persons of the investment managers are those as defined in the Code on Unit Trust and Mutual Funds established by the Securities & Futures Commission of Hong Kong.

Except as disclosed in Note 4 and below, the Plan and its constituent funds did not have any transactions with related parties, including the Sponsor, Trustee, the investment managers and their associates or delegates of the investment managers during the years ended 31 December 2020 and 2019. All transactions were entered into in the ordinary course of business and on normal commercial terms.

- (a) At the year end date, the Plan and its constituent funds had bank balances with, and investments issued by the shareholders or associated entities of the Trustee as follows:

|  | <u>2020</u><br>HK\$ | <u>2019</u><br>HK\$ |
|--|---------------------|---------------------|
| Bank balances                              | 303,434,622         | 344,524,949         |
| Certificates of deposit and fixed deposits | 3,652,396,974       | 2,723,919,078       |

- (b) At the 31 December 2020, the Plan and its constituent funds held investments in BCT APIF Series of HK\$34,857,617,212 (2019: HK\$30,440,904,966). BCT APIF Series, the Plan and its constituent funds were under the common trusteeship of the Trustee.

- (c) Income earned by the Plan and its constituent funds from the shareholders of the Trustee was as follows:

|   | <u>2020</u><br>HK\$ | <u>2019</u><br>HK\$ |
|---|---------------------|---------------------|
| Bank interest   | 1,341,640           | 743,999             |
| Interest income from fixed deposits                       | 48,091,526          | 57,449,388          |
| Net gain from debt securities and certificates of deposit | 2,747,158           | 2,591,063           |

- (d) Interest receivable from the shareholders of the Trustee at the year end date was as follows:

|   | <u>2020</u><br>HK\$ | <u>2019</u><br>HK\$ |
|---|---------------------|---------------------|
| Interest receivable from fixed deposits | 2,832,774           | 8,286,733           |

- (e) During the year, the Plan and its constituent funds did not receive fee expenses rebate from the Trustee (2019: HK\$492,519).

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**12. Outstanding spot and forward foreign exchange contracts**

Outstanding spot and forward foreign exchange contracts as at the year end were as follows:

**E30 Mixed Asset Fund**

| Contract to deliver     | In exchange for | Settlement date       | Unrealised<br>gain/(loss)<br>HK\$ |
|-------------------------|-----------------|-----------------------|-----------------------------------|
| <u>2020</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| US\$800,000             | HK\$6,201,546   | 22 January 2021       | 483                               |
| US\$39,083,000          | HK\$303,006,591 | 22 January 2021       | 61,360                            |
|                         |                 | Total unrealised gain | 61,843                            |
| Open forward contracts: |                 |                       |                                   |
| EUR1,300,000            | HK\$12,067,465  | 22 January 2021       | (339,554)                         |
| EUR23,738,000           | HK\$217,174,214 | 22 January 2021       | (9,377,960)                       |
| GBP4,807,000            | HK\$48,271,250  | 22 January 2021       | (2,576,058)                       |
| JPY1,549,439,000        | HK\$113,969,563 | 22 January 2021       | (2,523,356)                       |
|                         |                 | Total unrealised loss | (14,816,928)                      |
|                         |                 | Net unrealised loss   | (14,755,085)                      |
| <u>2019</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| EUR21,934,000           | HK\$193,083,905 | 29 January 2020       | 1,125,133                         |
| JPY150,000,000          | HK\$10,854,192  | 29 January 2020       | 81,112                            |
| JPY1,490,160,000        | HK\$108,254,657 | 29 January 2020       | 1,230,571                         |
| US\$2,400,000           | HK\$18,796,123  | 29 January 2020       | 99,717                            |
| US\$39,209,000          | HK\$307,350,725 | 29 January 2020       | 1,905,981                         |
|                         |                 | Total unrealised gain | 4,442,514                         |
| Open forward contracts: |                 |                       |                                   |
| EUR1,300,000            | HK\$11,293,673  | 29 January 2020       | (83,477)                          |
| GBP4,621,000            | HK\$47,112,643  | 29 January 2020       | (178,426)                         |
|                         |                 | Total unrealised loss | (261,903)                         |
|                         |                 | Net unrealised gain   | 4,180,611                         |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

**E50 Mixed Asset Fund**

| Contract to deliver     | In exchange for | Settlement date       | Unrealised<br>gain/(loss)<br>HK\$ |
|-------------------------|-----------------|-----------------------|-----------------------------------|
| <u>2020</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| US\$1,500,000           | HK\$11,627,900  | 22 January 2021       | 905                               |
| US\$32,448,000          | HK\$251,566,099 | 22 January 2021       | 50,943                            |
| US\$1,400,000           | HK\$10,851,584  | 23 April 2021         | 1,323                             |
|                         |                 | Total unrealised gain | 53,171                            |
| Open forward contracts: |                 |                       |                                   |
| EUR1,600,000            | HK\$14,852,265  | 22 January 2021       | (417,913)                         |
| EUR18,299,000           | HK\$167,413,891 | 22 January 2021       | (7,229,223)                       |
| GBP4,126,000            | HK\$41,432,739  | 22 January 2021       | (2,211,112)                       |
| JPY1,386,478,000        | HK\$101,982,906 | 22 January 2021       | (2,257,964)                       |
| JPY100,000,000          | HK\$7,512,883   | 23 April 2021         | (12,913)                          |
|                         |                 | Total unrealised loss | (12,129,125)                      |
|                         |                 | Net unrealised loss   | (12,075,954)                      |
| <u>2019</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| EUR17,218,000           | HK\$151,569,193 | 29 January 2020       | 883,220                           |
| JPY172,000,000          | HK\$12,446,141  | 29 January 2020       | 93,009                            |
| JPY1,353,418,000        | HK\$98,320,853  | 29 January 2020       | 1,117,650                         |
| US\$2,700,000           | HK\$21,145,638  | 29 January 2020       | 112,181                           |
| US\$31,773,000          | HK\$249,061,557 | 29 January 2020       | 1,544,511                         |
|                         |                 | Total unrealised gain | 3,750,571                         |
| Open forward contracts: |                 |                       |                                   |
| EUR1,400,000            | HK\$12,162,417  | 29 January 2020       | (89,899)                          |
| GBP4,249,000            | HK\$43,319,978  | 29 January 2020       | (164,062)                         |
|                         |                 | Total unrealised loss | (253,961)                         |
|                         |                 | Net unrealised gain   | 3,496,610                         |

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**NOTES TO THE FINANCIAL STATEMENTS**

**E70 Mixed Asset Fund**

| Contract to deliver     | In exchange for | Settlement date       | Unrealised<br>gain/(loss)<br>HK\$ |
|-------------------------|-----------------|-----------------------|-----------------------------------|
| <u>2020</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| US\$3,000,000           | HK\$23,259,787  | 22 January 2021       | 5,797                             |
| US\$4,000,000           | HK\$31,010,004  | 22 January 2021       | 4,684                             |
| US\$37,290,000          | HK\$289,105,641 | 22 January 2021       | 58,545                            |
|                         |                 | Total unrealised gain | 69,026                            |
| Open forward contracts: |                 |                       |                                   |
| EUR19,087,000           | HK\$174,623,146 | 22 January 2021       | (7,540,531)                       |
| GBP4,922,000            | HK\$49,426,064  | 22 January 2021       | (2,637,687)                       |
| JPY1,724,383,000        | HK\$126,837,634 | 22 January 2021       | (2,808,262)                       |
| EUR1,400,000            | HK\$13,364,634  | 23 April 2021         | (21,979)                          |
| JPY231,000,000          | HK\$17,354,759  | 23 April 2021         | (29,829)                          |
|                         |                 | Total unrealised loss | (13,038,288)                      |
|                         |                 | Net unrealised loss   | (12,969,262)                      |
| <u>2019</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| EUR17,872,000           | HK\$157,326,322 | 29 January 2020       | 916,767                           |
| JPY283,000,000          | HK\$20,478,243  | 29 January 2020       | 153,032                           |
| JPY1,667,861,000        | HK\$121,163,983 | 29 January 2020       | 1,377,317                         |
| US\$4,200,000           | HK\$32,893,215  | 29 January 2020       | 174,504                           |
| US\$34,392,000          | HK\$269,591,322 | 29 January 2020       | 1,671,823                         |
|                         |                 | Total unrealised gain | 4,293,443                         |
| Open forward contracts: |                 |                       |                                   |
| EUR2,200,000            | HK\$19,112,369  | 29 January 2020       | (141,269)                         |
| GBP5,294,000            | HK\$53,974,103  | 29 January 2020       | (204,412)                         |
|                         |                 | Total unrealised loss | (345,681)                         |
|                         |                 | Net unrealised gain   | 3,947,762                         |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**Global Bond Fund**

| Contract to deliver     | In exchange for | Settlement date       | Unrealised<br>gain/(loss)<br>HK\$ |
|-------------------------|-----------------|-----------------------|-----------------------------------|
| <u>2020</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| US\$1,000,000           | HK\$7,752,501   | 22 January 2021       | 1,171                             |
| US\$34,923,000          | HK\$270,754,527 | 22 January 2021       | 54,829                            |
|                         |                 | Total unrealised gain | 56,000                            |
| Open forward contracts: |                 |                       |                                   |
| EUR1,000,000            | HK\$9,153,772   | 22 January 2021       | (390,089)                         |
| EUR22,646,000           | HK\$207,183,725 | 22 January 2021       | (8,946,553)                       |
| GBP4,112,000            | HK\$41,292,153  | 22 January 2021       | (2,203,610)                       |
| JPY140,000,000          | HK\$10,268,860  | 22 January 2021       | (256,890)                         |
| JPY1,177,593,000        | HK\$86,618,292  | 22 January 2021       | (1,917,782)                       |
|                         |                 | Total unrealised loss | (13,714,924)                      |
|                         |                 | Net unrealised loss   | (13,658,924)                      |

| Contract to deliver     | In exchange for | Settlement date       | Unrealised<br>gain/(loss)<br>HK\$ |
|-------------------------|-----------------|-----------------------|-----------------------------------|
| <u>2019</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| EUR18,177,000           | HK\$160,011,222 | 29 January 2020       | 932,413                           |
| JPY95,000,000           | HK\$6,874,322   | 29 January 2020       | 51,371                            |
| JPY1,003,944,000        | HK\$72,932,849  | 29 January 2020       | 829,055                           |
| US\$1,200,000           | HK\$9,398,061   | 29 January 2020       | 49,859                            |
| US\$31,248,000          | HK\$244,946,197 | 29 January 2020       | 1,518,990                         |
|                         |                 | Total unrealised gain | 3,381,688                         |
| Open forward contracts: |                 |                       |                                   |
| EUR850,000              | HK\$7,384,325   | 29 January 2020       | (54,581)                          |
| GBP3,153,000            | HK\$32,145,891  | 29 January 2020       | (121,744)                         |
|                         |                 | Total unrealised loss | (176,325)                         |
|                         |                 | Net unrealised gain   | 3,205,363                         |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**Global Equity Fund**

| Contract to deliver     | In exchange for | Settlement date       | Unrealised gain/(loss)<br>HK\$ |
|-------------------------|-----------------|-----------------------|--------------------------------|
| <u>2020</u>             |                 |                       |                                |
| Open forward contracts: |                 |                       |                                |
| US\$2,000,000           | HK\$15,506,524  | 22 January 2021       | 3,864                          |
| US\$86,620,000          | HK\$671,556,198 | 22 January 2021       | 135,994                        |
| US\$2,500,000           | HK\$19,377,829  | 23 April 2021         | 2,363                          |
|                         |                 | Total unrealised gain | 142,221                        |
| Open forward contracts: |                 |                       |                                |
| EUR1,200,000            | HK\$11,105,353  | 22 January 2021       | (347,280)                      |
| EUR1,800,000            | HK\$16,495,404  | 22 January 2021       | (683,546)                      |
| EUR18,233,000           | HK\$166,810,070 | 22 January 2021       | (7,203,148)                    |
| GBP800,000              | HK\$8,305,665   | 22 January 2021       | (156,546)                      |
| GBP5,896,000            | HK\$59,206,842  | 22 January 2021       | (3,159,651)                    |
| JPY114,000,000          | HK\$8,433,225   | 22 January 2021       | (137,743)                      |
| JPY1,370,546,000        | HK\$100,811,022 | 22 January 2021       | (2,232,018)                    |
| US\$3,000,000           | HK\$23,252,454  | 22 January 2021       | (1,536)                        |
|                         |                 | Total unrealised loss | (13,921,468)                   |
|                         |                 | Net unrealised loss   | (13,779,247)                   |
| <u>2019</u>             |                 |                       |                                |
| Open forward contracts: |                 |                       |                                |
| EUR16,748,000           | HK\$147,431,807 | 29 January 2020       | 859,110                        |
| JPY90,000,000           | HK\$6,466,804   | 29 January 2020       | 2,956                          |
| JPY1,281,494,000        | HK\$93,095,838  | 29 January 2020       | 1,058,255                      |
| US\$4,000,000           | HK\$31,329,928  | 29 January 2020       | 169,251                        |
| US\$70,923,000          | HK\$555,949,794 | 29 January 2020       | 3,447,624                      |
|                         |                 | Total unrealised gain | 5,537,196                      |
| Open forward contracts: |                 |                       |                                |
| EUR700,000              | HK\$6,062,080   | 29 January 2020       | (64,078)                       |
| GBP6,713,000            | HK\$68,441,284  | 29 January 2020       | (259,202)                      |
|                         |                 | Total unrealised loss | (323,280)                      |
|                         |                 | Net unrealised gain   | 5,213,916                      |



**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

**European Equity Fund**

| Contract to deliver     | In exchange for | Settlement date       | Unrealised<br>gain/(loss)<br>HK\$ |
|-------------------------|-----------------|-----------------------|-----------------------------------|
| <u>2020</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| HK\$7,033,111           | EUR750,000      | 22 January 2021       | 124,785                           |
| HK\$9,076,828           | EUR1,000,000    | 22 January 2021       | 467,033                           |
|                         |                 | Total unrealised gain | 591,818                           |
| Open forward contracts: |                 |                       |                                   |
| CHF150,000              | HK\$1,278,433   | 22 January 2021       | (41,882)                          |
| CHF2,386,000            | HK\$20,390,632  | 22 January 2021       | (611,173)                         |
| EUR450,000              | HK\$4,233,326   | 22 January 2021       | (61,411)                          |
| EUR500,000              | HK\$4,627,231   | 22 January 2021       | (144,700)                         |
| EUR600,000              | HK\$5,522,397   | 22 January 2021       | (203,920)                         |
| EUR650,000              | HK\$6,125,943   | 22 January 2021       | (77,567)                          |
| EUR700,000              | HK\$6,389,184   | 22 January 2021       | (291,518)                         |
| EUR1,300,000            | HK\$11,880,409  | 22 January 2021       | (526,610)                         |
| EUR13,686,000           | HK\$125,210,477 | 22 January 2021       | (5,406,806)                       |
| GBP250,000              | HK\$2,593,678   | 22 January 2021       | (50,763)                          |
| GBP800,000              | HK\$8,185,030   | 22 January 2021       | (277,181)                         |
| GBP4,630,000            | HK\$46,493,840  | 22 January 2021       | (2,481,205)                       |
|                         |                 | Total unrealised loss | (10,174,736)                      |
|                         |                 | Net unrealised loss   | (9,582,918)                       |
| <u>2019</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| EUR13,471,000           | HK\$118,584,539 | 29 January 2020       | 691,012                           |
| GBP550,000              | HK\$5,701,526   | 29 January 2020       | 72,855                            |
|                         |                 | Total unrealised gain | 763,867                           |
| Open forward contracts: |                 |                       |                                   |
| CHF1,666,000            | HK\$13,342,657  | 29 January 2020       | (98,168)                          |
| EUR500,000              | HK\$4,354,507   | 29 January 2020       | (21,320)                          |
| EUR916,000              | HK\$7,995,422   | 29 January 2020       | (21,093)                          |
| GBP500,000              | HK\$5,041,780   | 29 January 2020       | (75,194)                          |
| GBP5,502,000            | HK\$56,094,733  | 29 January 2020       | (212,443)                         |
|                         |                 | Total unrealised loss | (428,218)                         |
|                         |                 | Net unrealised gain   | 335,649                           |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

**E90 Mixed Asset Fund**

| Contract to deliver     | In exchange for | Settlement date       | Unrealised<br>gain/(loss)<br>HK\$ |
|-------------------------|-----------------|-----------------------|-----------------------------------|
| <u>2020</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| US\$400,000             | HK\$3,101,305   | 22 January 2021       | 773                               |
| US\$2,762,000           | HK\$21,413,510  | 22 January 2021       | 4,336                             |
| US\$500,000             | HK\$3,875,566   | 23 April 2021         | 473                               |
|                         |                 | Total unrealised gain | 5,582                             |
| Open forward contracts: |                 |                       |                                   |
| EUR300,000              | HK\$2,827,358   | 22 January 2021       | (35,800)                          |
| EUR1,241,000            | HK\$11,353,661  | 22 January 2021       | (490,271)                         |
| JPY146,469,000          | HK\$10,773,582  | 22 January 2021       | (238,534)                         |
|                         |                 | Total unrealised loss | (764,605)                         |
|                         |                 | Net unrealised loss   | (759,023)                         |
| <u>2019</u>             |                 |                       |                                   |
| Open forward contracts: |                 |                       |                                   |
| EUR1,087,000            | HK\$9,568,807   | 29 January 2020       | 55,760                            |
| JPY130,187,000          | HK\$9,457,608   | 29 January 2020       | 107,508                           |
| US\$2,224,000           | HK\$17,433,447  | 29 January 2020       | 108,110                           |
|                         |                 | Total unrealised gain | 271,378                           |
|                         |                 | Net unrealised gain   | 271,378                           |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

**World Equity Fund**

| Contract to deliver     | In exchange for | Settlement date | Unrealised<br>gain/(loss)<br>HK\$ |
|-------------------------|-----------------|-----------------|-----------------------------------|
| <u>2020</u>             |                 |                 |                                   |
| Open forward contracts: |                 |                 |                                   |
| HK\$681,000             | GBP66,253       | 2 February 2021 | 19,824                            |
| HK\$819,357             | EUR89,000       | 2 February 2021 | 30,227                            |
| HK\$895,000             | EUR93,797       | 2 February 2021 | 379                               |
| HK\$972,000             | GBP95,304       | 2 February 2021 | 36,131                            |
| HK\$2,919,635           | GBP287,000      | 2 February 2021 | 116,264                           |
| HK\$4,024,000           | GBP401,902      | 2 February 2021 | 227,342                           |
| HK\$4,247,407           | GBP415,000      | 2 February 2021 | 142,481                           |
| HK\$9,101,591           | GBP907,000      | 2 February 2021 | 492,695                           |
| HK\$20,630,898          | GBP2,057,295    | 2 February 2021 | 1,131,259                         |
| HK\$20,631,729          | GBP2,057,295    | 2 February 2021 | 1,130,428                         |
| HK\$20,633,229          | GBP2,057,295    | 2 February 2021 | 1,128,928                         |
| HK\$20,633,640          | GBP2,057,295    | 2 February 2021 | 1,128,517                         |
| HK\$20,634,977          | GBP2,057,295    | 2 February 2021 | 1,127,180                         |
| HK\$20,636,825          | GBP2,057,296    | 2 February 2021 | 1,125,343                         |
| US\$105,506             | HK\$818,000     | 2 February 2021 | 222                               |
| US\$205,000             | HK\$1,589,103   | 2 February 2021 | 146                               |
| US\$350,773             | HK\$2,719,000   | 2 February 2021 | 155                               |
| US\$940,000             | HK\$7,286,958   | 2 February 2021 | 1,008                             |
| US\$1,000,000           | HK\$7,752,325   | 2 February 2021 | 1,314                             |
| US\$1,125,000           | HK\$8,721,645   | 2 February 2021 | 1,757                             |
| US\$1,576,000           | HK\$12,216,578  | 2 February 2021 | 985                               |
| US\$2,137,000           | HK\$16,568,494  | 2 February 2021 | 4,584                             |
| US\$6,916,485           | HK\$53,624,290  | 2 February 2021 | 14,539                            |
| US\$6,916,485           | HK\$53,625,652  | 2 February 2021 | 15,901                            |
| US\$6,916,485           | HK\$53,625,929  | 2 February 2021 | 16,178                            |
| US\$6,916,485           | HK\$53,626,621  | 2 February 2021 | 16,869                            |
| US\$6,916,485           | HK\$53,627,866  | 2 February 2021 | 18,114                            |
| US\$6,916,491           | HK\$53,629,094  | 2 February 2021 | 19,297                            |
| Total unrealised gain   |                 |                 | <u>7,948,067</u>                  |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

**World Equity Fund (Continued)**

| Contract to deliver            | In exchange for | Settlement date       | Unrealised<br>gain/(loss)<br>HK\$ |
|--------------------------------|-----------------|-----------------------|-----------------------------------|
| <b><u>2020 (Continued)</u></b> |                 |                       |                                   |
| Open forward contracts:        |                 |                       |                                   |
| EUR24,000                      | HK\$222,938     | 2 February 2021       | (6,163)                           |
| EUR43,000                      | HK\$399,261     | 2 February 2021       | (11,213)                          |
| EUR105,114                     | HK\$975,000     | 2 February 2021       | (28,403)                          |
| EUR596,000                     | HK\$5,657,923   | 2 February 2021       | (31,429)                          |
| EUR2,396,019                   | HK\$22,035,167  | 2 February 2021       | (836,971)                         |
| EUR2,396,026                   | HK\$22,035,167  | 2 February 2021       | (837,044)                         |
| EUR2,396,067                   | HK\$22,035,167  | 2 February 2021       | (837,434)                         |
| EUR2,396,111                   | HK\$22,035,167  | 2 February 2021       | (837,857)                         |
| EUR2,396,120                   | HK\$22,035,167  | 2 February 2021       | (837,944)                         |
| EUR2,396,187                   | HK\$22,035,167  | 2 February 2021       | (838,578)                         |
| GBP66,253                      | HK\$681,000     | 2 February 2021       | (19,824)                          |
| GBP95,304                      | HK\$972,000     | 2 February 2021       | (36,131)                          |
| GBP287,000                     | HK\$2,919,635   | 2 February 2021       | (116,264)                         |
| GBP401,902                     | HK\$4,024,000   | 2 February 2021       | (227,342)                         |
| GBP415,000                     | HK\$4,247,407   | 2 February 2021       | (142,481)                         |
| GBP907,000                     | HK\$9,101,591   | 2 February 2021       | (492,695)                         |
| GBP2,057,295                   | HK\$20,630,898  | 2 February 2021       | (1,131,259)                       |
| GBP2,057,295                   | HK\$20,631,729  | 2 February 2021       | (1,130,428)                       |
| GBP2,057,295                   | HK\$20,633,229  | 2 February 2021       | (1,128,928)                       |
| GBP2,057,295                   | HK\$20,633,640  | 2 February 2021       | (1,128,517)                       |
| GBP2,057,295                   | HK\$20,634,977  | 2 February 2021       | (1,127,180)                       |
| GBP2,057,296                   | HK\$20,636,825  | 2 February 2021       | (1,125,343)                       |
| HK\$624,000                    | US\$80,501      | 2 February 2021       | (32)                              |
| HK\$4,016,706                  | US\$518,000     | 2 February 2021       | (1,682)                           |
| HK\$5,700,458                  | US\$735,000     | 2 February 2021       | (3,465)                           |
| US\$185,398                    | HK\$1,437,000   | 2 February 2021       | (19)                              |
| US\$188,134                    | HK\$1,458,000   | 2 February 2021       | (230)                             |
| US\$571,714                    | HK\$4,431,000   | 2 February 2021       | (362)                             |
|                                |                 |                       | (12,915,218)                      |
| Open spot contracts:           |                 |                       |                                   |
| EUR251,913                     | HK\$2,400,000   | 5 January 2021        | (3,187)                           |
| US\$193,501                    | HK\$150,000     | 5 January 2021        | (38)                              |
|                                |                 |                       | (3,225)                           |
|                                |                 | Total unrealised loss | (12,918,443)                      |
|                                |                 | Net unrealised loss   | (4,970,376)                       |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

**World Equity Fund (Continued)**

| Contract to deliver     | In exchange for | Settlement date | Unrealised<br>gain/(loss)<br>HK\$ |
|-------------------------|-----------------|-----------------|-----------------------------------|
| <u>2019</u>             |                 |                 |                                   |
| Open forward contracts: |                 |                 |                                   |
| GBP93,408               | HK\$974,000     | 4 February 2020 | 17,868                            |
| GBP107,160              | HK\$1,106,000   | 4 February 2020 | 9,104                             |
| GBP142,000              | HK\$1,467,730   | 4 February 2020 | 14,208                            |
| HK\$631,000             | GBP62,018       | 4 February 2020 | 3,817                             |
| HK\$1,145,941           | GBP113,000      | 4 February 2020 | 10,735                            |
| HK\$2,289,269           | GBP225,000      | 4 February 2020 | 13,848                            |
| US\$54,316              | HK\$426,000     | 4 February 2020 | 2,853                             |
| US\$75,977              | HK\$595,000     | 4 February 2020 | 3,097                             |
| US\$137,639             | HK\$1,078,000   | 4 February 2020 | 5,716                             |
| US\$146,583             | HK\$1,148,000   | 4 February 2020 | 6,037                             |
| US\$149,227             | HK\$1,164,000   | 4 February 2020 | 1,442                             |
| US\$150,805             | HK\$1,182,000   | 4 February 2020 | 7,150                             |
| US\$163,912             | HK\$1,277,000   | 4 February 2020 | 36                                |
| US\$177,503             | HK\$1,390,000   | 4 February 2020 | 7,158                             |
| US\$187,157             | HK\$1,461,000   | 4 February 2020 | 2,946                             |
| US\$204,581             | HK\$1,603,000   | 4 February 2020 | 9,202                             |
| US\$204,605             | HK\$1,603,000   | 4 February 2020 | 9,020                             |
| US\$321,243             | HK\$2,511,000   | 4 February 2020 | 8,343                             |
| US\$326,516             | HK\$2,555,000   | 4 February 2020 | 11,261                            |
| US\$362,986             | HK\$2,829,000   | 4 February 2020 | 1,141                             |
| US\$403,000             | HK\$3,159,222   | 4 February 2020 | 19,636                            |
| US\$478,000             | HK\$3,746,618   | 4 February 2020 | 22,741                            |
| US\$688,000             | HK\$5,387,932   | 4 February 2020 | 28,043                            |
| US\$4,562,299           | HK\$35,750,768  | 4 February 2020 | 208,010                           |
| US\$4,562,299           | HK\$35,750,951  | 4 February 2020 | 208,193                           |
| US\$4,562,299           | HK\$35,751,658  | 4 February 2020 | 208,900                           |
| US\$4,562,299           | HK\$35,752,912  | 4 February 2020 | 210,155                           |
| US\$4,562,299           | HK\$35,754,372  | 4 February 2020 | 211,615                           |
| US\$4,562,299           | HK\$35,757,019  | 4 February 2020 | 214,261                           |
| Total unrealised gain   |                 |                 | 1,476,536                         |

**BCT (MPF) PRO CHOICE**

**NOTES TO THE FINANCIAL STATEMENTS**

**World Equity Fund (Continued)**

| Contract to deliver            | In exchange for | Settlement date       | Unrealised<br>gain/(loss)<br>HK\$ |
|--------------------------------|-----------------|-----------------------|-----------------------------------|
| <b><u>2019 (Continued)</u></b> |                 |                       |                                   |
| Open forward contracts:        |                 |                       |                                   |
| GBP44,421                      | HK\$448,000     | 4 February 2020       | (6,698)                           |
| GBP54,276                      | HK\$555,000     | 4 February 2020       | (574)                             |
| GBP63,150                      | HK\$639,000     | 4 February 2020       | (7,405)                           |
| GBP74,853                      | HK\$760,000     | 4 February 2020       | (6,197)                           |
| GBP76,614                      | HK\$777,000     | 4 February 2020       | (7,226)                           |
| GBP76,832                      | HK\$777,000     | 4 February 2020       | (9,462)                           |
| GBP92,000                      | HK\$937,488     | 4 February 2020       | (4,231)                           |
| GBP98,514                      | HK\$996,000     | 4 February 2020       | (12,401)                          |
| GBP117,000                     | HK\$1,187,934   | 4 February 2020       | (9,687)                           |
| GBP126,500                     | HK\$1,278,000   | 4 February 2020       | (16,866)                          |
| GBP1,383,485                   | HK\$14,048,322  | 4 February 2020       | (113,134)                         |
| GBP1,383,485                   | HK\$14,050,787  | 4 February 2020       | (110,669)                         |
| GBP1,383,485                   | HK\$14,052,489  | 4 February 2020       | (108,967)                         |
| GBP1,383,485                   | HK\$14,052,749  | 4 February 2020       | (108,707)                         |
| GBP1,383,485                   | HK\$14,052,832  | 4 February 2020       | (108,624)                         |
| GBP1,383,486                   | HK\$14,048,563  | 4 February 2020       | (112,908)                         |
| HK\$1,270,585                  | US\$163,000     | 4 February 2020       | (728)                             |
| HK\$1,673,000                  | US\$213,413     | 4 February 2020       | (10,398)                          |
| HK\$2,005,204                  | US\$256,000     | 4 February 2020       | (10,827)                          |
| US\$408,707                    | HK\$3,184,000   | 4 February 2020       | (51)                              |
|                                |                 |                       | <hr/> (765,760) <hr/>             |
| Open spot contracts:           |                 |                       |                                   |
| HK\$572,891                    | GBP56,000       | 3 January 2020        | (591)                             |
| HK\$9,206,007                  | US\$1,182,000   | 3 January 2020        | (2,304)                           |
|                                |                 |                       | <hr/> (2,895) <hr/>               |
|                                |                 | Total unrealised loss | <hr/> (768,655) <hr/>             |
|                                |                 | Net unrealised gain   | <hr/> 707,881 <hr/>               |

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**RMB Bond Fund**

| Contract to deliver                       | In exchange for | Settlement date       | Unrealised<br>gain/(loss)<br>HK\$ |
|---|-----------------|-----------------------|-----------------------------------|
| <u>2020</u>                               |                 |                       |                                   |
| Open forward contracts:<br>CNY233,000,000 | HK\$274,404,100 | 29 March 2021         | (1,869,281)                       |
|   |                 | Total unrealised loss | (1,869,281)                       |
|   |                 | Net unrealised loss   | (1,869,281)                       |

| Contract to deliver                       | In exchange for | Settlement date       | Unrealised<br>gain/(loss)<br>HK\$ |
|---|-----------------|-----------------------|-----------------------------------|
| <u>2019</u>                               |                 |                       |                                   |
| Open forward contracts:<br>CNY186,500,000 | HK\$206,448,040 | 27 March 2020         | (1,305,724)                       |
|   |                 | Total unrealised loss | (1,305,724)                       |
|   |                 | Net unrealised loss   | (1,305,724)                       |

## **BCT (MPF) PRO CHOICE**

### **NOTES TO THE FINANCIAL STATEMENTS**

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#### **13. Payments charged to default investments strategy ("DIS") constituent funds or scheme or members who invest the constituent funds**

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

The above aggregate of the payments for services include, but are not limited to, the fees paid or payable for the services provided by the Trustee, the Administrator, the Investment Manager, the Custodian and the Sponsor and/or promoter (if any) of each of the BCT (Pro) Core Accumulation Fund and BCT (Pro) Age 65 Plus Fund and its underlying investment fund(s), and any of the delegates from these parties and such fees are calculated as a percentage of the net asset value of each of the BCT (Pro) Core Accumulation Fund and BCT (Pro) Age 65 Plus Fund and its underlying investment fund(s), but do not include any out-of-pocket expenses incurred by each of the BCT (Pro) Core Accumulation Fund and BCT (Pro) Age 65 Plus Fund and their underlying investment fund(s).

In accordance with the Mandatory Provident Fund legislation, the total amount of all payments that are charged to or imposed on a DIS constituent fund or members who invest in a DIS constituent fund, for out-of-pocket expenses incurred by the Trustee on a recurrent basis in the discharge of the Trustee's duties to provide services in relation to a DIS constituent fund, shall not in a single year exceed 0.2% per annum of the net asset value (the sum of net asset value of the relevant DIS constituent fund as at the last dealing day of each month of the relevant period/year divided by the number of months) of each of the BCT (Pro) Core Accumulation Fund and BCT (Pro) Age 65 Plus Fund.

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

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

Payment for services, out-of-pocket expenses and other payment charged to the BCT (Pro) Core Accumulation Fund and BCT (Pro) Age 65 Plus Fund are disclosed below. Payments for services and out-of-pocket expenses are those defined in the MPF Ordinance.



**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

**During the year ended 31 December 2020 and 31 December 2019**

|   | BCT (Pro) Core Accumulation Fund<br>("DIS Fund") |                  | BCT (Pro) Age 65 Plus Fund<br>("DIS Fund") |                  |
|---|--|------------------|--|------------------|
|   | 2020<br>HK\$                                     | 2019<br>HK\$     | 2020<br>HK\$                               | 2019<br>HK\$     |
| <b>Payment for services</b>   |  |                  |  |                  |
| - Trustee, administration and custodian fees  | 6,482,598  | 4,315,393        | 3,017,685                                  | 1,831,067        |
| <b>Total payment for services of each DIS Fund</b>  | <u>6,482,598</u>                                 | <u>4,315,393</u> | <u>3,017,685</u>                           | <u>1,831,067</u> |
| <b>Total payment for services of each DIS Fund*</b>   | 0.59%  | 0.59%            | 0.59%                                      | 0.59%            |
| <b>Proportionate of the underlying investment funds fee rate of the underlying investment funds of each DIS Fund**</b>                      | <u>0.16%</u>                                     | <u>0.16%</u>     | <u>0.16%</u>                               | <u>0.16%</u>     |
| <b>Total Payment for Services expressed as a percentage of net asset value of the DIS funds</b>   | <u>0.75%</u>                                     | <u>0.75%</u>     | <u>0.75%</u>                               | <u>0.75%</u>     |
|   | HK\$   | HK\$             | HK\$                                       | HK\$             |
| <b>Out-of-pocket expenses</b>   |  |                  |  |                  |
| - Safe custody and bank charges   | 3,463  | 5,272            | 3,297                                      | 5,129            |
| - Auditors' remuneration  | 42,675   | 28,891           | 19,835                                     | 12,219           |
| - Professional indemnity insurance  | 8,305  | 5,441            | 3,859                                      | 2,303            |
| - Miscellaneous expenses  | 170,381  | 163,347          | 82,054                                     | 74,154           |
| <b>Total payments for out-of-pocket expense</b>   | <u>224,824</u>                                   | <u>202,951</u>   | <u>109,045</u>                             | <u>93,805</u>    |
| <b>Other payments</b>   |  |                  |  |                  |
| - Legal and other professional fees (non-recurring)   | 4,141  | 7,714            | 1,817                                      | 3,174            |
| <b>Total payments on each DIS Fund</b>  | <u>6,711,563</u>                                 | <u>4,526,058</u> | <u>3,128,547</u>                           | <u>1,928,046</u> |
| <b>Out-of-pocket expenses expressed as a percentage of average net asset value as at the last dealing day of each month of the DIS fund</b> | <u>0.02%</u>                                     | <u>0.03%</u>     | <u>0.02%</u>                               | <u>0.03%</u>     |

*\*The payment for service fees of 0.59%, which represents daily payment for services of each DIS Fund as a percentage of daily NAV, is the maximum fee rate allowed to charge to each DIS Fund on a daily basis.*

*\*\*The proportionate of the underlying investment fund fee rate paid to the specified person as disclosed in the prospectus of the underlying investment funds.*

NOTES TO THE FINANCIAL STATEMENTS

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**14. Financial instruments by category**

For the year ended 31 December 2020, apart from derivative financial instruments and financial assets at fair value through profit or loss as disclosed in the Plan's statement of net assets available for benefits and its constituent funds' statement of net assets which are classified as "financial assets and liabilities at fair value through profit or loss" (2019: "financial assets and liabilities at fair value through profit or loss"), all other financial assets as disclosed in the Plan's statement of net assets available for benefits and its constituent funds' statement of net assets, including amounts receivable on sale of financial assets at fair value through profit or loss, dividends receivable, interest receivable, contributions receivable, other receivables and bank balances, are categorized as "financial assets at amortised cost" (2019: "financial assets at amortised cost").

In addition, all other financial liabilities as disclosed in the Plan's statement of net assets available for benefits and its constituent funds' statement of net assets, including amounts payable on purchase of financial assets at fair value through profit or loss, benefits and forfeitures payable and accruals and other payables, are categorized as "other financial liabilities" (2019: "other financial liabilities").

**15. 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 31 December 2020, the deferred administrative expenses of the MPF Conservative Fund amounted to HK\$4,973,484 (2019: Nil) was not recognised in the statement of comprehensive income.

**16. Soft commission arrangements**

During the year, certain investment managers had entered into soft commission arrangements with brokers under which certain goods and services used to support investment decision making were received. These investment managers did not make direct payments for these services but transacted an agreed amount of business with the brokers on behalf of the funds under their management including the Plan and its constituent funds and commissions were paid on these transactions.

The goods and services received include research and advisory services, economic and political analysis, portfolio analysis including valuation and performance measurement, market analysis, data and quotation services, computer hardware and software incidental to the above goods and services, clearing and custodian services and investment-related publications.

**BCT (MPF) PRO CHOICE**  
**NOTES TO THE FINANCIAL STATEMENTS**

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**17. Security lending arrangements**

The Plan and its constituent funds had no security lending arrangements as at 31 December 2020 (2019: Nil).

**18. Bank loans and other borrowings**

As at 31 December 2020, the Plan and its constituent funds had no bank loans and other borrowings (2019: Nil).

**19. Negotiability of assets**

As at 31 December 2020, there were no statutory or contractual requirements restricting the negotiability of the assets of the Plan and its constituent funds (2019: Nil).

**20. Commitments**

The Plan and its constituent funds had no commitments as at 31 December 2020 (2019: Nil).

**21. Contingent liabilities**

The Plan and its constituent funds had no contingent liabilities as at 31 December 2020 (2019: Nil).

**22. Marketing expenses**

There have been no advertising expenses, promotional expenses or commissions or brokerage fees paid and payable to the MPF intermediaries deducted from the Plan or its constituent funds during the year ended 31 December 2020 (2019: Nil).

**23. Approval of financial statements**

The financial statements were approved for issue by the Trustee on 15 June 2021.

**BCT (MPF) PRO CHOICE**  
**INDEPENDENT AUDITOR'S ASSURANCE REPORT**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2020**

## **INDEPENDENT AUDITOR'S ASSURANCE REPORT TO THE TRUSTEE OF BCT (MPF) PRO CHOICE (THE "PLAN")**

We have audited the financial statements of the Plan for the year ended 31 December 2020 in accordance with Hong Kong Standards on Auditing and with reference to Practice Note 860.1 (Revised) "The Audit of Retirement Schemes" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), and have issued an unqualified auditor's report thereon dated 15 June 2021.

Pursuant to section 102 of the Hong Kong Mandatory Provident Fund Schemes (General) Regulation (the "General Regulation"), we are required to report whether the Plan complied with certain requirements of the Hong Kong Mandatory Provident Fund Schemes Ordinance (the "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 Plan, the Plan assets and all financial transactions entered into in relation to the Plan;
- (b) the requirements specified in the guidelines made by the Mandatory Provident Fund Schemes Authority (the "MPFA") under section 28 of the 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 Ordinance are complied with; and
- (d) the Plan assets are not subject to any encumbrance, otherwise than as permitted by the General Regulation.

### **Our Independence and Quality Control**

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 behavior.

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Auditor's Responsibility**

Our responsibility is to report solely to the Trustee, in accordance with section 102 of the General Regulation, on the Plan's compliance with the above requirements based on the results of the procedures performed by us, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

# **INDEPENDENT AUDITOR'S ASSURANCE REPORT TO THE TRUSTEE OF BCT (MPF) PRO CHOICE ("THE PLAN") (CONTINUED)**

## **Auditor's Responsibility (Continued)**

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

We have planned and performed such procedures as we considered necessary with reference to the procedures recommended in Practice Note 860.1 (Revised), which included reviewing, on a test basis, evidence obtained from the Trustee regarding the Plan'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:

- (a) in our opinion:
  - (i) proper accounting and other records have been kept during the year ended 31 December 2020 in respect of the constituent funds of the Plan, the Plan assets and all financial transactions entered into in relation to the Plan; and
  - (ii) the requirements specified in the guidelines made by the MPFA under section 28 of the 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 31 December 2020, 30 September 2020 and 29 April 2020; and
  - (iii) the requirements specified in the 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 BCT (Pro) Core Accumulation Fund and BCT (Pro) Age 65 Plus Fund have been complied with, in all material respects, as at 31 December 2020, 30 September 2020 and 29 April 2020; and
  - (iv) the requirements specified in section 34DD(4)(b) of the Ordinance with respect to the controls of out-of-pocket expenses of the BCT (Pro) Core Accumulation Fund and BCT (Pro) Age 65 Plus Fund have been complied with, in all material respects, as at 31 December 2020.
- (b) as at 31 December 2020, the Plan assets were not subject to any encumbrance, otherwise than as permitted by the General Regulation.

**INDEPENDENT AUDITOR'S ASSURANCE REPORT TO THE  
TRUSTEE OF BCT (MPF) PRO CHOICE ("THE PLAN")  
(CONTINUED)**

**Other Matter**

The requirements specified in the Ordinance under sections 34DI(1) and (2) and 34DK(2) with respect to the transfer of accrued benefits to an account and specified notice, and sections 34DJ(2), (3), (4) and (5) with respect to locating scheme members relating to BCT (Pro) Core Accumulation Fund and BCT (Pro) Age 65 Plus Fund are not applicable to the Trustee for the year ended 31 December 2020 as the Trustee has completed the relevant transitional provisions during the year ended 31 December 2017. Accordingly, there is no reporting on these sections.

**Intended Users and Purpose**

This report is intended solely for submission by the Trustee to the MPFA pursuant to section 102 of the General Regulation, and is not intended to be, and should not be, used by anyone for any other purpose.

A handwritten signature in black ink, appearing to read "PricewaterhouseCoopers", is written over the printed name of the firm.

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 15 June 2021