HEALTHIER, LONGER, BETTER LIVES

AIA CORPORATE SOLUTIONS

Issued by AIA Company (Trustee) Limited

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

INFORMATION ABOUT PRINCIPAL INTERMEDIARY AND SUBSIDIARY INTERMEDIARY



PISI - Staff

show if applicable

AIA International Limited (incorporated in Bermuda with limited liability) (the "Principal Intermediary"), whose principal address is 1/F-4/F, Room 503-4, Room 507 5/F, 6/F-9/F, Room 1001, Room 1004 10/F, 12/F-13/F, UF, 16/F-18/F, AIA Hong Kong Tower, 734 King's Road, Quarry Bay, Hong Kong, is the distributor of **AIA MPF – Prime Value Choice** (the "MPF Scheme").

This slide explains the capacity of the Principal Intermediary and its authorised MPF intermediaries (the "Subsidiary Intermediary"), the affiliation with the key parties in connection with the operation or distribution of the MPF Scheme.

<table>
<tr><th></th><th>Principal Intermediary</th><th colspan="2">Subsidiary Intermediary</th></tr>
<tr><td rowspan="2">Particulars</td><td rowspan="2">Nature of business: pension, employee benefits, life insurance, accident and health insurance, and credit life</td><td>Name</td><td>MPF intermediary registration no.</td></tr>
<tr><td>[Full Name 1]
[Full Name 1]</td><td>[MPF Registration 1]
[MPF Registration 2]</td></tr>
<tr><td>Affiliation</td><td>The administrator and promoter of MPF Scheme, affiliated company of the approved trustee and sponsor of the MPF Scheme</td><td colspan="2">Authorised intermediary and employee of the Principal Intermediary</td></tr>
<tr><td>Types of regulated activities being/to be conducted</td><td colspan="3">Making invitation, inducement and/or giving regulated advice* that are related to a material decision</td></tr>
<tr><td>Registration conditions</td><td>N/A</td><td colspan="2">N/A</td></tr>
</table>

* Opinion relating to any material decisions, as defined in the MPF legislation, which includes decisions on whether or when to: i) join a MPF scheme as a member or an employer; ii) pay contributions (both Mandatory Contribution and Voluntary Contribution); and iii) claim and/or transfer accrued benefits and/or perform fund switching.

You will not be charged any direct fees by the Subsidiary Intermediary(ies), his/her/their Principal Intermediary or any other person for providing the regulated activities described above. The Subsidiary Intermediary(ies) is/are compensated through salary and/or bonus from the sale of MPF products. The salary and/or bonus that the Subsidiary Intermediary(ies) receive(s) will not vary whether you choose any of the constituent funds within the MPF Scheme. Furthermore, other than receiving salary and bonus and such other material interests disclosed to you by the Subsidiary Intermediary(ies), he/she/they do/does not have any other interests which may give rise to any actual or potential conflict of interest when providing the regulated activities described above. The Principal Intermediary is also acting as administrator of the MPF Scheme and will receive administration fee as a result.

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

INFORMATION ABOUT PRINCIPAL INTERMEDIARY AND SUBSIDIARY INTERMEDIARY



PISI - Agent

show if applicable

AIA International Limited (incorporated in Bermuda with limited liability) (the "Principal Intermediary"), whose principal address is 1/F-4/F, Room 503-4, Room 507 5/F, 6/F-9/F, Room 1001, Room 1004 10/F, 12/F-13/F, UF, 16/F-18/F, AIA Hong Kong Tower, 734 King's Road, Quarry Bay, Hong Kong, is the distributor of **AIA MPF – Prime Value Choice** (the "MPF Scheme").

This slide explains the capacity of the Principal Intermediary and its authorised MPF intermediaries (the "Subsidiary Intermediary"), the affiliation with the key parties in connection with the operation or distribution of the MPF Scheme.

<table>
<tr><th></th><th>Principal Intermediary</th><th colspan="2">Subsidiary Intermediary</th></tr>
<tr><td rowspan="2">Particulars</td><td rowspan="2">Nature of business: pension, employee benefits, life insurance, accident and health insurance, and credit life</td><td>Name</td><td>MPF intermediary registration no.</td></tr>
<tr><td>[Full Name 1]
[Full Name 1]</td><td>[MPF Registration 1]
[MPF Registration 2]</td></tr>
<tr><td>Affiliation</td><td>The administrator and promoter of MPF Scheme, affiliated company of the approved trustee and sponsor of the MPF Scheme</td><td colspan="2">Authorised intermediary of the Principal Intermediary</td></tr>
<tr><td>Types of regulated activities being/to be conducted</td><td colspan="3">Making invitation, inducement and/or giving regulated advice* that are related to a material decision</td></tr>
<tr><td>Registration conditions</td><td>N/A</td><td colspan="2">N/A</td></tr>
</table>

* Opinion relating to any material decisions, as defined in the MPF legislation, which includes decisions on whether or when to: i) join a MPF scheme as a member or an employer; ii) pay contributions (both Mandatory Contribution and Voluntary Contribution); and iii) claim and/or transfer accrued benefits and/or perform fund switching.

You will not be charged any direct fees by the Subsidiary Intermediary, his/her Principal Intermediary or any other person for providing the regulated activities described above. The Subsidiary Intermediary is compensated through salary and/or commission from the sale of MPF products. The salary and/or commission that the Subsidiary Intermediary receives will not vary whether you choose any of the constituent funds within the MPF Scheme. Furthermore, other than receiving salary and commission from the Principal Intermediary and such other material interests disclosed to you by the Subsidiary Intermediary, he/she does not have any other interests which may give rise to any actual or potential conflict of interest when providing the regulated activities described above. The Principal Intermediary is also acting as administrator of the MPF Scheme and will receive administration fee as a result.

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

AGENDA

- The Name of Trust – AIA Insurance
- MPF System
- AIA MPF Services
- AIA Retirement Tracker
- Plan Early for Retirement
- Product Information
- Exclusive Offers for Members



Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

THE NAME OF TRUST - AIA INSURANCE

A Century of Success

- Founded in Shanghai in 1919; over 100 years of history in Asia
- AIA Insurance is the **largest independent publicly listed pan-Asian life insurance group**[1]
- Began operations in Hong Kong in 1931 and has a presence in **18 markets across Asia**

Solid Foundations

- Market capitalisation has **more than tripled**[2] since public listing in 2010
- Total assets of **US$276 billion**[3]
- AIA Group Limited (Stock Code: 1299) is **the third largest constituent stock of the Hang Seng Index**[4]

1st Choice Brand

1st Choice brand among industries[5] :
Most preferred, Most reliable, Best quality

Globally Renowned

Credit Ratings – AIA International Limited[6]
S&P：AA- / Stable
Moody's： Aa2 / Negative
Fitch： AA / Stable



Leading a Healthier Future

AIA Insurance has always been committed to making a positive impact for the whole community. While meeting our customers' protection needs, we help people live Healthier, Longer, Better Lives. Every single day.

PRESENCE IN
18 MARKETS IN ASIA-PACIFIC

GREATER CHINA
- MAINLAND CHINA 1919
- HONG KONG 1931
- MACAU 1982
- TAIWAN 1990

SINGAPORE 1931
THAILAND 1938
PHILIPPINES 1947
MALAYSIA 1948
BRUNEI 1957
AUSTRALIA 1972
NEW ZEALAND 1981
INDONESIA 1984
KOREA 1987
VIETNAM 2000
INDIA 2001
SRI LANKA 2012
MYANMAR* 2013
CAMBODIA 2015

* AIA has a representative office in Myanmar

1 As at January 2023 | 2 Bloomberg (as at 30 September 2023) | 3 AIA Group Limited Interim Results 2023 (as at 30 June 2023) | 4 hsi.com.hk (Nov 2023) | 5 AIA's "Hong Kong and Macau Segmentation Study 2021" conducted by Kantar, a market research company. "Industries" included Healthcare, Education, SME, Banking & Finance and Civil Servant. AIA ranks No. 1 across the measures of 5 occupations. These measures include: 1) Most preferred brand, 2) With the best quality service, 3) Most reliable, and 4) Current ownership | 6 AIA Group Limited website (as at 8 Dec 2023)

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

AIA CORPORATE SOLUTIONS

"Comprehensive employee benefit solutions":
One of the few providers offering one-stop
pension, group insurance and employee voluntary protection

Corporate Solutions video

Over 60 years **experience in Group Insurance**

Over 30 years **experience in Pension**

Around 6,800 **corporate clients**[1]

Over 68,000 **corporate clients**[1]

Over 620,000 **plan members**[1]

Over 1,200,000 **plan members**[1]

Over USD16 billion **assets under management**[1]

Around 300 **staff stationed in Hong Kong to provide one-stop solutions to our corporate clients**

1. As at 31 May 2023

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

AWARDS

Quality & Service

The Hong Kong Insurance Awards: Outstanding MPF/Employees' Benefit Product/Service Award (4 consecutive years)

GBA Insurance Awards (HK & Macau): Outstanding Employees' Benefit Products/Service Award

The Hong Kong General Chamber of Small and Medium Business: Best SME's Partner Award (6 consecutive years)

The Hong Kong General Chamber of Small and Medium Business: ESG Leading Enterprise Award

Eastweek: Hong Kong Service Awards (11 consecutive years)

MPF Ratings:
Gold (4 consecutive years)
Best TVC Provider (5 consecutive years)
Environmentally Responsible (3 consecutive years)

Sing Tao Daily:
Sing Tao Service Awards – "MPF Services" category

The Institute of Financial Planners of Hong Kong
Corporate Financial Education Leadership – Gold Award (4 consecutive years)

MPFA: Good MPF Employer (9 consecutive years)

Reader's Digest: Trusted Brand Gold Award – Provident Fund for Hong Kong (8 consecutive years)

Hong Kong Council of Social Service: Caring Company (21 consecutive years)

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved. Remarks: The above awards are for reference only.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

OUR PLEDGE TO YOU

Our customer-centric mindset helps us to see and act
from a client's perspective,
delivering products and services distinguished by

VALUE

CHOICE

SIMPLICITY



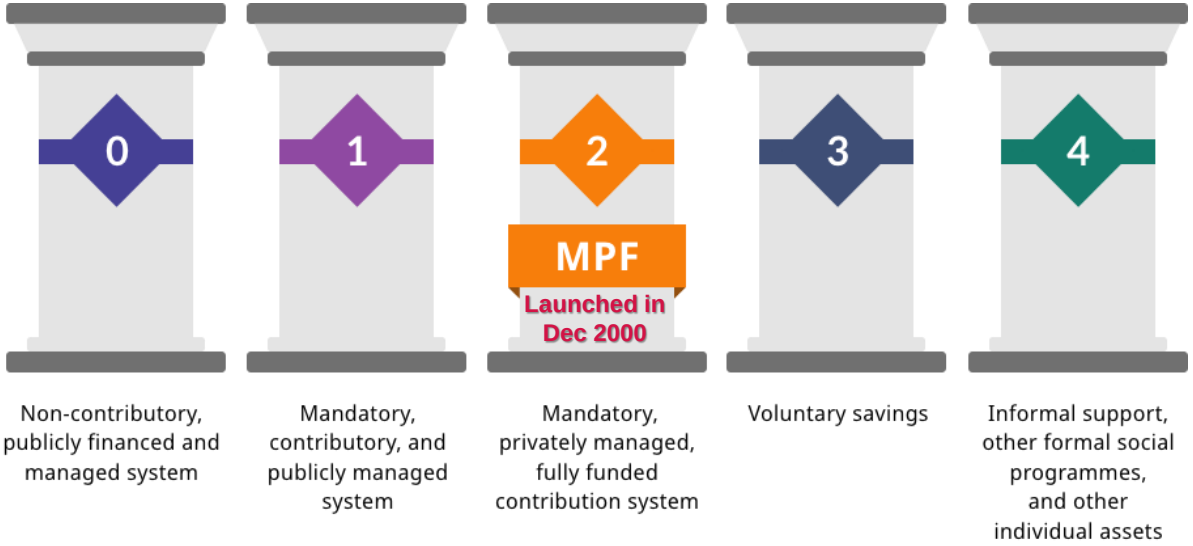
Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

MPF SYSTEM

BACKGROUND

- World Bank proposed a multi-pillar retirement protection framework in 1994



- MPF is set up to help workforce save up for their retirement, it's an important part of Hong Kong's retirement protection framework
- Before the implementation of MPF, only about one-third of workforce had some form of retirement protection. Now around 85% of the workforce is covered under different retirement schemes:

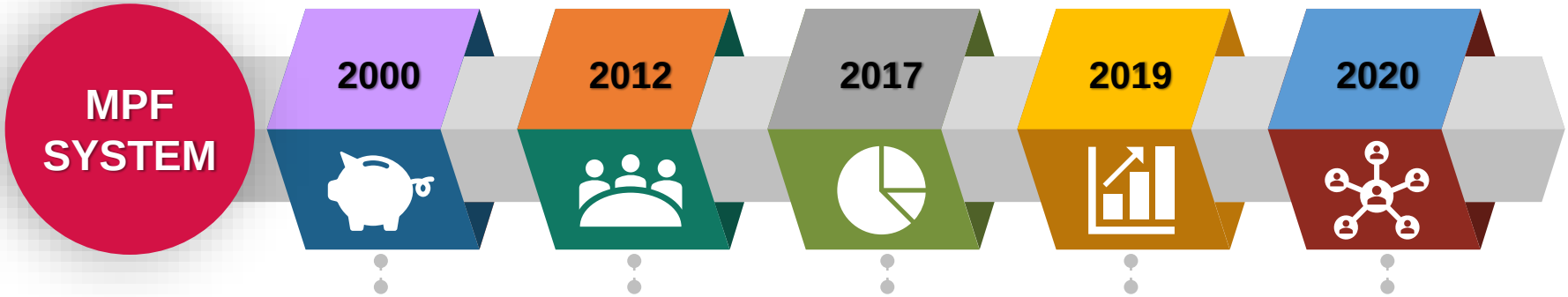


Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

MPF SYSTEM

MILESTONES



Launch of the MPF System

Launch of the Employee Choice Arrangement (ECA)

gives employees greater autonomy to transfer their MPF derived from their own mandatory contributions to their preferred MPF schemes

Launch of the Default Investment Strategy (DIS)

provides an investment solution to scheme members who have not made any investment choices

Launch of the Tax-deductible Voluntary Contributions (TVC)

encourage early saving for retirement

MPF System 20th Anniversary

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

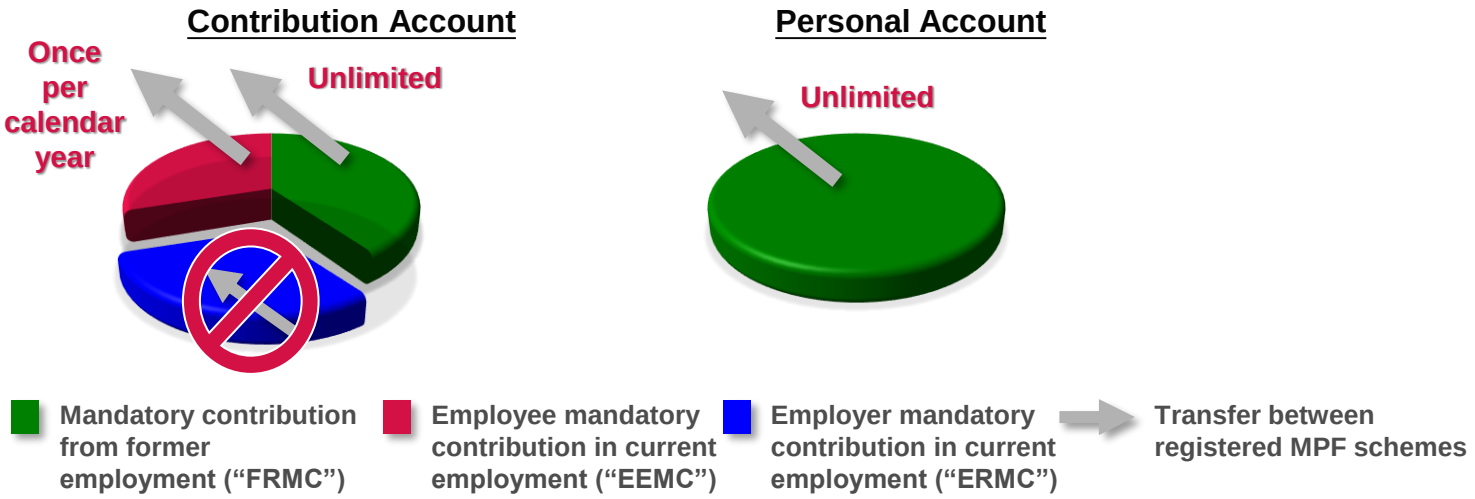
[AIA - CONFIDENTIAL]

EMPLOYEE CHOICE ARRANGEMENT

Both employers and members are decision makers in choosing MPF provider

- Since Nov 2012, employees can choose to transfer the accrued benefits derived from the mandatory contributions made during their former employment and current employment (employee portion only) held in a contribution account to an MPF service provider of their own choice, without involving their employers
- The future contributions (both employer and employee portions) under the current employment will continue to be made to the contribution account under the original scheme
- Employers' MPF administrative arrangements for employees remain unchanged
- Employers' administrative arrangements regarding the offsetting of severance or long service payments are not affected

Under Employee Choice Arrangement, which portions of MPF benefits are portable?



Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

MPF SYSTEM

KEY SERVICE PROVIDERS

	Role
Approved Trustee	• A company or a natural person approved by MPFA as a trustee • Obligated to exercise fiduciary duty in operating MPF schemes in the interest of members • Unless it satisfies the criteria for a custodian of MPF assets, has to appoint a custodian in taking care of the scheme assets and to appoint an independent investment manager to manage the investment of funds of the MPF scheme
Scheme Administrator	• Acts on behalf of the MPF trustee in handling the daily administration work of the MPF scheme, such as keeping records of the schemes, handling requests for transfers and withdrawal of accrued benefits and providing other customer services to enrolled employers and members
Custodian	• An institution or a company to which an approved trustee has delegated administration of the scheme assets • Physically holds the assets and it must be an authorised financial institution or a Hong Kong registered trust company • Required to be independent from the investment manager
Investment Manager	• Responsible for managing the investment of the funds of the MPF scheme. It enters into an investment management contract with the MPF trustee and must be independent of the MPF trustee and custodian
Sponsor	• While a trustee is responsible for the operations of an MPF scheme, a sponsor is the product owner • Sponsor plays a key role in the initial design and establishment of an MPF scheme, including the design and investment strategies of constituent funds and setting fee levels • On an ongoing basis, a sponsor is heavily involved in the continuing distribution and marketing of its MPF products

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

MPF SYSTEM

FEATURE - CONTRIBUTION

- The MPF System is employment-based. Except for exempt persons, regular employees, casual employees and self-employed persons aged 18 to 64 are required to join an MPF scheme
- Employers are required to enrol their employees aged 18 to 64 who have been employed for a continuous period of 60 days or more (full-time or part-time) in an MPF scheme within the first 60 days of their employment and to make regular contributions to the scheme
- Employees and employers are both required to make mandatory contributions of 5% of the employee's relevant income, subject to the minimum and maximum relevant income levels

Monthly Relevant Income	Employer's Mandatory Contribution	Employee's Mandatory Contribution
Less than HK$7,100	Relevant Income x 5%	No contribution is required
HK$7,100 to HK$30,000	Relevant Income x 5%	Relevant Income x 5%
More than HK$30,000	HK$1,500	HK$1,500

"Relevant Income" refers to all monetary payments paid or payable by an employer to an employee, including any wages, salary, leave pay, fees, commissions, bonuses, gratuities, perquisites or allowances, but excluding severance payments or long service payments

- Both employees and employers may choose to make voluntary contributions on top of their mandatory contributions
- Employees have the right to choose the funds to invest in for both the employer and employee portions of the contributions

Exempt Persons: 1/ employees and self-employed persons who are under 18 or over 65 years of age; 2/ domestic employees; 3/ self-employed hawkers; 4/ people covered by statutory pension schemes, such as civil servants; 5/ members of occupational retirement schemes which have been granted MPF exemption certificates; 6/ overseas persons who enter Hong Kong under the Immigration Ordinance for the purpose of employment for not more than 13 months, or who are covered by overseas retirement schemes; 7/ employees of the European Union Office of the European Commission in Hong Kong

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

MPF SYSTEM

FEATURE - WITHDRAWAL

- MPF is set up to help workforce save up for their retirement, so members may only withdraw their MPF derived from their mandatory contributions and tax-deductible voluntary contributions upon reaching age 65
- When members retire, they can choose one of the following ways to manage their MPF:

Withdrawal in one lump sum

Remaining in the MPF scheme for continuous investment

Withdrawal by instalments
(only applicable to members aged 65 or early retirees aged 60 or above)

- Under the following circumstances, members may apply for early withdrawal:
  - Early retirement between age 60 and 64;
  - Permanent departure from Hong Kong;
  - Total incapacity;
  - Terminal illness;
  - Small balance of not more than HK$5,000 in only one MPF scheme, and as at the date of application, at least 12 months must have elapsed since the last contribution date;
  - Death (MPF is part of the member's estate which must be claimed by his/her personal representative)

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

OTHER FEATURES

Tax Deduction: An employee can claim tax deduction for his/her mandatory contributions and TVC made to an MPF scheme, while an employer can claim tax deduction for the mandatory and voluntary contributions made for an employee, to the extent that it does not exceed 15% of the employee's total emoluments

Types of MPF Accounts:

Contribution Account
(receives contributions made under a member's current employment / self-employment)

~4.43 million^
Average 1.5 / member

Personal Account
(receives contributions made under a member's former employment / self-employment AND the MPF transferred from a contribution account under current employment)

~6.45 million^
Average 2.2 / member

TVC Account
(receives TVC made by a member AND the accrued benefits transferred from other TVC accounts)

70,000^

Members can transfer their MPF between different MPF accounts as allowed by the MPF legislation

Offsetting Long Service Payment ("LSP") and Severance Payment ("SP"):
Employers can offset the LSP/SP payable to employees against the accrued benefits derived from the employer's contributions

^ Source: MPF Schemes Statistical Digest, June 2023

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

MPF SYSTEM

LATEST STATISTICS

強積金制度 MPF System	
登記數目 # Enrolment#	('000)
僱主 Employers	353
有關僱員 Relevant Employees	2 669
自僱人士 SEPs	238
帳戶數目 Number of Accounts	('000)
供款帳戶 Contribution Accounts	4 434
個人帳戶 Personal Accounts	6 447
可扣稅自願性供款帳戶 Tax-deductible Voluntary Contribution (TVC) Accounts	70
計劃成員總數 [1] # Total Number of Scheme Members[1]#	('000) 4 694
強積金制度的年率化淨內部回報率 Annualized Net Internal Rate of Return of the MPF System	(%)
自 2000 年 12 月 1 日 Since 1 December 2000	2.5

強積金計劃 MPF Schemes	
核准受託人數目 [2] Number of Approved Trustees[2]	13
註冊計劃數目 Number of Registered Schemes	27
核准成分基金數目 Number of Approved Constituent Funds	415
核准匯集投資基金數目 Number of Approved Pooled Investment Funds	302
核准緊貼指數集體投資計劃數目 Number of Approved Index-tracking Collective Investment Schemes	191
2023 年第 2 季已收供款（百萬港元） Contributions Received, Q2 2023 *(HK$ million)*	21,166
所有計劃的總淨資產值 [3]（百萬港元） Aggregate Net Asset Values of All Schemes[3] *(HK$ million)*	1,111,746

Source: MPFA, June 2023

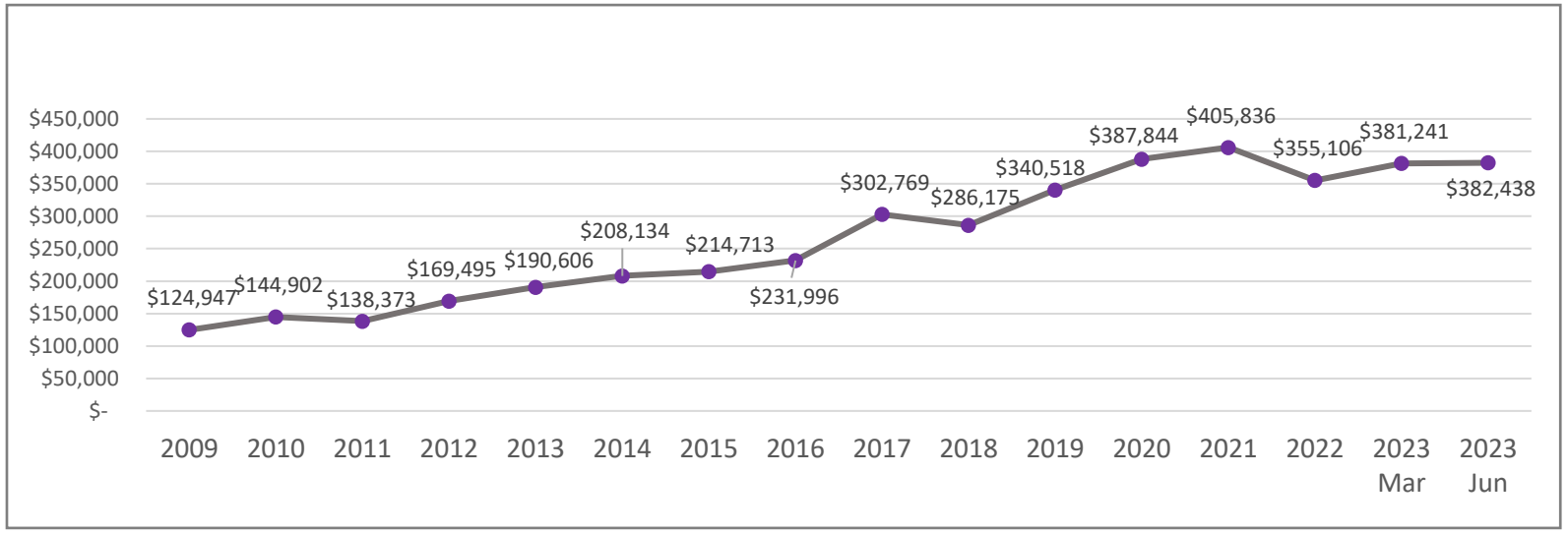
Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

MPF SYSTEM

AVERAGE ACCRUED BENEFITS HELD BY MEMBERS

- As of June 2023, total MPF assets amounted to HK$1,112 billion
- Around 2.91 million members, each member had HK$382,000 accumulated on average



- Voluntary Contributions ratio increased significantly

	Mandatory Contributions	Voluntary Contributions	Aggregate Net Asset Values of All Schemes
30 Sep 2004	90.66%	9.34%	HK$107 billion
30 Jun 2023	76.88%	23.12%	HK$1,112 billion

Source: MPFA, June 2023

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

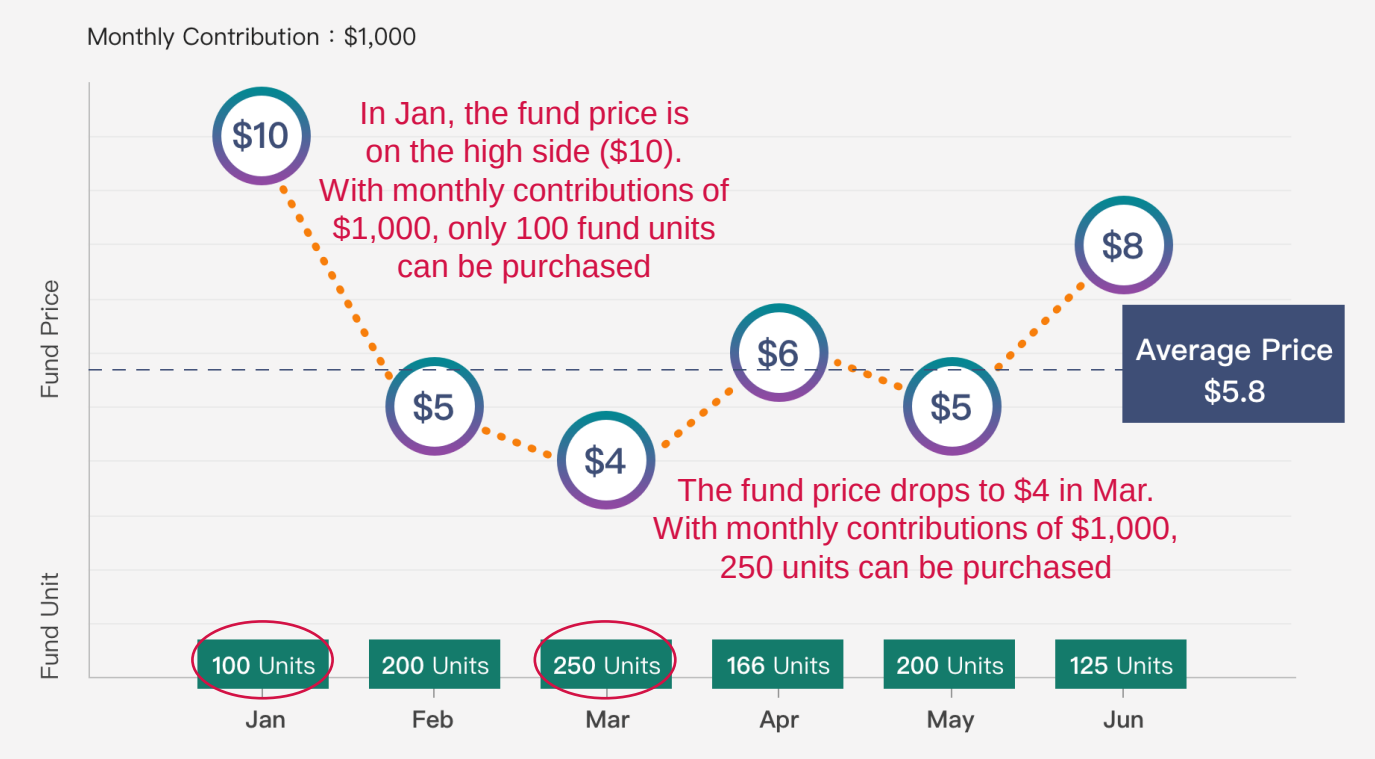
[AIA - CONFIDENTIAL]

PRINCIPLES OF MPF INVESTMENT

DOLLAR COST AVERAGING

MPF adopts dollar cost averaging investment technique to reduce market risks and the effects of short-term market fluctuations on investment

- With dollar cost averaging, investors invest a fixed amount regularly, regardless of the unit prices
- When unit price is high, the same amount buys fewer units
- When unit price is low, the same amount buys more units



After six months, the unit price of the fund averages at $5.8

In the long run, this helps to reduce the effects of short-term market fluctuations on investment

Note: Although dollar cost averaging can mitigate the impact of short-term market fluctuations on fund prices over time, it does not guarantee any gains. Any gains will be determined by the market price at the time you sell the fund.
Source: MPFA website

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

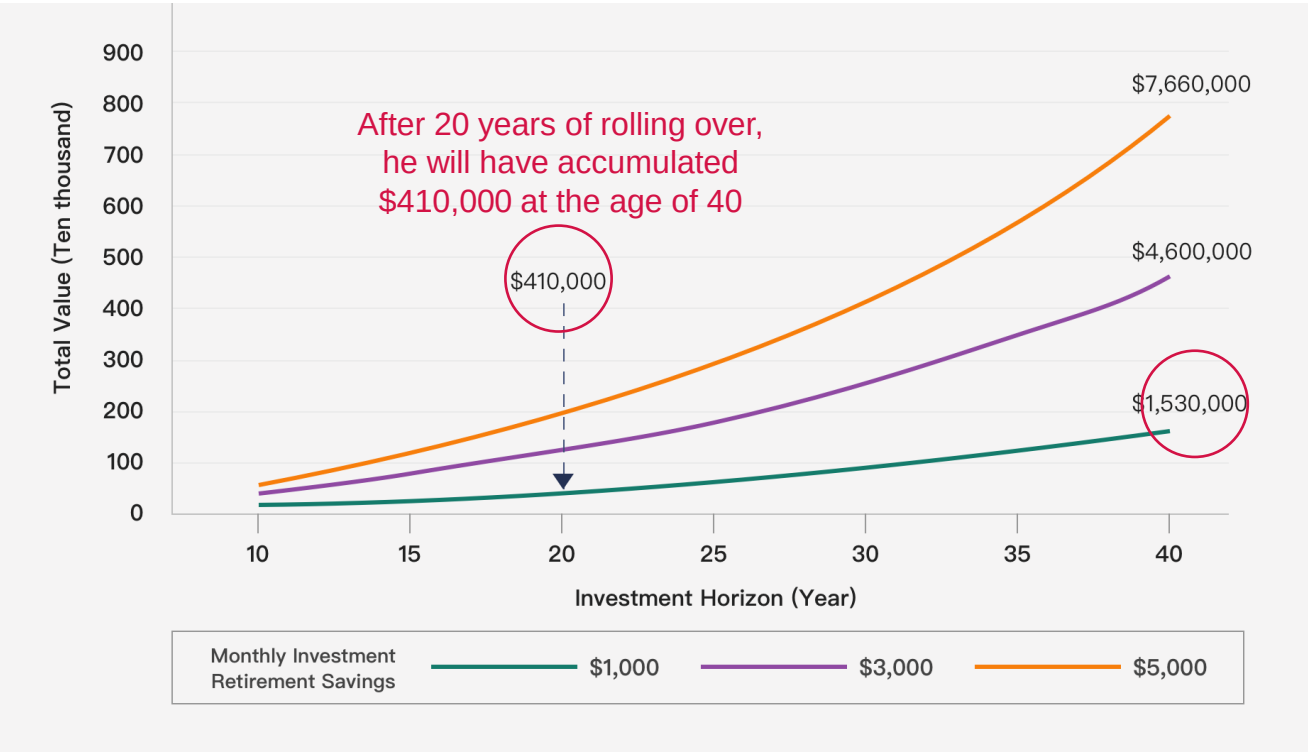
[AIA - CONFIDENTIAL]

PRINCIPLES OF MPF INVESTMENT

COMPOUNDING EFFECT

The earlier one starts to invest, the longer the investment horizon for the principal and returns to roll over, and the more he/she will benefit from capital appreciation and returns

- Compounding Effect refers to the snowball effect created by rolling over the principal and investment returns for continuous investment to generate greater returns
- Example: A young man starts to make monthly investments of $1,000 from the age of 20, assuming the net rate of return is 5% p.a.



Through the compounding effect, the more invests per month, the greater amount can be accumulated

If the investment period is as long as 40 years, he will have accumulated $1,530,000 at the age of 60

Investment period has only doubled, the additional amount accrued is almost three times as much

Source: MPFA website

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

VALUE



* Members aged 65 or early retirees aged 60 or above can choose to withdraw MPF benefits in instalments

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

Comprehensive fund choices to meet different investment needs

- Funds for specific markets or regions
- Fixed income and Guaranteed funds for conservative investors
- Lifestyle funds catering for an individual's changing circumstances

Featured funds:

- Low-fee funds covering various asset classes and markets
- Dynamic asset allocation funds providing high degree of investment flexibility
- Funds investing in socially responsible companies



Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

Employer

EASE OF MAKING CONTRIBUTION

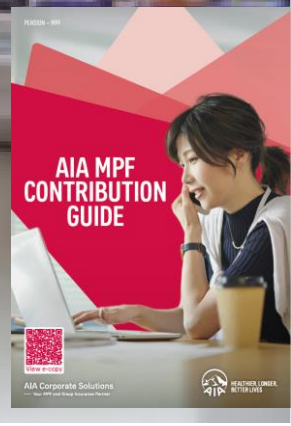
Contribution Data Submission

- ✓ Online Submission
- ✓ Payroll Solutions
  - Payroll and MPF calculation
  - First Contribution Calculator
  - Long Service Payment Calculator
  - Severance Payment Calculator
  - Pay Slip and Tax Return Generation
  - MPF Contribution Data Generation
  - HR Record Keeping
- ✓ Prefilled Remittance Statement

Contribution Payment

- ✓ Autopay
- ✓ Cheque Deposit Machine[1]
- ✓ Internet Banking[2]
- ✓ Phone Banking[3]
- ✓ ATM[4]
- ✓ 7-Eleven
- ✓ PPS
- ✓ Cheque by Post

View contribution guide



1. Only available to HSBC/BOCHK cheque deposit machines
2. Only applicable to HSBC/BOCHK bank account holders
3. Only applicable to HSBC bank account holders
4. Only applicable to bank account holders of HSBC or JETCO

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

Employer

AIA Alpha

An innovative all-in-one Human Resources Management Solution ("HRMS"), powered by APSoft[1], that may change the way you work

Employee Database
Input and record employee data

Bank Autopay Interfacing
Support over 20 autopay formats

Taxation Report Interfacing
Support different IRD tax reports:
IR56-A, -B, -E, -F, -G, -M

Attendance Management
Shift planning and clock in & out records

Payroll Management
Manage employee payroll records

MPF Contribution Interfacing
Handle MPF contributions

Leave Management
Support multiple leave types and leave entitlement calculation

[1] Above service is provided by Asia Pacific Soft Limited ("APSoft"), an independent third-party company, and only applicable to corporates with a minimum of 10 employees. Use of AIA Alpha will be subject to terms and conditions. The above information is for reference only and does not constitute any form of advice or recommendation of AIA Alpha to employers by AIA. AIA will not be liable for the quality and functionality of services provided and the act, omission or negligence performed by third-party companies. If your employer plan is terminated, the AIA Alpha service will also be terminated accordingly. AIA reserves the right to amend, suspend or terminate the service without further notice. If you are in doubt of any functions mentioned above, please seek professional advice.

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

Employer

AIA Alpha

Sustained Technical Support



Call Centre & online technical support



Content Management System (CMS) for easy system update



Ongoing upgrade to ensure compliance with the latest requirements of relevant regulations

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

SIMPLICITY

E-MEMBER ENROLMENT

- ✓ Make administrative tasks easier
- ✓ Minimise errors
- ✓ Save time for collecting and posting forms
- ✓ Track record easily



View e-member enrolment guide

Employer (ER)

- Log into your ER account via AIA website
- Enter/upload EE details
- Send invitation to EEs

AIA

- Send a hyperlink inviting EEs to complete the e-Member Enrolment Form

Employee (EE)

- Receive the e-Member Enrolment Form via SMS/email
- Complete authentication and fill in the e-Member Enrolment Form
- Download a copy of the form for record

Employer

- Review EE details
- Complete employment details
- Submit the e-Member Enrolment Form to AIA

AIA

- Based on the information listed in the form to set up member account
- Send “Notice of Participation” to the EEs

Employee (EE)

- Keep the “Notice of Participation” as confirmation of enrolment

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

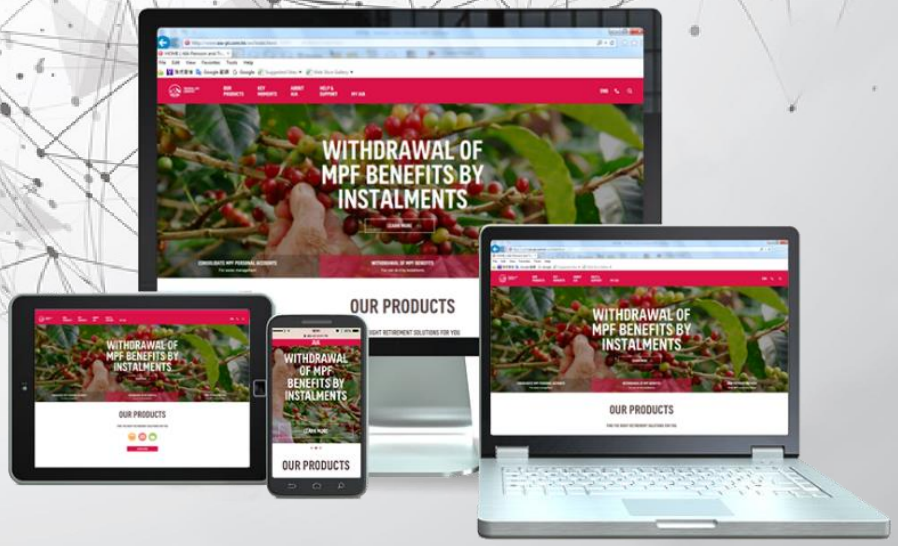
Member

EASE OF GETTING SUPPORT

- ✓ Call Centre located in Hong Kong
- ✓ Longest hotline servicing hours amongst top-5 providers:

  Mon-Fri: 9am - 9pm
  Sat: 9am - 1pm
  excluding Sundays and public holidays

- ✓ Dedicated account manager
- ✓ On-site helpdesk to answer enquiries
- ✓ Regular member communications
- ✓ Walk-in Customer Service Centre
- ✓ Interactive website aia.com.hk
- ✓ "AIA Connect" mobile app
- ✓ Online Chatbot to provide 24/7 support
- ✓ 24-hour Interactive Voice Response System



Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

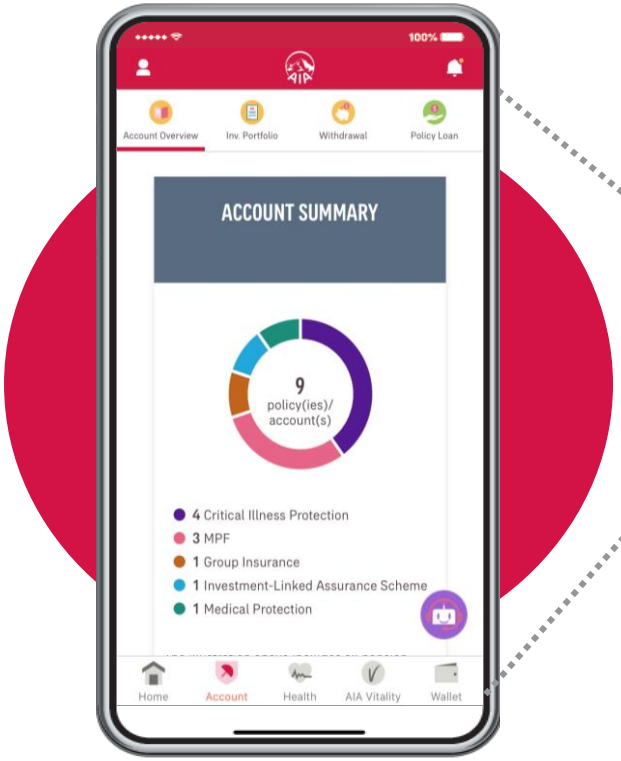
[AIA - CONFIDENTIAL]

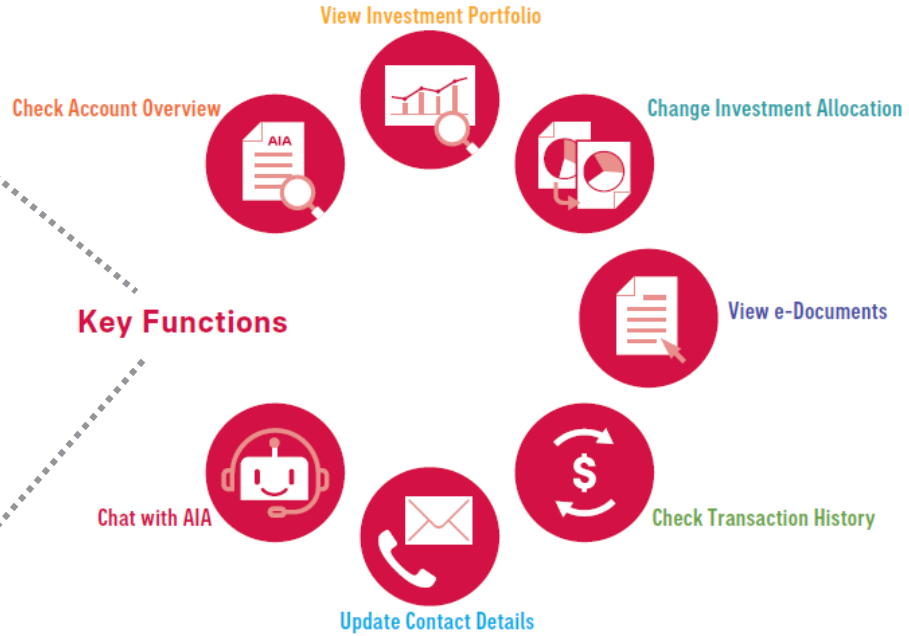
Member

AIA Connect

Manage AIA accounts within one app

• **MPF/ORSO** • Individual Life Insurance • Group Insurance • AIA Vitality





Watch Video

View user guide

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

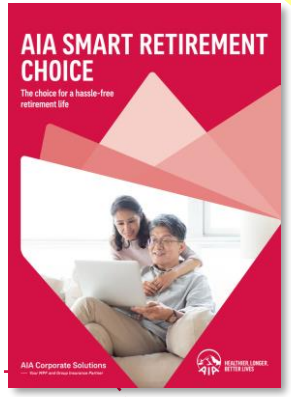
SIMPLICITY

Member

Your golden years should be happy, fulfilling, and carefree. It's important that you make smart post-retirement choices to maintain your desired quality of life in retirement

AIA SMART RETIREMENT CHOICE helps members aged 60 or above* to better manage their hard-earned retirement nest eggs to support a long and hassle-free retirement

* Under AIA MPF Happy Retirement Savings Programme



View Programme Leaflet

Watch Video (Chi only)

How will I benefit from this service?

- ✓ Enjoy the freedom to partially withdraw your MPF assets in stages according to your financial needs in retirement
- ✓ Your MPF assets will be invested in our Default Investment Strategy (DIS), enabling you to benefit from potential investment growth even during retirement at a comparatively low management fees

Staged withdrawal service offers two modes of withdrawal

1 Fixed amount

Fixed amount of monthly or annual withdrawals until all MPF assets have been withdrawn



2 Fixed period

Monthly or annual withdrawals over a fixed period of up to 20 years – the withdrawal amount for each year will be calculated yearly based on the asset balance and the selected period of withdrawal until end of your selected period



Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

Remarks: The AIA Smart Retirement Choice arrangement is subject to terms and conditions. Please refer to the relevant promotion leaflet and online opt-in form for details.

[AIA - CONFIDENTIAL]

SIMPLICITY

Member

ONLINE MPF ASSETS TRANSFER SERVICE

Managing MPF has never been easier!

- ✓ Consolidate Personal Account(s)
- ✓ Transfer assets under Tax Deductible Voluntary Contribution (TVC) Account(s)
- ✓ Submit Employee Choice Arrangement transfer election form

How will I benefit from this service?

You only need to enter information once and it will be checked by our system, which **reduces errors**

7 Days

Processing time normally takes **only around 7 working days** (almost twice as fast as processing printed forms)

As no printing or mailing are required, it is **kinder to the environment and more convenient**



View user guide

Consolidate/Transfer MPF Assets

Transfer your MPF assets in just a few steps:

Step 1

Go to aia.com.hk. Under "Help & Support" menu, click "Online MPF Assets Transfer"

Step 2

Existing AIA MPF Member

- View or update personal information as needed

If applicable:

- Enter investment choice for Personal Account / TVC Account
- Enter contribution details of TVC Account

Non-existing AIA MPF Member

- Enter personal information
- Enter investment choice for Personal Account / TVC Account
- Enter contribution details of TVC Account

Step 3

Specify the assets you want to transfer from other MPF providers to AIA

Step 4

Preview and confirm the information, then save the form for your own records

Note: You may be requested to provide supporting documents to AIA to complete the MPF assets transfer

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

SIMPLICITY

Member



EASE OF MANAGING YOUR MPF

	AIA	Others^
Fund Fact Sheet	12 times / year	Mostly 4 times / year
Benefit Statement	4 times / year	Mostly 1-2 times / year
Rebalancing & Fund-to-Fund Switching★	Both	Mostly either one
Sign Language Service	Yes	No

*** Rebalancing** - allows a member to switch his or her existing investments by changing the existing total investment allocation percentages. His or her existing investments will be redeemed and reinvested according to the new investment allocation percentages on a net basis (that is, the difference between the investment in a constituent fund under the new investment allocation percentage and the investment in that constituent fund before the fund switching).

Fund-to-Fund Switching - is offered through our website aia.com.hk or "AIA Connect", it allows a member to switch his or her investments by withdrawing the whole or a part of his or her existing investments (which shall be in the multiples of 5%) in one or more constituent funds and investing such withdrawn amount into one or more other constituent funds within the scheme.

^ Source: MPFA website, as at 31 May 2020

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

SIMPLICITY

Member



A NEW INDICATOR TO HELP YOU UNDERSTAND YOUR PREPARATION STATUS FOR YOUR RETIREMENT

UNDERSTAND YOUR INVESTING STYLE IN A FEW STEPS

RQ TEST

RETIREMENT SAVINGS CALCULATOR

MPF INVESTING STYLE ASSESSMENT

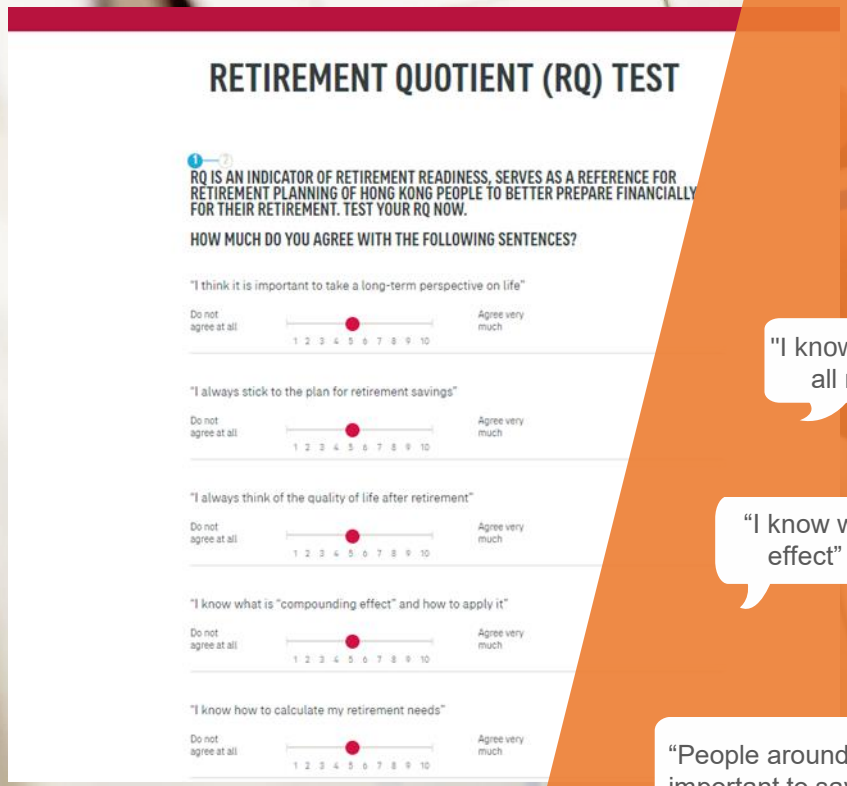
CALCULATE YOUR DESIRED RETIREMENT GOAL

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

SIMPLICITY

RETIREMENT QUOTIENT (RQ) TEST



RQ is an indicator of retirement readiness, serves as a reference for retirement planning of Hong Kong people to better prepare financially for their retirement. Test your RQ now.
How much do you agree with the following sentences?

- "I think it is important to take a long-term perspective on life"
- "I always stick to the plan for retirement savings"
- "I know how to calculate my retirement needs"
- "I know the current balance in all my MPF account(s)"
- "I always think of the quality of life after retirement"
- "I know what is "compounding effect" and how to apply it"
- "I am confident that the bank, insurance company or fund house can manage my MPF and other retirement plan well"
- "I know what is "dollar cost averaging" and how to apply it"
- "People around me believe it is important to save for retirement"
- "I am clear about the amount of financial risk that I am able to take when making investments"

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

SIMPLICITY

RETIREMENT SAVINGS CALCULATOR

Desirable monthly expense after retirement

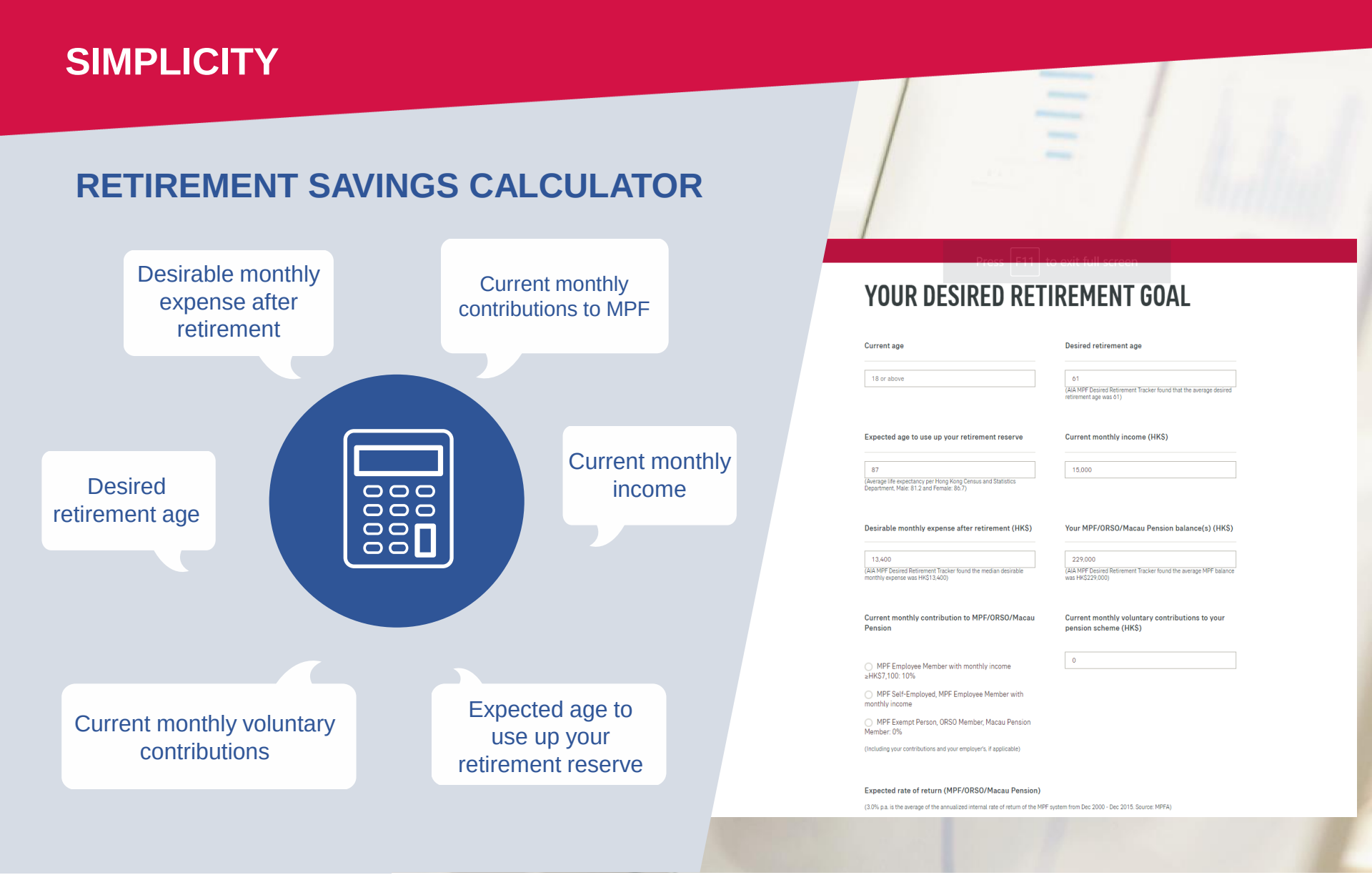
Current monthly contributions to MPF

Desired retirement age

Current monthly income

Current monthly voluntary contributions

Expected age to use up your retirement reserve



Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

MPF INVESTING STYLE ASSESSMENT

How "Hands-on" are you when it comes to investing?

- Do you know which MPF funds you are currently invested in?
- Do you have other investments such as stocks or mutual funds, other than your MPF?
- Do you read the financial news every day?
- Are you interested in investments?
- Have you checked the performance of your MPF in the past 12 months?
- Do you invest based on your own decisions, rather than seeking help from friends or professionals?
- Do you research all available options before making any investment choices?



Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

SIMPLICITY

Member

New **MPF INVESTING STYLE ASSESSMENT** is a simple assessment tool to assist you in determining your investing style and risk tolerance level and, in turn, help you choose the portfolio that might suit you

"Do-It-For-Me" Style



You have more important priorities in life than worrying about your investments, and you may have limited time to manage your MPF investments. You may want to rely on investment experts to manage your portfolios, giving you peace of mind knowing your investments are in good hands.

High | Medium | Low Risk Tolerance Level

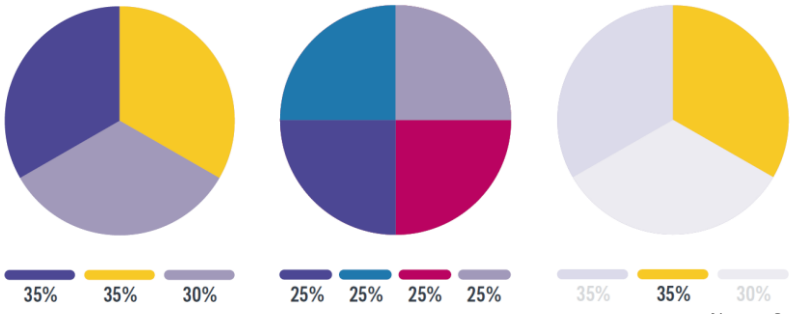
"Do-It-Myself" Style



You have your own view on investment opportunities and are willing to spend time monitoring and managing your investment portfolio frequently. You prefer building up and managing your investment portfolio on your own.

High | Medium | Low Risk Tolerance Level

What's more… you may log into your member account to view the sample portfolios that might suit your investing style and risk tolerance level



Try It Now

Watch Video (Chi only)

The result of this assessment should only be viewed as a reference and should not be taken as complete or conclusive. You should not make any investment decision based solely on the result of this assessment and should make your own investment choices based on your prevailing risk tolerance level and all relevant financial circumstances, only after properly reviewing all relevant literature, including applicable offering document(s) and associated risk factors. When you are in doubt, you should seek financial and / or professional advice.

[AIA - CONFIDENTIAL]

AIA 理想退休生活調查

The 14th AIA Desired Retirement Tracker

(announced in Feb 2023)

HONG KONG'S WORKING POPULATION EMBRACES NEW ATTITUDES AMIDST NEW NORMAL

- **Retirement savings**, **retirement investments**, **medical protection**, and **physical & mental wellbeing** are the four essential components of an ideal retirement life
- Many Hong Kong workers experienced disruptions to their retirement planning due to COVID-19
- The latest "Desired Retirement Tracker" analysed Hong Kong workers' changing attitudes towards retirement preparations amidst the resumption of normal activities and revealed their views according to the four primary aspects of retirement above

Remarks: The 14th AIA Desired Retirement Tracker Survey was conducted from 31 Oct to 11 Nov 2022, interviewing 1,023 respondents from the city's working population between the ages of 18 and 65, and who possessed at least one MPF account. The Survey was conducted by Cimigo, an independent market research and consultancy agency.

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

KEY FINDING #1

Retirement Savings Affected by “revenge” consumption & travel

47% **increased personal savings** during the pandemic

73% plan to **increase entertainment spending** as social life returns to normal

58% plan to use savings for **revenge travel** once borders are reopened

46% plan to **travel** in the next 3-6 months

Suggestions:

- It is recommended that people still aim to strike a balance between spending and saving, and to build a habit of making regular savings
- Saving for retirement is a long-term discipline. With the snowball effect of compound interest, every dollar saved may yield higher returns over time
- One should cultivate a savings habit, practise prudent financial management, and consider increasing savings/investment whenever possible, making good use of MPF Tax Deductible Voluntary Contributions (TVC) to reduce retirement reserve shortfalls while enjoying tax deductions



Strive for balance between spending and saving

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

KEY FINDING #2

Medical Protection

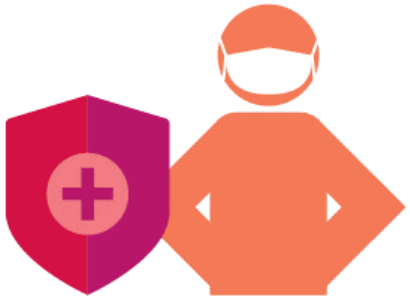
Agree on its importance but fail to act

Among respondents who have been infected with COVID-19



80%

agree **life is fragile** and should **enhance medical coverage**



Only **17%**

have **purchased additional medical insurance** since having the virus

Suggestions:

- Group medical insurance will become invalid after retirement or departure from a company. Medical insurance premiums tend to be more expensive after retirement, and medical insurance options and cover are more limited due to increased health conditions. Employees may facing a medical protection shortfall – or find that they have no protection at all
- Employees are advised to arrange for medical protection during their employment as early as possible. They may consider purchasing portable employee voluntary medical protection plans*. Under such options, protection will continue even after departure from a company or retirement



Get medical protection as soon as possible

* Subject to terms and conditions of the specific policy

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

KEY FINDING #3

Physical & Mental Wellbeing

Work-life imbalance affects health

Hope to work from home

2.8 Days per week

(average)



58%

prefer a **hybrid working mode**



76%

agree work-from-home arrangemer

blur the boundary between work and personal life

Suggestions:

- Embrace a healthy lifestyle by getting regular medical check-ups, exercising and adhering to a healthy diet
- Build a sense of personal fulfilment by actively engaging in the community, developing a positive self-image and living a meaningful life
- Stay positive by understanding and managing mental health and seeking help when in need



Establish a healthy lifestyle

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

KEY FINDING #4

Retirement Investment

Interested in ESG investment* but hindered by limited knowledge



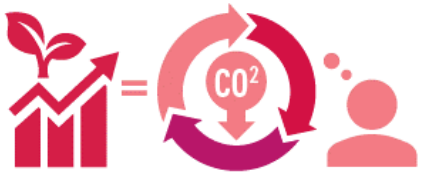
78%

hope to incorporate **sustainable investment** elements in retirement investment portfolio



80%

do not know how to choose **ESG MPF products**



60%

think ESG investments are limited to **environmental protection** or **carbon reduction**

Suggestions:

- Before making ESG-related investment decisions, one should understand clearly details and risks of the funds, not just follow the crowd. He/she should also regularly review his/her investment to ensure it continues to match his/her investment objectives
- ESG concepts can also be incorporated through MPF management e.g., invest in MPF funds with ESG concepts, and manage MPF via e-channels to minimise the environmental impact of paper consumption



Increase knowledge of ESG* investing concepts

* ESG investments incorporate elements of Environmental, Social, and Governance into the investment decision-making process.

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

RETIREMENT PLANNING



- Start planning as early as possible
- Diversify your investments
- Be proactive in managing investments
- Make voluntary contributions
- Consider potential post-retirement medical needs

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

BE PROACTIVE IN MANAGING MPF AND PLAN EARLY FOR RETIREMENT

- Consolidate Personal Account
- Make Voluntary Contributions



Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

CONSIDER CONSOLIDATING YOUR MPF ASSETS AND BRING TOGETHER YOUR DESIRED RETIREMENT

MPFA Statistics^: as at 30 June 2023

Relevant Employees	**2,669,000**
Personal Accounts	**6,447,000**
Aggregated Net Asset Values	**around HKD1.11 trillion**

On average, each employee…

- owns more than **two Personal Accounts**
- owns over **HKD416,000 MPF assets**

As your pool of accumulated MPF assets grow, consolidating your MPF accounts becomes important

Benefits :

1. Gain a **clear overall picture** of your MPF investments at all times
2. **Easily adjust** your investment strategy and portfolios
3. **Save time and effort** by managing just one account

Consolidating your MPF assets to AIA MPF Personal Account now to enjoy the advantages of easy management as well as the special privilege*

Factors to consider :

- Select your own Trustee / Scheme
  - ✓ Suitability of the fund choices / whether they are consistent with your investment objectives
  - ✓ Fees and charges, services
- The process of consolidation of accounts involves funds transaction, so there will be a period of 1 to 2 weeks during which your MPF benefits will not be invested in any funds
- Fund prices may change in the interim due to market fluctuations, so you may be subject to the “sell high, buy low” or “sell low, buy high” scenarios



View Programme Leaflet

Consolidate/Transfer MPF Assets

^ Source: MPF Schemes Statistical Digest, June 2023
* For details, please refer to the relevant product leaflet

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

MPF TAX DEDUCTIBLE VOLUNTARY CONTRIBUTION (TVC)

View Programme Leaflet

Consolidate/Transfer MPF Assets

Accelerate your retirement reserve and enjoy tax benefits plus a series of special offers

What is TVC?

- **Launch date : 1 Apr 2019**
- **A new type of MPF Voluntary Contributions eligible for claiming tax deduction**
- **Contribution is made directly to the MPF Scheme without going through employers**

Deducted from payroll	Mandatory contributions (MC)	Current max. tax deductible amount: HKD18,000/ year
	Voluntary contributions (VC)	Not tax deductible
From personal resources	Special Voluntary contributions (SVC)	Not tax deductible
	Tax Deductible Voluntary contributions (TVC)	Max. tax deductible amount: HKD60,000*/ year

Features of TVC

Who can enrol

- Employee member/ SEP member/ personal account holder of an MPF scheme
- Member of an MPF exempted ORSO scheme



Account nature

- A **new** and separate account
- Only ONE TVC Account for a member under each MPF Scheme

Tax Deductible Arrangement

- Maximum amount for tax deduction in each assessment year is shared between TVC and qualifying annuity premiums
- Once TVC is made, they could not be withdrawn even they are in excess of the maximum tax deduction limit, except that the withdrawal requirements are met

Transfer/ Withdrawal

- Transfer the accrued benefits derived from TVC in a lump sum to another TVC account of an MPF Scheme
- Withdrawal restrictions same as MC: Retirement at age 65/ Early Retirement at age 60 or above/ Permanent Departure from Hong Kong/ Total Incapacity/ Terminal Illness/ Small Balance/ Death

* This is an aggregate limit for TVC and qualifying annuity premiums in each assessment year.

Disclaimer: Please note that tax deductions can vary for individuals, depending on their taxable income and the applicable tax rate. Please refer to the Inland Revenue Ordinance for details on tax deductions for MPF tax deductible voluntary contributions and qualifying annuity premiums. AIA and its intermediaries do not provide tax or accounting advice and you should consult your own tax and accounting advisors for any tax advice.

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

ILLUSTRATIVE EXAMPLE FOR ANNUAL TAX DEDUCTION WITH TVC FOR A SINGLE PERSON

The examples[1] below illustrate the tax savings a single person could enjoy by making either HKD30,000 or HKD60,000 voluntary contributions to his/her TVC account.

			Annual Maximum Total Tax Deductions: HKD60,000[2]		
	Net Taxable Income[3] before Making TVC (HKD)	Tax Payable Before Making TVC (HKD)	Tax Deductible Voluntary Contribution (HKD)	Tax Payable after Tax Deductible For TVC (HKD)	Tax Savings with TVC (HKD)
John	330,000	38,100	30,000	33,000	**5,100**
			60,000	27,900	**10,200**
Ann	250,000	24,500	30,000	19,400	**5,100**
			60,000	14,600	**9,900**
Susan	200,000	16,000	30,000	11,800	**4,200**
			60,000	8,000	**8,000**

1 The examples are based on the assumption that each single person is taxed at progressive rates on his or her annual net taxable income; and the tax payable is calculated by using the Simple Tax Calculator developed by the IRD. Please visit ird.gov.hk for details.
2 HKD60,000 is the maximum total tax deductions for MPF Tax Deductible Voluntary Contributions and qualifying annuity premiums for the year of assessment 2020/21. Please visit ird.gov.hk for details.
3 Net taxable income (i.e. net chargeable income) is calculated by total income minus allowances and deductions (e.g. basic/dependent parent(s) allowance, deductions for MPF mandatory contributions).

This document is based on publicly available information. The purpose of this document is for reference only and shall not be construed as tax advice nor is this document intended to constitute any professional advice, view, attitude, position or opinion provided by AIA. AIA expressly disclaims all warranties of any kind and fitness for a particular purpose in connection with the information contained in this document. AIA does not accept, assume or undertake any legal responsibility to any person or entity for any loss or damage of whatever nature (direct, indirect, consequential or otherwise) whether arising in contract, tort or otherwise, from the use of or reliance on the information contained in this document. AIA and its intermediaries do not provide tax or accounting advice and you should consult your own tax and accounting advisors for any tax advice.

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.

[AIA - CONFIDENTIAL]

AIA Corporate Solutions

Your MPF and Group Insurance Partner

Copyright © 2024, AIA International Limited (Incorporated in Bermuda with limited liability). All rights reserved.
AIA confidential and proprietary information. Not for distribution.