

29 December 2025

**Notice to Employers and Members
MASS Mandatory Provident Fund Scheme (“Scheme”)**

This notice contains important information that requires your attention. Should you have any queries, you are recommended to seek independent professional advice.

Terms used in this document have the same meaning as that in the MPF Scheme Brochure dated 26 June 2024, supplemented by the First Addendum dated 26 June 2024, unless otherwise defined.

Dear MASS Mandatory Provident Fund Scheme participants,

Thank you for your continued support for the Scheme. We are writing to inform you of certain changes to the Scheme.

Summary of the Fee Alignment Changes

In response to the recent update to the Code on Disclosure for MPF Investment Funds, all reference to “Sponsor” in the MPF Scheme Brochure will be updated to “MPF Scheme Provider”. The MPF Scheme Brochure will also be amended to clarify the ongoing member services that are currently provided to members by YF Life Insurance International Limited, which will be appointed as the MPF Scheme Provider of the Scheme. In addition, the MPF Scheme Provider will receive a member servicing fee for the ongoing member services that currently provided to members. **Please note that the overall Management Fees of the Scheme’s constituent funds will remain unchanged, as any member servicing fee will be offset by a corresponding reduction in investment management fees.**

1. Updates following the amended Code on Disclosure for MPF Investment Fund

With effect from 31 December 2025, following the update to the Code on Disclosure for MPF Investment Funds which became effective on 29 April 2025, all references to “Sponsor” in the MPF Scheme Brochure will be updated to “MPF Scheme Provider”.

2. Appointment of YF Life Insurance International Limited as MPF Scheme Provider

YF Life Insurance International Limited, which currently provides ongoing services to member in furtherance of their benefits, will be appointed as the MPF Scheme Provider of the Scheme with effect from 31 December 2025 to enhance disclosure and ensure transparency in relation to the role of YF Life Insurance International Limited. Consequential amendments have also been made to clarify the scope of these ongoing services provided by the MPF Scheme Provider to members.

3. Fee Alignment Changes

To rationalize and enhance the disclosure of fee breakdown to ensure transparency and comprehensiveness, a member servicing fee will be introduced for the ongoing services currently provided to members by YF Life Insurance International Limited as part of the Fee Alignment Changes. The MPF Scheme Provider will charge a member servicing fee for the ongoing services provided to Members (except for MPF Conservative Fund, Hong Kong Equities Fund, Greater China Equity Fund, Age 65 Plus Fund and Core Accumulation Fund, to which no member servicing fee will be charged by the MPF Scheme Provider).

The charging of the member servicing fee is to cover the cost of providing ongoing services to members in furtherance of their benefits, which are currently provided by the MPF Scheme Provider and included in the investment management fees. Following the introduction of the member servicing fee, **the overall Management Fees of the constituent funds will remain unchanged**. Details of the Management Fees are provided in Section (A)3 of this notice.

Impact of the Fee Alignment Changes

- Following the Fee Alignment Changes, **the overall Management Fees of the constituent funds will remain unchanged, as any member servicing fee will be offset by a corresponding reduction in investment management fees.**
- No fees or penalty, bid/offer spread or transfer fee will be imposed on any transfer out of the Scheme or switching/change of investment mandate from the constituent funds.

Actions required

- No action is required from the scheme participants if they do not object to the Fee Alignment Changes.

If you would like to obtain further information about the Fee Alignment Changes, you may call the MASS MPF Hotline at 2533-5522 or visit our Customer Service Center.

(A) Changes in relation to “MPF Scheme Provider and Member Service Fee” (the “Fee Alignment Changes”)

1. Updates following the amended Code on Disclosure for MPF Investment Fund

With effect from 31 December 2025 (“Effective Date”), following the amendment to the Code on Disclosure for MPF Investment Funds which became effective on 29 April 2025, all references to “Sponsor” in the MPF Scheme Brochure will be updated to “MPF Scheme Provider”.

2. Appointment of YF Life Insurance International Limited as MPF Scheme Provider

YF Life Insurance International Limited, which is currently providing ongoing services to member in furtherance of their benefits, will be appointed as the MPF Scheme Provider to enhance disclosure and ensure transparency in relation to the role of YF Life Insurance International Limited.

Consequential amendments have also been made to clarify the scope of ongoing services currently provided by the MPF Scheme Provider to all members: (i) provide regularly updated information on Members’ MPF benefits and investment (e.g., fund fact sheets and newsletters) through various channels, including online platform and mobile applications; (ii) maintain a dedicated corporate website offering comprehensive scheme information and resources to help members better understand MPF investment; (iii) provide customer support channels for handling of inquiries, requests and complaints from Members; and (iv) provide educational support, such as seminars and webinars, to promote financial literacy and informed decision-making for retirement planning.

3. Fee Alignment Changes

To rationalize and enhance the disclosure of fee breakdown for transparency and comprehensiveness, a member servicing fee will be introduced for the ongoing services currently provided to members by the Member Scheme Provider as part of the Fee Alignment Changes. A member servicing fee will be charged by the MPF Scheme Provider for the ongoing services to members, payable out of the assets of the constituent funds of the Scheme (except for MPF Conservative Fund, Hong Kong Equities Fund, Greater China Equity Fund, Age 65 Plus Fund and Core Accumulation Fund, to which no member servicing fee will be charged by the MPF Scheme Provider). The charging of the member servicing fee is to cover the cost of

providing ongoing services to members in furtherance of their benefits, which are currently provided by the MPF Scheme Provider and included in the investment management fee.

From the Effective Date, **the overall Management Fees of each constituent fund will remain unchanged**, and the Management Fee of each constituent fund will include all fees paid to the trustee, the custodian, the eMPF Platform Company Limited, investment managers and the MPF Scheme Provider.

The current and new level of member servicing fee and investment management fee payable from the assets of the relevant constituent funds and Underlying Investment Fund, where applicable, are as follows:

Name of Constituent Fund	Member Servicing Fee (% p.a. of net asset value)		Investment Management Fee* (% p.a. of net asset value)	
	Before 31 December 2025	On and after 31 December 2025	Before 31 December 2025	On and after 31 December 2025
Guaranteed Fund	Nil	0.13%	0.33 – 0.43%	0.20 – 0.30%
Global Stable Fund				
Global Growth Fund				
Hong Kong Equities Fund	Nil	Nil	0.33 – 0.43%	0.33 – 0.43%
MPF Conservative Fund	Nil	Nil	Up to 0.25%	Up to 0.25%
Global Bond Fund	Nil	0.13%	0.51%	0.38%
Greater China Equity Fund	Nil	Nil	Up to 1.0395%	Up to 1.0395%
US Equity Fund	Nil	0.13%	0.39%	0.26%
Asian Bond Fund	Nil	0.13%	0.51%	0.38%
Asian Pacific Equity Fund	Nil	0.13%	0.39%	0.26%
Global Equity Fund	Nil	0.13%	0.51%	0.38%
European Equity Fund				
Age 65 Plus Fund	Nil	Nil	0.08%	0.08%
Core Accumulation Fund				

* The overall Management Fees of the Scheme's constituent funds will remain unchanged, as any member servicing fee will be offset by a corresponding reduction in investment management fee.

4. Actions required of the Scheme participants

No action is required from the scheme participants if they do not object to the Fee Alignment Changes.

No fees or penalty, bid/offer spread or transfer fee will be imposed on any transfer out of the Scheme or switching/change of investment mandate from the constituent funds. The cutoff time for switching/change of investment mandate from the constituent funds will be 4:00pm on each dealing day.

5. Cost of the Fee Alignment Changes

All costs and expenses associated with the Fee Alignment Changes will be borne by the Scheme or the scheme participants.

(B) Changes in relation to “Severe Weather Trading Arrangements”:

To align with the implementation of arrangements for maintaining normal operations of the Hong Kong securities and derivatives markets during severe weather conditions, the eMPF Platform Company Limited has implemented Severe Weather Trading with effect from 27 February 2025.

The following paragraphs are added to “**16. GENERAL**” of our MPF Scheme Brochure as follows:

“The following services will be available on a Severe Weather Trading Day:

- processing of switching/rebalancing instructions of the constituent funds submitted via the eMPF Web Portal or the eMPF Mobile App;
- processing of change of investment mandate instructions submitted via the eMPF Web Portal or the eMPF Mobile App;
- annual de-risking under the DIS; and
- valuation of constituent funds, which will be carried out as normal on the relevant Severe Weather Trading Day in accordance with the valuation methodology described in Clause 8.

The cut-off time for handling valid instructions remains unchanged, which is 4:00 pm on the relevant Severe Weather Trading Day.

Notwithstanding the provisions in other sections of the Scheme Brochure, except for the specified services set out in this section, all other services or operations of the Scheme remain closed on a Severe Weather Trading Day, unless the Trustee considers it appropriate to make any of them available.

During Severe Weather Trading Day, there may be special arrangement on the services of eMPF Platform. Please refer to the announcement in eMPF Platform’s website or mobile apps or such official communications for up-to-date information and arrangements, which may change from time to time.”

The “**GLOSSARY**” section of our MPF Scheme Brochure and the **INTERPRETATION** section of our Trust Deed will be updated as follows:

“Business Day” means a day or part of a day, other than a Saturday or Sunday or Hong Kong public holiday, which is either: (i) a day or part of a day on which banks are open for business in Hong Kong; or (ii) a Severe Weather Trading Day;

“Severe Weather Trading Day” means a day or part of a day from Monday to Friday, except a Hong Kong public holiday, on which Typhoon Signal No. 8 or above, or Black Rainstorm Warning is issued by the Hong Kong Observatory or “Extreme Conditions” is announced by the HKSAR Government and the Stock Exchange of Hong Kong Limited is open for the business of dealing in securities;

(C) Changes in relation to “Abolition of MPF Offsetting Arrangement”:

Under the Employment Ordinance, employers were previously permitted to offset statutory Long Service Payment (LSP) and Severance Payment (SP) payable to employees using the accrued benefits derived from their mandatory contributions. Following legislative amendments, this offsetting arrangement has been abolished with effect from 1 May 2025. From that date onward, employers will no longer be allowed to use accrued

benefits derived from their mandatory contributions to offset LSP or SP. However, accrued benefits derived from employers' voluntary contributions may continue to be used for offsetting purposes, subject to applicable scheme rules and vesting provisions. This change is not retrospective. Any benefits derived from employer mandatory contribution accrued prior to 1 May 2025 may still be offset under the previous arrangement. The MPF Scheme Brochure will be updated to reflect the revised MPF Offsetting Arrangement.

The last paragraph of the Sub-paragraph "**(h) A Leaving Employment**" under 5.3.2 will be revised as follows:

"Employee Member should note that the Accrued Benefits from Employer's contributions (to the extent allowed by laws) may be used by the relevant employer to offset long service payments or severance payments. Employers can no longer use accrued benefits derived from Employer's mandatory contributions for offsetting against any severance payment or long service payment of Employee Members in respect of the years of service since 1 May 2025. In offsetting the long service payment or severance payment, the relevant amount will be offset from the vested portion of the Employer's contributions made in respect of that member, first against the Employer's voluntary contribution balance and then against the Employer's mandatory contribution balance. However, should an Employer with different types of benefits attributable to its own contributions wish to apply a different offsetting sequence, the Employer may make such application through the eMPF Platform."

The Changes in relation to (B) and (C) above will not have any adverse impact on the scheme participants. No action is required from the scheme participants for such changes.

(D) General

The MPF Scheme Brochure, the Master Trust Deed and Key Scheme Information Document (KSID) of the Scheme will be amended to reflect the Changes and the ancillary changes. You may access the updated MPF Scheme Brochure and KSID on our website at www.yflife.com, or request a copy of it at our Customer Service Center or via our MASS MPF Hotline at 2533-5522.

Should you have any queries, please do not hesitate to contact our MASS MPF Hotline as shown above. If you are in doubt about the meaning or effect of the contents of this document, you should seek independent professional advice.

For and on behalf of
YF Life Trustees Limited
(This is a computer-generated letter. No signature is required.)