

News Release

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HSBC MPF LAUNCHES 'AWARDING EMPLOYER AND REWARDING EMPLOYEE 2016' REWARD PROGRAMME

**** One-off bonus units offer to employees of qualified 'Good MPF Employer' ****

HSBC today announced the launch of 'Awarding Employer and Rewarding Employee 2016' reward programme. For employers under any HSBC MPF schemes who have received the '2015-16 Good MPF Employer Award'¹ from the Mandatory Provident Fund Schemes Authority (the 'MPFA'), and have submitted MPF contributions successfully via electronic means² for any three months during the period between 1 January 2016 and 30 September 2016 for a HSBC MPF scheme, the employees of the relevant employer will be eligible to receive one-off bonus units equivalent to an amount of 0.08% of the total account balance of their MPF contribution account³. There are currently 31 constituent funds under HSBC MPF schemes, in which more than half of them are low fee funds, which are funds that have management fees of 0.79% per annum of net asset value ('NAV'). In other words, the value of the one-off bonus units to be offered will be up to above 10% of the management fees for a year.

Alfred Yip, Head of Pensions for HSBC Insurance in Hong Kong said, "Retirement benefits affect each employee in Hong Kong and HSBC is always keen to support initiatives that promote the importance of retirement provision. Last year, the response to the MPFA's 'Good MPF Employer Award' was impressive, which shows that employers are committed to enhancing the retirement benefits for their employees. HSBC continues to support this MPFA's annual initiative through our 'Awarding Employer and Rewarding Employee' reward programme this year, and at the same time, encourages the 'Good Employers' to switch to electronic means to make MPF contributions to support our environment and increase their overall operational efficiency."

Alfred continues, "MPF forms an important component of retirement savings and is a long-term investment. We will continue to take active steps to enhance the employers' and employees' awareness towards retirement provision through various programmes, and strive to meet our customers' retirement needs by providing value-added services and excellent customer experience across the channels of their choice."

This information is issued by

HSBC Life (International) Limited

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The MPFA is organising the 'Good MPF Employer Award' for the second year consecutively, which aims to recognise employers who place a high value on their employees' retirement needs. Meanwhile, it is also the second year in a row for HSBC MPF to launch the 'Awarding Employer and Rewarding Employee' reward programme in supporting MPFA's initiatives. Awardees of the MPFA's '2015-16 Good MPF Employer Award' will need to submit a completed registration form with a copy of the relevant award certificate to HSBC MPF to register for 'Awarding Employer and Rewarding Employee 2016' reward programme between 1 October 2016 and 30 November 2016. Once the registration is successful and award eligibility requirements are fulfilled, the one-off bonus units for each eligible employee will be calculated based on the total account balance of their contribution account associated with the employers who have registered successfully⁴.

For details of the reward programme and associated terms and conditions, you can refer to the information uploaded to www.hsbc.com.hk/mpf

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Notes to editors:

1. For more details of MPFA's "Good MPF Employer Award", please visit MPFA's website: <http://www.mpfa.org.hk/eng/goodMPFemployer/award/index.jsp>
2. Currently, HSBC MPF provides a wide range of electronic submission channels for employers to make MPF contributions, which include HSBC Business Internet Banking's MPF service, designated encrypted secure email account and submission channel, designated HR software with MPF contribution functions and other file interface arrangements.
3. The rewards for each eligible employee is equivalent to an amount of 0.08% of the total account balance of his/her MPF contribution account associated with his/her employer as of the end of the month prior to the date of the allocation of the rewards. The rewards will be calculated in Hong Kong dollars and converted to bonus units.
4. Employers should have joined a HSBC MPF scheme on or before 31 May 2016. HSBC MPF will send the confirmation letter to confirm the registration with the eligible employers within the calendar month following the month in which the registration form is received and registered successfully. The bonus units will be credited to the eligible employees of the eligible employers within the next two calendar months after the registration form is received and registered successfully by HSBC MPF.

HSBC MPF

HSBC currently provides MPF schemes with a range of diversified constituent funds to match customers' individual risk profiles. Customers can manage their MPF account conveniently via various service channels including the branches, online, mobile or phone banking. HSBC MPF account balances form part of customers' 'Total relationship balance', allowing members to qualify for an HSBC Premier or HSBC Advance account more easily to enjoy more privileges on HSBC's comprehensive range of services.

The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group, which serves over 47 million customers through four global businesses: Retail Banking and Wealth Management, Commercial Banking, Global Banking and Markets, and Global Private Banking. The Group serves customers worldwide from over 6,000 offices in 71 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,596bn at 31 March 2016, HSBC is one of the world's largest banking and financial services organisations.

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