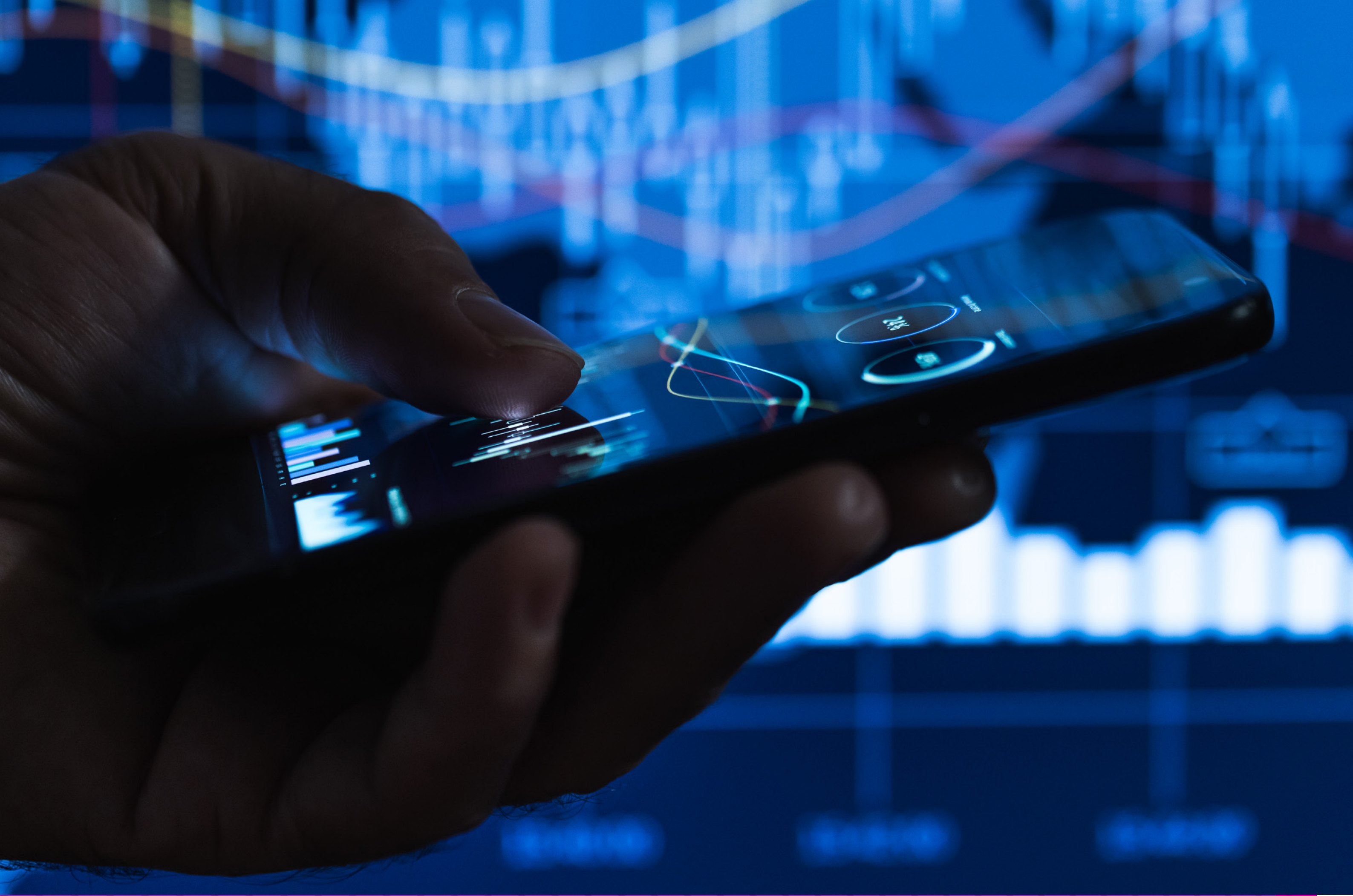


Making good use of suitability assessments helps members make investment decisions

Some Mandatory Provident Fund (MPF) members rely on the advice provided by MPF intermediaries (brokers or agents) when making investment decisions.

According to the guidelines on the conduct of registered intermediaries, when intermediaries provide advice on whether members should invest in a particular constituent fund, it is considered "regulated advice". In such cases, intermediaries need to conduct a suitability assessment to understand a member's risk tolerance level and investment objectives, ensuring that their recommended funds are suitable for the member and safeguarding their interests.

Questionnaire to collect a member's risk profile

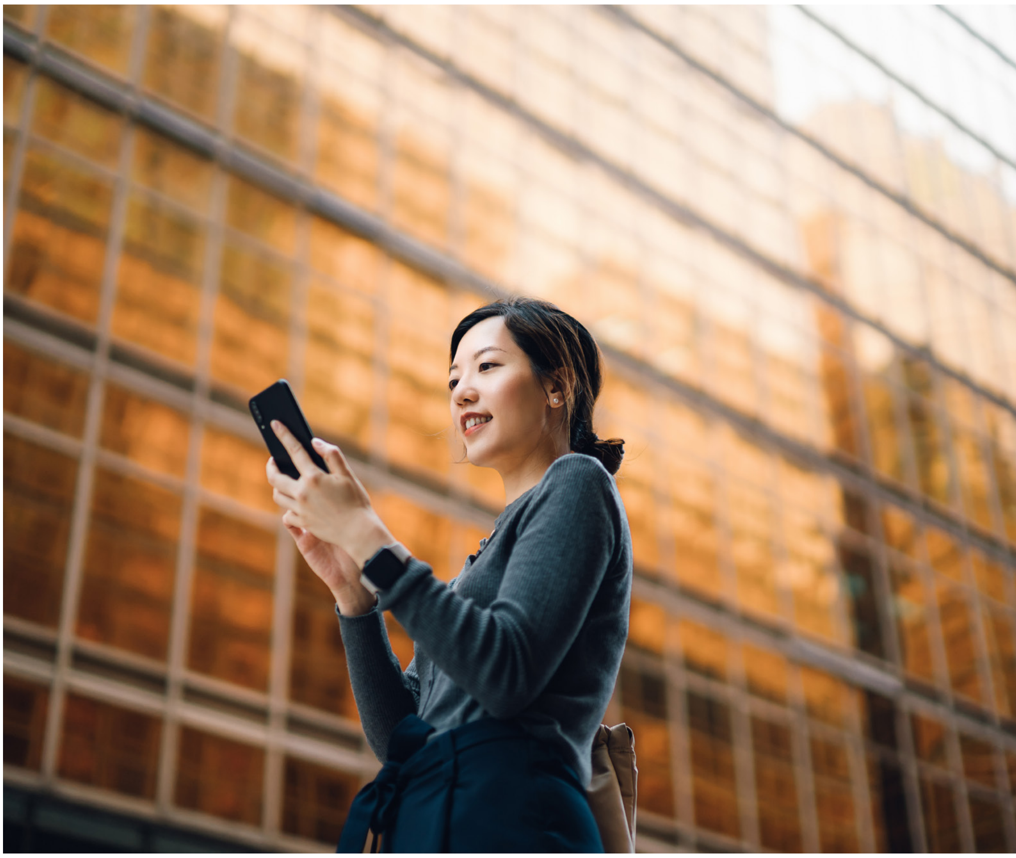
During the suitability assessment process, the intermediary needs to gather information about the member's personal circumstances, such as age, expected retirement age, financial situation, investment goals, investment knowledge, investment experience, and risk tolerance, etc. The Intermediary will use a questionnaire to collect this information and will assign a score to each question and provide advice based on the member's overall score within the relevant fund risk category.

Scores reflect only the risk level

Each question in the suitability assessment reflects the member's risk level. Generally, younger members and those with a longer time until retirement will receive higher scores. Members with extensive investment experience and a higher tolerance for capital loss will also receive higher scores. The suitability assessment is not an exam, and a higher score does not necessarily indicate better investment skills. A higher score typically suggests that a member will be more comfortable with higher risk funds, while a lower score suggests that lower-risk funds may be more suitable.

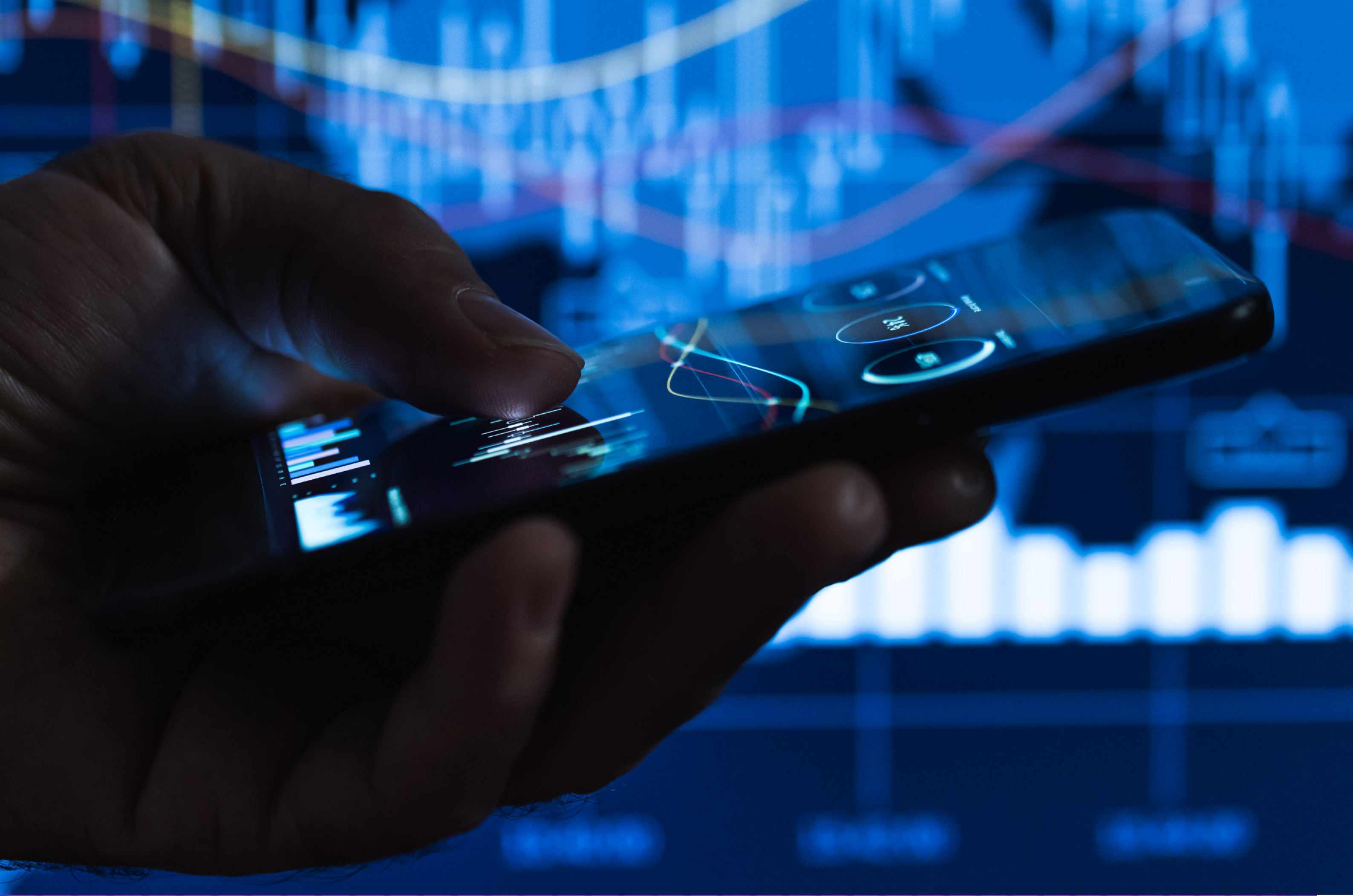
Members can still invest according to their own preferences

When completing the suitability assessment questionnaire, members should provide truthful answers to obtain an accurate assessment of their risk tolerance. While we recommend that members choose funds based on their risk tolerance as indicated by the suitability assessment, members ultimately have the final decision-making authority when it comes to investment decisions. Even if there is a discrepancy between the investment decision and the suitability assessment, as long as the intermediary has explained the risks of the chosen fund when providing advice, members can still proceed with their personal investment preferences.



Regular updates of suitability assessments

It should be noted that suitability assessments only apply when intermediaries provide advice on fund selection. If intermediaries only provide advice on the MPF scheme itself (e.g., transferring benefits to another trustee scheme), there is no need for such assessments. If members have undergone suitability assessments for other investment products in the past and the assessment was conducted recently, including the required information, and the intermediary has reason to believe that the member's personal circumstances have not changed, the same suitability assessment can be used. Since members' personal circumstances can change over time, and their risk tolerance may also change, we recommend that members regularly review their investment portfolios and update the suitability assessment to ensure that their selected funds continue to align with their risk tolerance levels. In fact, some MPF service providers have free investment assessment tools on their websites. Members may conduct a self-assessment in order to understand their personal situation better.



善用適合性評估有助成員作出投資決定

有些強積金成員於作出投資決定時，會參考強積金中介人(即經紀或代理人的統稱) 所提供的意見。

根據註冊中介人操守要求指引，中介人為成員應否投資於某成分基金提供意見時，此乃屬於受規管意見，需要為成員進行適合性評估，以了解成員的風險承受水平及投資目標，確保其建議的基金適合該成員，從而保障成員的利益。

問卷收集成員風險特性

於進行適合性評估時，中介人需要了解成員的個人狀況，年齡、預計退休年齡、財政狀況、投資目標、投資知識、投資經驗及風險承受能力。中介人一般會透過問卷形式，向成員索取有關資料。有些中介人會為每條問題的答案給予評分，然後根據成員所獲得的分數，於相關的基金風險組別提供意見。

分數高低只反映風險水平

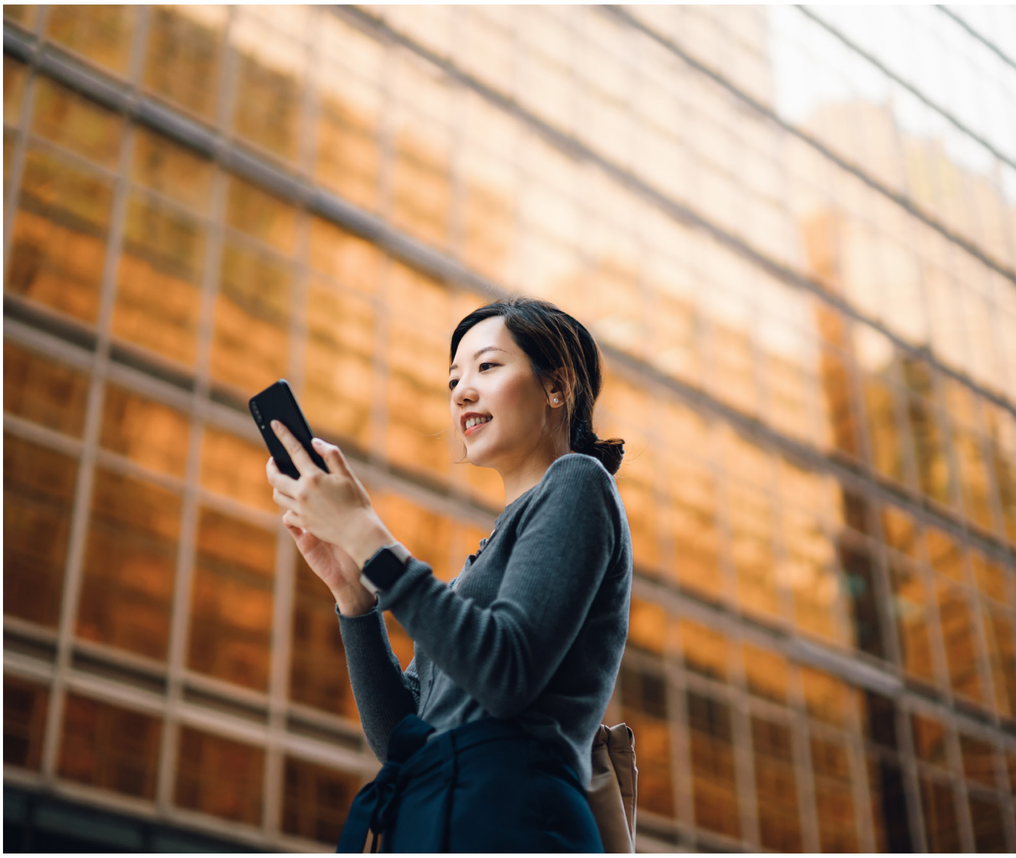
適合性評估内的每條問題，僅反映成員的風險水平。一般而言，年輕成員以及距離退休年齡越遠的成員，得分將會較高，而擁有豐富投資經驗的成員，以及能夠接受投資本金下跌的程度越高，得分也會較高。適合性評估不是考試，分數越高不代表投資技巧越好，分數較高通常只代表成員較適合較高風險的基金種類。分數較低通常只代表成員較適合較低風險的基金種類。

成員仍可按個人意願進行投資

因此，成員於進行適合性評估時，必須如實作答，才能得出準確的風險承受能力評估。雖然我們建議成員應該根據適合性評估的結果，按風險承受能力選擇適合基金，但成員作出投資決定時仍然擁有最終決定權。即使投資決定與適合性評估存在差異，只要中介人於提供意見時經已解釋所選擇基金的風險情況，成員也可以堅持個人意願執行其投資決定。

定期更新適合性評估

值得留意的是，適合性評估只涉及中介人就基金選擇提供意見，若中介人只就強積金計劃提供意見(例如轉移權益至其他受託人計劃)，便無需進行該項評估。如果成員於購買其他投資產品時曾進行適合性評估，而該份評估於近期進行，亦包括所需資料，並且中介人有理由相信成員的個人狀況沒有改變，便可以使用同一份適合性評估。由於成員的個人狀況會不時轉變，風險承受能力也會跟隨變化，我們建議成員於定期檢討投資組合或個人狀況出現變化時，與中介人進行適合性評估的更新，以確保所挑選的基金適合成員的風險承受能力水平。



事實上，有些基金服務提供者在其網站上設有免費的投資評估工具。成員可以自行評估以了解其個人情況。

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