

BEA (MPF) MASTER TRUST SCHEME

SECOND SUPPLEMENT TO THE MPF SCHEME BROCHURE DATED MARCH 2025

Important

This Second Supplement should be read in conjunction with and forms part of the MPF Scheme Brochure for the BEA (MPF) Master Trust Scheme dated March 2025 and the First Supplement dated 28 February 2025 (collectively referred to as the “**MPF Scheme Brochure**”). All capitalised terms herein contained shall have the same meaning in this Second Supplement as in the MPF Scheme Brochure, unless otherwise stated. The Sponsor and the Trustee accept responsibility for the information contained in this Second Supplement as being accurate as at the date of publication and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement misleading. If you are in any doubt about the contents of this Second Supplement, you should seek independent professional financial advice.

The following amendments to the MPF Scheme Brochure will take immediate effect:

1. Pages 19 - 20 – Under the sub-section headed “**3.3.12 BEA Hong Kong Tracker Fund**” under the section headed “**3.3 Investment objectives and policies**”, the last paragraph under the sub-section headed “**(b) Balance of investments**” shall be amended and restated as follows:

“None of Hang Seng Investment Management Limited (the manager of the underlying approved ITCIS), HSBC Institutional Trust Services (Asia) Limited (the trustee of the Tracker Fund of Hong Kong), or the government of Hong Kong are related to the Master Trust or the BEA Hong Kong Tracker Fund and none of these entities will have any liability in connection with the Master Trust or the BEA Hong Kong Tracker Fund.”

2. Page 47 – Under the section headed “**5. FEES AND CHARGES**”, the following row relating to BEA Hong Kong Tracker Fund in the fee table “**(D) FEES AND CHARGES PAYABLE OUT OF THE UNDERLYING FUNDS**” under the sub-section headed “**5.1 Fee table**” shall be replaced in its entirety with the following:

(D) FEES AND CHARGES PAYABLE OUT OF THE UNDERLYING FUNDS			
Type of charges & expenses	Name of Constituent Fund	Current level[#] <i>(Refer to paragraph (g)(ii) under the “5.2 Definitions” sub-section for fee breakdown)</i>	Deducted from
Management fees ^(g)	BEA Hong Kong Tracker Fund	Up to 0.038% p.a. of NAV (effective 19 September 2025)	Relevant underlying fund assets

3. Page 52 – Under the section headed “**5. FEES AND CHARGES**”, the following row relating to BEA Hong Kong Tracker Fund in the fee table under “**(ii) The breakdown of the management fees payable out of the underlying funds is as follows:**” under the footnote (g) “**Management fees**” under sub-section headed “**5.2 Definitions**” shall be replaced in its entirety with the following:

Fees payable at the underlying fund level				
Name of Constituent Fund	Investment Manager (p.a. of NAV)^{***}	Administrator (p.a. of NAV)	Trustee (p.a. of NAV)	Custodian (p.a. of NAV)

BEA Hong Kong Tracker Fund	Up to 0.019% (effective 19 September 2025)	Nil	Up to 0.019% (effective 19 September 2025)	Nil
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The following amendments to the MPF Scheme Brochure will be effective from 8 December 2025:

4. Pages 8 - 17 & 20 - 21 – Under each of the following sub-sections under the section headed **“3.3 Investment objectives and policies”**:

- “3.3.1 BEA (MPF) Growth Fund”,
- “3.3.2 BEA (MPF) Balanced Fund”,
- “3.3.3 BEA (MPF) Stable Fund”,
- “3.3.4 BEA (MPF) Global Equity Fund”,
- “3.3.5 BEA (MPF) European Equity Fund”,
- “3.3.6 BEA (MPF) North American Equity Fund”,
- “3.3.7 BEA (MPF) Asian Equity Fund”,
- “3.3.8 BEA (MPF) Greater China Equity Fund”,
- “3.3.9 BEA (MPF) Japan Equity Fund”,
- “3.3.10 BEA (MPF) Hong Kong Equity Fund”, and
- “3.3.13 BEA (MPF) Global Bond Fund”,

- (i) The following sentence shall be added after the first sentence in the paragraph under the sub-section headed **“(c) Security lending and repurchase agreements”**:

“While the underlying approved ITCISs may engage in security lending transactions subject to the restrictions set out in the General Regulation, they will not enter into repurchase agreements. ”

- (ii) The following paragraph shall be added after the first paragraph under the sub-section headed **“(d) Futures and options”**:

“The manager of the underlying APIFs may acquire financial futures and options contracts for the APIFs for hedging and other purposes. Where the manager of the underlying APIFs acquires such instruments for purposes other than hedging, it may only do so for addressing any settlement mismatch with the securities market of underlying investments. In any event, such contracts can only be acquired in accordance with the General Regulation.”

- (iii) The following risk factor shall be inserted before the bullet point “risks in relation to futures and options contracts” under the sub-section headed **“(e) Risks”**:

“•risks relating to securities lending transactions”

5. Pages 17 - 19 – Under the sub-section headed **“3.3.11 BEA China Tracker Fund”** under the section headed **“3.3 Investment objectives and policies”**,

- (i) The paragraph under the sub-section headed **“(c) Security lending and repurchase agreements”** shall be deleted entirely and be replaced with:

“The BEA China Tracker Fund will not engage in security lending and will not enter into repurchase agreements. While the Hang Seng China Enterprises Index ETF may engage in security lending transactions subject to the restrictions set out in the General Regulation, it will not enter into repurchase agreements.”

- (ii) The following risk factor shall be inserted before the bullet point “risks in relation to futures and options contracts” under the sub-section headed **“(e) Risks”**:

“•risks relating to securities lending transactions”

6. Pages 34 - 35 – Under the section headed “**4.2 Risk factors**”, the following risk factor shall be inserted immediately after sub-section headed “**4.2.13 Valuation and accounting risk**”:

“4.2.14 Risks relating to securities lending transactions

Some underlying funds of the Constituent Funds may enter into securities lending transactions and such transactions are subject to risks relating to securities lending transactions.

(a) Counterparty risk

Securities lending transactions may involve the risk that the counterparty may fail to return the securities lent out in a timely manner. In this event, the relevant underlying funds could experience delays in recovering its securities and may possibly incur a capital loss. Securities lending transactions may also involve wrong-way risk which may occur when the probability of counterparty default is negatively correlated with the value of the collateral.

(b) Collateral risk

As part of the securities lending transactions, the relevant underlying funds must receive at least 100% of the valuation of the securities lent as collateral marked-to-market on a daily basis. However, there is a risk of shortfall of collateral value due to inaccurate pricing of the collateral, adverse market movements in the collateral value, change of value of securities lent. This may cause significant losses to the relevant underlying funds if the counterparty fails to return the securities lent out. The relevant underlying funds may also be subject to liquidity and custody risk of the collateral, as well as legal risk of enforcement.

(c) Operational risk

By undertaking securities lending transactions, the relevant underlying funds are exposed to risk of errors or disruptions in the operation processes of securities lending such as settlement, reconciliation and recordkeeping. The relevant underlying funds are also exposed to operational risks (e.g. error in settlement, collateral management) and resilience risks (e.g. the ability to operate during disruptions) of the securities lending agent. Such delays and disruptions may restrict the relevant underlying funds’ ability in meeting delivery or payment obligations from redemption requests.”

7. Page 35 – Under the section headed “**4.2 Risk factors**”, the risk factor “**4.2.14 Risk in relation to futures and options contracts**” shall be re-named and re-numbered as “**4.2.15 Risks in relation to futures and options contracts**” and the paragraph underneath this risk factor shall be amended and restated as follows:

“4.2.15 Risks in relation to futures and options contracts

Some of the Constituent Funds may use futures and options contracts for hedging purposes. The manager of the underlying APIFs may acquire financial futures and options contracts for some of the APIFs for hedging and other purposes. The value or return of these types of instruments is based on the performance of an underlying asset. These instruments may be volatile and involve various risks, including market risk, the risk of lack of correlation or leverage effect, liquidity risk, the risk of non-performance by the counterparty.”

8. Pages 35 - 43 – Under the section headed “**4.2 Risk factors**”, the numbering of the original sub-sections 4.2.15 through 4.2.23 shall be renumbered as sub-sections 4.2.16 through 4.2.24 respectively.