

HAPFS Announcement

Launch of Employee Voluntary Contributions

We are pleased to announce the launch of Employee Voluntary Contributions (“EVC”), a new feature that will allow you to increase your retirement savings at your own pace. **Beginning 22nd May 2023**, this feature will be available to all active members of Hospital Authority Provident Fund Scheme (“HAPFS”).

EVC will allow you to make additional voluntary contributions to your retirement savings through payroll deductions, in addition to the contributions made by the Hospital Authority (“HA”). By making additional voluntary contributions, you can help cumulate more savings for better live in retirement. The earlier you start making contributions, the more time your savings could grow and compound, which can result in a larger retirement fund.

The key features and highlights of EVC are summarised in the following table.

General	
Eligibility	<ul style="list-style-type: none">• All HAPFS members (except extended members or inactive members with account balance only.)
Contribution Scale	<ul style="list-style-type: none">• A fixed integer percentage of the monthly basic salary up to 15%.• Basic salary refers to the pay rate stipulated in the HA pay scales.• The EVC amount will be directly deducted from the salary each month but subject to the conditions for an allowable deduction stipulated in the Employment Ordinance.
Availability of Fund Choices	<ul style="list-style-type: none">• Same fund choices are available under the Scheme.
Tax Deductibility	<ul style="list-style-type: none">• EVC is tax deductible.• The amount deductible is the lesser of the actual annual voluntary contributions, or the amount of mandatory contribution that person would have been required to pay had that scheme been an MPF Scheme• The current maximum tax deductible amount is HK\$18,000 for each year of assessment subject to any changes to the Inland Revenue Ordinance.

Enrolment	
First-time Enrolment	<ul style="list-style-type: none"> • EVC can only be applied through a dedicated EVC platform on the HA Human Resources Intranet at any time after the launch date. • A two-factor authentication (i.e. CORP account and One-time Password in HACHAT) is adopted to enroll into the EVC platform. • After validating the identity, an online electronic form will be provided for members to fill in the voluntary contribution percentage and the initial fund choices.
Deadline for First-time Enrolment	<ul style="list-style-type: none"> • There is no deadline for the first-time EVC enrolment. Members can apply for EVC any time after the launch date. • The Scheme Administrator will issue a confirmation letter to you upon successful enrolment. • The first EVC will be deducted from your payroll account starting from the next month following your application or from the month in which you have received the confirmation letter from the Scheme Administrator, whichever is earlier.
Ongoing Administration	
Handling Fee	<ul style="list-style-type: none"> • A handling fee of HK\$10 will be directly deducted from the EVC amount each month before investing into the designated fund choices.
Change of Contribution Scale or Suspension of EVC	<ul style="list-style-type: none"> • Enrolled members can suspend the EVC instruction (by setting the contribution percentage to 0%) or make changes to the contribution percentage (from 1% to 15% in integer value) on an annual basis. • An annual update window for members who have enrolled into EVC will be open every year. The exact opening details of this window will be announced in due course. • All the existing/submitted instructions are also irrevocable and cannot be changed until the next annual update. • All the new instructions will take effect in the next month after the annual update window is closed.
Fund Choice Allocation	<ul style="list-style-type: none"> • Fund choices of EVC can be different from that of the HA contribution.
Frequency of Changing Fund Choice	<ul style="list-style-type: none"> • Monthly with the cutoff time at 5:00p.m. on the 23rd of each month (same as the current arrangement).

Termination	
Withdrawal of EVC	<ul style="list-style-type: none"> • Withdrawal upon ceasing employment with HA, or • Transfer of the total EVC balance in conjunction with the total accrued benefits in the HA balance to the membership extension. Please note that members cannot transfer the “EVC balance only” to the membership extension. • Likewise, when members make partial withdrawal of benefits during the membership extension, they have to redeem the accrued benefits from both of the HA portion and EVC portion according to the same withdrawal percentage.

Please be reminded that the EVC enrollment is an irrevocable option, and any contributions made cannot be withdrawn until you leave the employment with HA. It is imperative that you take the time to thoroughly understand the nature and features of EVC before making a decision to enroll. We also strongly advise you to carefully consider your financial situation and only make contributions that you can comfortably afford. Once enrolled, you are not allowed to make any changes until the next annual update window is open.

Last but not least, we encourage you to regularly review your portfolios and set your retirement target. By doing so, you will have a better understanding of the expected amount required when you retire and the action plan in order to achieve your desired post-retirement lifestyle step by step. EVC is one of the options that you could consider to help you achieve this goal. So, please take advantage of this opportunity to increase your retirement savings and start making additional monthly contributions today. If you have any questions or would like to learn more about EVC, please refer to the Frequently Asked Questions on the HAHR Intranet, or do not hesitate to contact the Invesco Hotline at (852) 3191 8088.

Please take action now! A happy retirement is within your grasp! We wish you the best in your retirement planning and look forward to assisting you in any way we can.

HAPFS Office

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