

**Information on fund expenses of  
Mandatory Provident Fund (“MPF”) Schemes**

The Mandatory Provident Fund Schemes Authority (“MPFA”) has introduced the Fund Expense Ratio (“FER”) since 2007, requiring each trustee to calculate FER based on a standardised formula and submit the ratio to it. FER already reflects the expenses incurred in MPF funds and all underlying funds. The information submitted by trustees to MPFA does not include the amount of expenses incurred in the aforementioned funds and underlying funds. FER for 2007 to 2014 are set out below:

Year (Note 1)	Average FER
2007	2.10%
2008	2.01%
2009	1.94%
2010	1.84%
2011	1.77%
2012 (Note 2)	1.75%
2013	1.70%
2014	1.69%

Note 1: The average FER for 2007 to 2013 covers the average of FER of all MPF constituent funds with financial year-end dates falling within the period from 1 April of the preceding year to 31 March of the relevant year. FER for 2014 covers the average of FER of all MPF constituent funds with financial year-end dates falling within the period from 1 July 2012 to 30 June 2013.

Note 2: The Employee Choice Arrangement was launched in November 2012.