

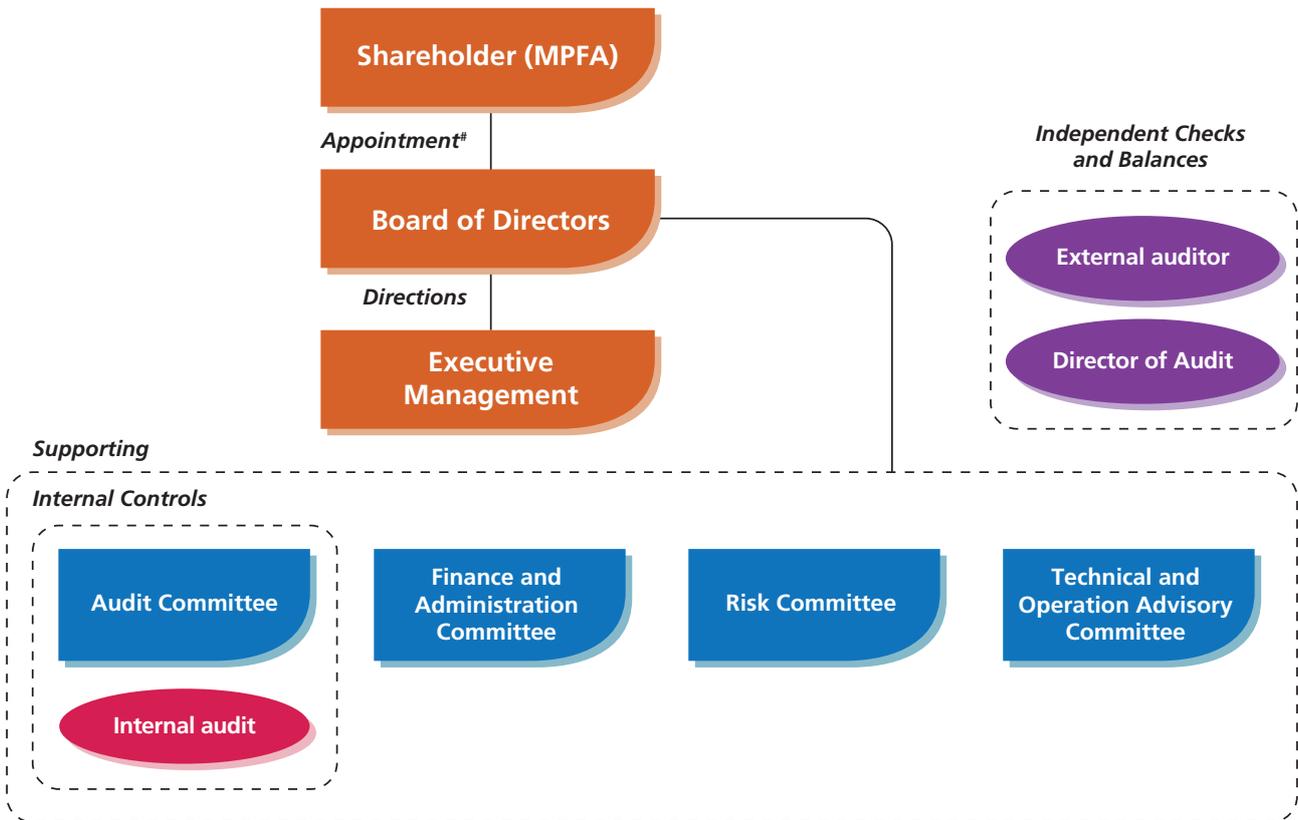
Corporate Governance



Governance Framework

eMPF Company is governed by a board of directors (BoD) which comprises 13 non-executive directors (NEDs) of diverse background, expertise and experience and one executive director (ED). There are four committees established to provide support to the work of BoD. The corporate governance of eMPF Company is defined in its constitutional documents, namely the Articles of Association and the Corporate Governance Code.

Corporate Governance Structure



With Financial Secretary's prior approval

Board and Committees

Board of Directors

Chairman
MPFA Representative
Non-Executive Director



Mrs Ayesha Macpherson Lau, BBS, JP

From 5 March 2021; current term expires on 16 March 2027

Other office(s)/public service

- Chairman, Mandatory Provident Fund Schemes Authority
- Member, Exchange Fund Advisory Committee, Governance Sub-committee, Financial Infrastructure and Market Development Sub-Committee, The Hong Kong Monetary Authority
- Independent Non-executive Director, MTR Corporation Limited
- Director, Hong Kong Academy of Finance Limited
- Accounting Advisor, Ministry of Finance, the People's Republic of China
- Member, Jiangsu Provincial Committee of the Chinese People's Political Consultative Conference
- Former Partner, KPMG China; Former Managing Partner, Hong Kong, KPMG China

Current term is coterminous with her current term as Chairman of MPFA.

MPFA Representative
Non-Executive Director



Hon Bill Tang Ka-piu, BBS, JP

From 5 March 2021; current term expires on 16 March 2027

Other eMPF Company-related position

- Member, Finance and Administration Committee

Other office(s)/public service

- Non-Executive Director, Mandatory Provident Fund Schemes Authority
- Member, Legislative Council
- Vice Chairman, The Hong Kong Federation of Trade Unions
- Chairman, Hong Kong Social Workers and Welfare Employees Union
- Member, Council of The Chinese University of Hong Kong

Current term is coterminous with his current term as Non-executive Director of MPFA.



Mr Cheng Yan-chee

From 10 June 2021

Other eMPF Company-related position

- Member, Audit Committee
- Member, Risk Committee
- Member, Technical and Operation Advisory Committee

Other office(s)/public service

- Managing Director, Mandatory Provident Fund Schemes Authority
- Member, Green and Sustainable Finance Cross-Agency Steering Group
- Member, Hong Kong Academy of Finance
- Former Member, Board of Directors of Investor and Financial Education Council
- Former Deputy Secretary/Deputy Director in different bureaux/departments of the HKSAR Government

Managing Director of MPFA has been appointed as MPFA Representative Non-executive Director of eMPF Company from 5 March 2021. The incumbent will cease to be a director of eMPF Company if he ceases to hold office at MPFA by virtue of which he was so appointed.

HKSAR Government Representative Non-Executive Director



Ms Salina Yan Mei-mei, JP

From 5 March 2021

Other office(s)/public service

- Permanent Secretary for Financial Services and the Treasury (Financial Services)
- Former Director-General of Trade and Industry
- Former Deputy Permanent Representative of the Hong Kong Special Administrative Region of China to the World Trade Organization

Alternates

Miss Sharon Ko Yee-wai (from 3 February 2025)
Ms Estrella Cheung King-sing, JP (retired on 3 February 2025)
Mr Andrew Fan Kwok-shun

Permanent Secretary for Financial Services and the Treasury (Financial Services) has been appointed as the HKSAR Government Representative Non-executive Director of eMPF Company from 5 March 2021. The incumbent will cease to be a director of eMPF Company if she ceases to hold office at the HKSAR Government by virtue of which she was so appointed.

Deputy Secretary for Financial Services and the Treasury (Financial Services) and Principal Assistant Secretary for Financial Services and the Treasury (Financial Services) have been appointed as alternates from 8 March 2021.



Ms May Chan Wing-shiu, JP

From 26 September 2022

Other office(s)/public service

- Commissioner for Labour
- Former Deputy Secretary for Financial Services and the Treasury (Financial Services)
- Former Deputy Secretary for Education

Alternate

Miss Drew Lai Sai-ming (from 22 April 2024)

Commissioner for Labour has been appointed as the HKSAR Government Representative Non-executive Director of eMPF Company from 5 March 2021. The incumbent will cease to be a director of eMPF Company if she ceases to hold office at the HKSAR Government by virtue of which she was so appointed.

Assistant Commissioner for Labour has been appointed as alternate from 8 March 2021.

Non-Executive Directors



Mr Chan Kam-lam, GBS, JP

From 5 March 2021; current term expires on 4 March 2027

Other eMPF Company-related position

- Chairman, Finance and Administration Committee

Other office(s)/public service

- Member, Election Committee (Third Sector)
- Party Affairs Advisor of Democratic Alliance for the Betterment and Progress of Hong Kong
- Member, Court of The Hong Kong Polytechnic University
- Member, National Committee of the Chinese People's Political Consultative Conference (2003 – 2018)
- Member, Legislative Council (1995 – 2016)



Dr Humphrey Leung Kwong-wai, JP

From 5 March 2021; current term expires on 4 March 2027

Other eMPF Company-related position

- Member, Audit Committee
- Member, Risk Committee

Other office(s)/public service

- Chief Executive Officer, Growgreen Limited
- Member, Council of The Hong Kong University of Science and Technology
- Member, Court of The Hong Kong Polytechnic University
- Vice-Chairman, The Hong Kong Electronic Industries Association
- Council Member, The Hong Kong Academy of Engineering
- Executive Committee Member, Innovation and Technology Development Committee, Federation of Hong Kong Industries
- Board Member, The Hong Kong Microelectronics Research and Development Institute



Dr James Li Tsz-shu, JP

From 5 March 2021; current term expires on 4 March 2027

Other eMPF Company-related position

- Member, Risk Committee
- Member, Technical and Operation Advisory Committee

Other office(s)/public service

- Vice President of Public Affairs, Tencent
- Vice President, Tencent Financial Technology
- Chief Executive, Tencent Foundation
- Alternative Chief Executive, WeChat Pay Hong Kong
- Director, Hong Kong Cyberport Management Company Limited
- Member, Digital Economy Development Committee
- Member, Commission on Poverty
- Member, Quality Education Fund Steering Committee
- Member, Social Innovation and Entrepreneurship Development Fund Task Force
- Member, Community Care Fund Task Force
- Member, Museum Advisory Committee
- Member, Barristers Disciplinary Tribunal Panel
- Member, HKTDC Mainland Business Advisory Committee
- President, Association of Hong Kong & Kowloon Practitioners of Chinese Medicine Committee
- Member, The Chinese General Chamber of Commerce
- Member, China Overseas Friendship Association
- Counselor, The Hong Kong Chinese Importers' and Exporters' Association



Mr Webster Ng Kam-wah, JP

From 5 March 2021; current term expires on 4 March 2027

Other eMPF Company-related position

- Chairman, Audit Committee
- Member, Finance and Administration Committee
- Member, Technical and Operation Advisory Committee

Other office(s)/public service

- Member, Election Committee (Accountancy)
- Advisory Committee Member, Accounting and Financial Reporting Council
- Member, Competition Commission
- Member, Securities and Futures Appeals Tribunal
- Member, Lump Sum Grant Steering Committee
- Honorary Treasurer, Social Worker Registration Board
- Member, Investment Working Group to Advise the Director of Social Welfare on Investment Matters Relating to the Special Needs Trust
- Vice Chairman, District Fight Crime Committee (Sai Kung District)
- Immediate Past President, The Society of Chinese Accountants & Auditors
- Past President and Advisor, The Taxation Institute of Hong Kong
- Panel of Advisors, Building Management Disputes
- Member, Finance, Audit and Risk Committee of Medecins Sans Frontieres (Hong Kong) Limited
- District Treasurer, Rotary District 3450 Limited



Mr Dieter Yih Lai-tak, JP

From 5 March 2021; current term expires on 4 March 2027

Other eMPF Company-related position

- Chairman, Risk Committee
- Member, Finance and Administration Committee

Other office(s)/public service

- Chairman, Quality Education Fund Steering Committee
- Non-executive Director, Securities and Futures Commission
- Member, Guangdong Provincial Committee of the Chinese People's Political Consultative Conference
- Member, Standing Committee on Legal Education and Training
- Member, University Grants Committee
- Partner, Kwok Yih & Chan
- Past President, The Law Society of Hong Kong
- Former Chairman, Financial Dispute Resolution Centre
- Former Deputy Chairman of Council, The Education University of Hong Kong



Dr Daniel Yip Chung-yin, BBS, JP

From 5 March 2021; current term expires on 4 March 2027

Other eMPF Company-related position

- Chairman, Technical and Operation Advisory Committee
- Member, Audit Committee

Other office(s)/public service

- Managing Director, G.E.W. International Corporation Limited
- Chairman, Advisory Committee of Recycling Fund
- Member, Council for Carbon Neutrality and Sustainable Development
- Chairman, Steering Committee on Promotion of Vocational and Professional Education and Training and Qualifications Framework
- Deputy Chairman, Vocational Training Council
- Non-official Member, Advisory Committee on the Northern Metropolis
- Non-official Member, Sub committee on Planning, Land and Conservation under the Advisory Committee on the Northern Metropolis
- Non-official Member, Sub-committee on Development of Industries under the Advisory Committee on the Northern Metropolis
- Deputy Chairman & Member, Council of The Hong Kong Polytechnic University
- Honorary President, Federation of Hong Kong Industries



Hon Chan Hoi-yan

From 5 March 2023; current term expires on 4 March 2027

Other eMPF Company-related position

- Member, Finance and Administration Committee

Other office(s)/public service

- Member, Legislative Council
- Founder and Director, Yan Plus Consultancy Limited
- Member of Standing Committee, Foshan Municipal Committee of Chinese People's Political Consultative Conference
- Member, Intangible Cultural Heritage Advisory Committee
- Member, Consumer Council
- Former Political Assistant to Secretary for Food and Health of the HKSAR Government



Professor Jack Poon Sik-ching

From 5 March 2023; current term expires on 4 March 2027

Other eMPF Company-related position

- Member, Audit Committee
- Member, Technical and Operation Advisory Committee

Other office(s)/public service

- Professor of Practice (Fintech & Entrepreneurship), School of Accounting and Finance, The Hong Kong Polytechnic University
- Member, Consumer Council
- Chairman, Digital Economy and Information Technology Committee, Consumer Council
- Member, Committee on Consumer Protection Policy, Trade Practices and Redress, Consumer Council
- Member, Committee on Research and Testing, Consumer Council
- Non-official Member, Task Force on Promoting Web3 Development
- Member, Entrepreneurship Committee Advisory Group, Hong Kong Cyberport Management Company Limited
- Member, Fintech Advisory Group, Securities and Futures Commission (March 2021 – February 2023)

Executive Director



Mr Eric Lui Chi-kin

Chief Executive Officer

From 9 September 2022; current term expires on 8 September 2025

Other eMPF Company-related position

- Member, Finance and Administration Committee
- Member, Technical and Operation Advisory Committee
- Interim Chief Executive Officer and Executive Director (8 December 2021 – 8 September 2022)
- Project Director (1 October 2021 – 7 December 2021)

Other office(s)/public service

- Consultant for MPFA, HKSAR Government department and financial regulatory body, public infrastructure projects in Singapore and Malaysia (2017 – 2021)
- Vice-chairman, Enterprise Architecture Special Interest Group, Hong Kong Computer Society (2014 – 2017)
- Member, Hong Kong and Guangdong ICT Expert Committee (2017)
- Held different management positions in the two railway companies in Hong Kong for over 25 years with last position as Chief IT Strategy and Enterprise Architecture Manager of MTR Corporation Ltd (1989 – 2016)
- IT management consultant for large organizations in Hong Kong and the Middle East (1980s)

During the year, BoD held a total of six meetings (with an average attendance rate of 94%) and, in lieu of meetings, passed 7 written resolutions and noted 31 papers by way of circulation. Key matters considered included:

Governance

- Key items of supplemental agreement to the Core Contract

Planning and Performance Monitoring

- Monthly progress reports
- Periodic risk reports
- Management accounts

Policy, Strategies and Operations

- Practical arrangements for commencement of eMPF operation
- Achievement of standardization, streamlining and automation on eMPF
- Marketing and promotion of eMPF
- Project communication plan
- Project contingency plan and business continuity plan

Financial Matters and Corporate Affairs

- Approval of payment milestones
- Annual report for financial year 2023–24
- Revised estimates for financial year 2024–25
- Outturn forecast for financial year 2024–25
- Proposed budget and work plan for financial year 2025–26
- Personnel matters
- Financial assistance disbursements to trustees after onboarding to eMPF

Supporting Committees

Four committees, namely the Audit Committee, the Risk Committee, the Finance and Administration Committee, and the Technical and Operation Advisory Committee were set up by BoD to assist in and advise on the business and operations of eMPF Company, as well as the technical and operational matters of eMPF.

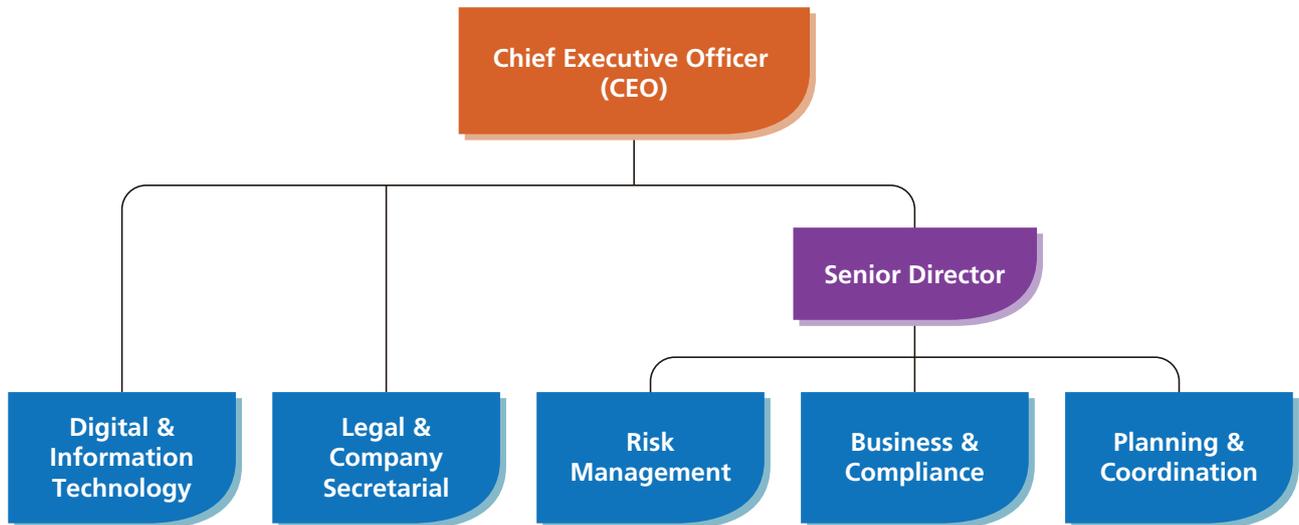
The Audit Committee, comprising five NEDs, provides independent view on the effectiveness of the financial reporting process and internal control mechanism of eMPF Company. During the year, the Audit Committee held two meetings (with 100% attendance rate) and, in lieu of meeting, circulated five papers for information. Key matters considered included the audited financial statements for the year ended 31 March 2024, the proposed internal audit plan for financial year 2025–26 as well as internal audit reports.

The Risk Committee, made up of six NEDs, renders independent view on the effectiveness of eMPF Company's risk management policies and assesses eMPF Company's risk management and internal controls systems. During the year, the Risk Committee held two meetings (with an average attendance rate of 92%) and, in lieu of meeting, circulated 18 papers for decision or information. Key matters considered included periodic risk reports, implementation status of the risk management framework, and summary of significant incidents and events reported to MPFA or other regulatory bodies.

The Finance and Administration Committee, comprising the ED and five NEDs, oversees and monitors the overall financial planning and operations of eMPF Company as well as matters concerning major financial transactions or administrative policies. During the year, the Finance and Administration Committee held two meetings (with 100% attendance rate) and, in lieu of meeting, circulated two papers for decision. Key matters considered included eMPF Company's financial control and performance, manpower plan and proposed budget for financial year 2025–26.

The Technical and Operation Advisory Committee, consisting of the ED and five NEDs, advises on technical and operational matters of strategic importance. During the year, the Technical and Operation Advisory Committee held six meetings (with 92% attendance rate). Key matters considered included eMPF Company's contingency plan and business continuity plan, operational matters of eMPF, statistics and service pledges, manpower plan of the Core Contractor and service levels agreement reports.

Organizational Structure



The CEO, who concurrently serves as the ED of BoD, oversees the business operations of eMPF Company. Supporting the CEO in fulfilling these executive responsibilities are five departments dedicated to managing the organization’s daily operations, three of which are under the supervision of a senior director.

To enhance corporate governance and operational efficiency, the eMPF Company generally follow the policies and procedures established by its parent entity, the MPFA, when addressing corporate matters.

Risk Management and Internal Controls

Risk management and internal control are essential parts of corporate governance as they help mitigate risks, ensure compliance and enhance eMPF Company's resilience to potential disruptions. A risk management framework was developed in 2021 with reference to the principles of Internal Control — Integrated Framework 2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO Framework 2013). With due consideration given to eMPF Company's organizational structure and the nature of its operation, relevant risk management policies were developed to manage general risk management activities and cybersecurity based on relevant industry standards. Risk management and internal control systems are designed and developed to manage and mitigate the risk of failure to achieve corporate goals and objectives.

Risk Management Framework

BoD has the overall responsibility for the effectiveness of the risk management system of eMPF Company. The Risk Committee supports BoD in overseeing and reviewing the effectiveness of the risk management system on an ongoing basis and giving advice on risk-related matters.

The role of eMPF Company's executive team is to implement such system and report back to the Risk Committee and BoD regarding the identification, management and mitigation of risks.

Three Lines of Defence

eMPF Company's risk governance structure is guided by the "three lines of defence model". It reinforces eMPF Company's risk management capabilities as well as risk and control culture across all departments and over its contractors. The first line of defence refers to the operational management staff of all departments of eMPF Company and staff of the MPFA providing in-house support functions who take direct responsibilities for the day-to-day risk management and execution of appropriate internal controls to ensure smooth daily operations. The second line of defence is taken up by the Risk Management Department of eMPF Company, to oversee and monitor the first line of defence and to develop and maintain risk management framework, policies and manuals for reference by all. The role of the third line of defence is assumed by the Risk Management Unit of the MPFA, which provides independent assurance to the management and the Audit Committee regarding the effectiveness of eMPF Company's risk management, governance and internal control processes of the first and second lines of defence, and assesses its compliance with the existing policies and procedures.

Internal Controls

The Audit Committee supports BoD in overseeing the effectiveness of internal controls, while the management is responsible for designing, implementing and maintaining an effective internal control system with reference to the COSO Framework 2013.

eMPF Company's internal controls are designed and embedded into systems and processes of its day-to-day operations, relevant internal control policies including approval grid and procedures are developed and are periodically reviewed and updated when necessary.

To provide assurance on the effectiveness of the internal controls on the scheme operation of eMPF, eMPF Company engaged an independent auditor, Deloitte Touche Tohmatsu Limited (Deloitte), in November 2023 to perform an assurance review from the first MPF scheme onboarding date (i.e. 26 June 2024) to 31 March 2025. The first set of internal control reports for the period from 26 June 2024 to 30 September 2024 was completed in December 2024. The auditor confirmed that the controls were properly designed and operated effectively throughout the period under examination.

As for assurance on the security controls measures for eMPF, an independent security risk auditor, Ernst & Young Advisory Services Limited (EY), has been engaged to perform the first regular security risk assessment and audit (SRAA) on eMPF after the system launch. The SRAA is target to be completed in June 2025.

Internal Audit

Internal audit as performed by the Risk Management Unit of the MPFA devises the annual risk-based internal audit plan by applying risk assessment methodology and considering the dynamics of eMPF Company's activities. The audit plan

is reviewed and endorsed by the Audit Committee in consultation with the MPFA and is subject to continuous reassessment taking into account external and internal factors such as regulatory changes, business and operational changes as well as emerging risks.

Internal audits are conducted based on the audit plan and audit findings are reviewed by the management and reported to and considered by the Audit Committee and BoD to ensure the highest level of independence and objectivity.

During the year, audits covering key processes were conducted and reported to the Audit Committee. The results of these audits showed that control systems in respect of the areas examined were broadly adequate and effective, and relevant procedures were generally complied with. To ensure internal control issues are addressed in a timely manner, a register has been put in place to monitor and report the implementation progress of the audit recommendations to the Audit Committee on a bi-annual basis.

Compliance with Laws and Regulations

eMPF Company was established by the MPFA pursuant to section 6DA of the Mandatory Provident Fund Schemes Ordinance (Cap 485) for the purposes of carrying out the functions delegated by the MPFA as well as administering and operating eMPF and providing scheme administration services for trustees.

All heads of department are responsible for ensuring compliance with the laws and regulations applicable to their functional areas, with the support of internal (and external, where necessary) legal advice.

Issues relating to potential and actual non-compliance with laws and regulations are advised by legal as needed, whereas investigation, reporting and subsequent mitigation and/or rectification thereof as well as future operational

preventive measures, are tracked, monitored and overseen by the compliance function in accordance with internal procedural manual. Events or incidents of potential and/or actual breach of any statutory and regulatory requirements are reported to the MPFA pursuant to the Framework for Regulatory Oversight of the Operation of an Electronic MPF System for monitoring until full resolution of each incident.

Besides incident reporting, there is an annual compliance review to evaluate the effectiveness of enhanced control measures implemented in response to past statutory and regulatory breaches. In addition, regular legal updates and refreshers are provided to staff as preventive measures for the purpose of enhancing their awareness of general statutory compliance.