

PENSION – MACAU  
AIA MACAU RETIREMENT FUND SERVICES

EMPLOYER

# AIA MACAU NON-MANDATORY CENTRAL PROVIDENT FUND ("AIA MACAU CPF")

Provide your employees with  
better retirement protection



[View e-copy](#)

**AIA Corporate Solutions**

— Your Pension and Group Insurance Partner



HEALTHIER. LONGER.  
BETTER LIVES

The Non-Mandatory Central Provident Fund (“CPF”) system was launched on 1 January 2018. Under the new system, there will be a new pension scheme. This system aims to complement the existing social security system and strengthen social protection for the residents of the Macau SAR in their old age.



## ✓ Why CPF?



### **Build morale and attract talented employees**

By offering a pension plan that enhances an existing benefit package, you are likely to attract and retain skilled employees. This may contribute to the success and stability of your organisation.



### **Tax concessions\***

Your contributions towards the joint provident fund scheme will be regarded as an operating cost and can be deducted from taxable profits.

## ✓ Why choose AIA Macau CPF?

### **1 AIA Macau - one of the leading life insurance and retirement service providers**

- Established in Macau 1982, we are one of the largest insurance companies in the territory.
- In terms of pension fund assets under management<sup>▲</sup>, we are the top retirement service provider in Macau.
- We have the largest number of participating members<sup>▲</sup>, reflecting our unparalleled strength in Macau’s pension fund market.

\* Please seek tax consultants to take into consideration on the company’s tax circumstances.

▲ As at 30 June 2023, Statistical Data of Registered Private Pension Schemes, Monetary Authority of Macau.

“AIA Macau”, for the purposes of this document, refers to AIA International Limited Macau Branch.



## 2 Unique and comprehensive fund choices

- Unlimited free fund switching\*
- Comprehensive fund choices - from conservative to aggressive, suitable for members with different investment risk appetites

Fund	Risk level	Investment mix	Investment Objective
AIA Macau Conservative Fund	Low	Bank deposits and money market instruments: 70% - 100% Short-term bonds: 0% - 30%	To preserve capital with minimal risk, but there is no guarantee of capital.
AIA Macau Retirement Fund	Low	Bond and fixed income instruments: 90% - 100% Cash: 0% - 10%	To invest in a set of well-planned and balanced bond and fixed income instrument portfolios within an acceptable range of risks to achieve long-term and highly stable returns.
AIA Macau Capital Stable Fund	Low to medium	Equities: 20% - 40% Bonds: 60% - 80%	To minimise its short-term capital risk and to enhance returns over the long term through exposure to global bonds and equities.
AIA Macau Balanced Fund	Medium	Equities: 40% - 60% Bonds: 40% - 60%	To maximise its long-term capital appreciation with moderate risk parameters by investing in a balanced portfolio of global equities and bonds.
AIA Macau Growth Fund	Medium to high	Equities: 50% - 70% Bonds: 30% - 50%	To maximise its long-term capital appreciation by investing in an internationally diversified portfolio of securities mainly in equities with balance in bonds.
AIA Macau Manager's Choice Fund	Medium to high	Equities: 10% - 70% Bonds: 30% - 90%	To maximise its long-term capital appreciation by performing dynamic asset allocation in an internationally diversified portfolio of securities.
AIA Macau American Equity Fund	High	Equities: 50% - 70% Bonds: 30% - 50%	To maximise its long-term capital appreciation by investing mainly in equities and bonds of North American companies.
AIA Macau Hong Kong Equity Fund	High	Equities: 50% - 70% Bonds: 30% - 50%	To maximise its long-term capital appreciation by investing mainly in equities and bonds of companies in Hong Kong SAR.

The risk level and investment mix stated above is for reference only.  
The investment mix is subject to change at the fund managers' discretion.

## 3 On-going and unparalleled service and support

Our customer service team is dedicated to providing you with professional, reliable and timely assistance.

### Services for Employers

- One-stop service to relieve your administrative burden
- User-friendly online platform, including employer portion account balance enquiry service, contribution records and more
- Member record-keeping for easy reference
- Annual benefit statement
- Monthly Fund Performance Review
- Enrolment briefings and employee meetings conducted on a periodic basis
- Employer Hotline (direct conversation with a customer service representative):  
Monday to Friday 9 a.m. to 6 p.m.  
Saturday 9 a.m. to 1 p.m.

### Services for Employees

- Monthly Fund Performance Review
- Online fund selection test
- Online platform for account management and fund switching
- Annual benefit statement
- 24-hour Interactive Voice Response System
- Member Hotline (direct conversation with a customer service representative):  
Monday to Friday 9 a.m. to 9 p.m.  
Saturday 9 a.m. to 1 p.m.
- AIA Connect mobile app

\* Unlimited fund switching requests via aia.com.hk are allowed, but only one fund switching or reallocation request is allowed in each scheme year if using paper format. Free fund switching is subject to change at the discretion of AIA Macau.

**Investment involves risks. You may suffer significant loss of your investments and not all funds available under the Scheme would be suitable for everyone. Fund price, investment performance and returns may go down as well as up. For further details including fees and charges and product features, please refer to the Management Regulation.**

**You should consider your own risk tolerance level and financial circumstances before making any investment choices. When, in your selection of funds, you are in doubt as to whether a certain fund is suitable for you (including whether it is consistent with your investment objectives), you should seek independent financial and/or professional advice and choose the fund(s) most suitable for you taking into account your circumstances.**

**You should not base your fund choices on this document alone and should refer to the Management Regulation for details (including fees and charges) before making any investment decisions.**



# Learn more about CPF

## At a glance

### 1 Are all employees eligible to join CPF?

If an employee is a Macau SAR resident who has reached the age of 18, or who is under 18 but has registered in the social security system, he or she will automatically become a CPF individual account owner.

### 2 How is the CPF account structured?

An individual account of CPF comprises three sub-accounts: a “government-managed sub-account”, a “contribution sub-account” and a “preserved sub-account”. The contributions that you make for your employees will be allocated to the “contribution sub-account”.

	Government-managed sub-account	Contribution sub-account	Preserved sub-account
Source of fund	<ol style="list-style-type: none"> <li>Incentive basic funds (MOP 10,000)</li> <li>Special allocation from budget surplus</li> </ol>	<ol style="list-style-type: none"> <li>Contributions made by employers and employees (joint provident fund scheme)</li> <li>Individual voluntary contributions (individual provident fund scheme)</li> </ol>	Transferred-in amounts from contribution sub-account after employment termination or cessation of individual voluntary contribution into individual provident fund scheme
To be managed by	Social Security Fund (“FSS”)	Fund Management Entity (i.e. AIA Macau)	

### 3 Are the funds transferrable between sub-accounts?

Yes. Employees can apply for fund transfers between the above three sub-accounts. Please note that the relevant contribution made under current employment in the contribution sub-account can only be transferred when the employee leaves employment.

### 4 When can employees withdraw the money?

In general, employees can submit an application to FSS to withdraw the funds when they reach age 65. They can withdraw all or part of the funds from the account once a year. The employees can withdraw the funds earlier in the following situation:

Reasons for withdrawal	All or part of the balance in the individual account	The upper limit is the amount accumulated under the allocation system*
Needing to bear huge medical expenses due to serious injury or illness of his/her own	✓	
Reaching the age of 60 and not being engaged in any paid activities <sup>#</sup>	✓	
Based on humanitarian or other properly explained reasons	✓	
Needing to bear huge medical expenses due to serious injury or illness of his/her spouse, any degree of lineal consanguinity or affinity		✓
Has been receiving a disability pension from the FSS for more than one year		✓
Receiving special disability subsidy from the Social Welfare Bureau		✓

\* The upper limit is the sum of the incentive basic funds and the special allocation of funds from budget surplus that are injected into the accounts by the government over the past years and less the accumulated amount of withdrawals.

# Once the application has been approved, the same reason cannot be used to withdraw the funds again.

## Contribution

### Joint provident fund scheme – the scheme that you and your employees participate in together

#### 5 What are the steps for applying to participate in the joint provident fund scheme?

You only need to fill in the “Servicing and Participating Agreement” of the joint provident fund scheme and we will submit the application to the FSS for you. The FSS will approve your application within 60 days and send the letter of approval to you. The effective date will be the first day of the following month after approval has been obtained from the FSS.

#### 6 Do all my employees have to join CPF?

No. The joint provident fund scheme is set up voluntarily by the employer and employees can join on a voluntarily basis. You should notify your employees of their right to participation within the first 10 working days of their employment. Once your employees sign the “Employee Election”, you can start making contribution for them from the next month.

#### 7 How much must we contribute?

You and your employees need to make monthly contributions which are equal to 5% of their basic monthly salaries. Contribution calculations are subject to an upper limit and lower limit :

		Employer contribution	Employee contribution
Basic wage (MOP)	Less than \$7,445**	5%	0%
	\$7,445** to \$35,360*	5%	5%
	More than \$35,360*	\$1,768	\$1,768

Depending on circumstances, you and your employees can make contributions of more than 5% to the scheme, can add other items to the calculation base or may waive the upper and lower limits of the calculation base.

#### 8 When will I need to make contributions?

In general, you should deduct the contribution amount from your employees’ monthly salaries. The contributions of the previous month should be made before the last day of each month. We will subscribe the fund units within 10 days from the date of receipt of the contribution data and clearance of fund amount.

#### 9 Who will make the investment choice?

You can choose the suitable funds and investment allocation percentages for the employer’s contribution portion, or choose to open the investment option to your employees. If you choose the former, when the employee’s contribution period (see next question) meets the requirement for obtaining all the contributions of the employer (i.e. vesting percentage is 100%), the employee will have the right to make an investment choice for the employer’s contribution portion.

#### 10 How do we calculate the vesting percentage of the contributions?

The vesting percentage depends on the employee’s number of years of contributions as of the date of termination of employment:

Years of contributions	Vesting percentage
Less than three years	0%
Three years to less than four years	30%
Four years to less than five years	40%
Five years to less than six years	50%
Six years to less than seven years	60%
Seven years to less than eight years	70%
Eight years to less than nine years	80%
Nine years to less than ten years	90%
Ten years or more	100%

**Note:** If an employee switched from Private Pension Fund (“PPF”) to CPF, his/her years of contributions under PPF shall be counted under the CPF calculation.

**Example:** Jan 2012 – Dec 2017 make contributions under PPF  
Jan 2018 – Nov 2019 make contributions under CPF

↳ Years of contribution will be “Seven years to less than eight years”

\* Effective on 1 January 2024 and subject to regulatory change over time. For the latest information, please visit [www.fss.gov.mo](http://www.fss.gov.mo).

\*\* This is the lower limit of the calculation base of contributions which refers to the minimum wage for cleaning and security workers in the property management business, and is subject to change over time.

**11 Can I set up CPF if I have previously set up PPF for my employees?**

Yes. You only need to fill in the "Servicing and Participating Agreement" of the joint provident fund scheme and we will submit the application to the FSS for you. The FSS will approve the application within 60 days and send the letter of approval to you. Upon approval of the application, you can notify your employees about the relevant details of CPF within 10 days. Employees can decide within three months whether or not to participate in the joint provident fund scheme.

If they choose to interface, employees need to submit the "Employee Election" form. As the employer, you have to state a date for the interface and contributions received after the stated date will be paid towards the joint provident fund scheme. Contributions under PPF before the interface will continue to accumulate under PPF.

If they choose not to interface, you and your employees can continue paying towards PPF.

**More about PPF and CPF**

- ★ If the terms under PPF are more favourable to employees (e.g. the contribution rate is higher), you should reserve these terms under CPF.
- ★ Under PPF, the employer's contributions can be used to offset dismissal compensation. However under CPF, the contribution accumulated after the interface cannot be used to offset dismissal compensation.

**Individual Provident Fund Scheme – the individual scheme that employees choose for themselves****12 Can employees choose their preferred fund management entity?**

Yes. Regardless of whether you set up a joint provident fund scheme or not, employees are free to choose to participate in the individual provident fund scheme and select their preferred fund management entity.

**13 Is there a monthly contribution amount limit?**

The minimum amount of contributions is MOP500. This amount can be increased up to MOP3,500<sup>Δ</sup> in increments of MOP100.

<sup>Δ</sup> Effective on 1 January 2024 and subject to regulatory change over time. For the latest information, please visit [www.fss.gov.mo](http://www.fss.gov.mo).

# Contact us

Employer hotline	0800 183 Monday to Friday : 9 a.m. to 6 p.m. Saturday : 9 a.m. to 1 p.m.
Member hotline	0800 272 Monday to Friday : 9 a.m. to 9 p.m. Saturday : 9 a.m. to 1 p.m.
24-hour Interactive Voice Response System	Employer 0800 183 Employee 0800 272
Fax no.	(853)2872 2782
Address	Unit 201, 2F, AIA Tower, Nos. 251A-301, Avenida Comercial de Macau, Macau
Website	<a href="http://aia.com.hk">aia.com.hk</a>