

Best Practice Manual 4- Provident Fund Reserve Usage

Policy and Procedures for the Use of Provident Fund Reserve

Remark:

1 Policy

- 1.1 Effectively use the "Provident Fund for non-snapshot staff" (hereinafter referred to as the PF Reserve) to enhance employee's sense of belonging and morale by optimizing employee welfare policies.
- 1.2 The PF Reserve should be used in accordance with the relevant laws, the Lump Sum Grant Handbook, the Lump Sum Grant Notice and related letters/ the notices for communicative purpose.
- 1.3 The Management Committee should regularly monitor and review the actual status of the PF Reserve and ensure the effective use of the Fund.
- 1.4 The Management Committee shall discuss the management and use of PF Reserve at least once a year, and record the content of the meeting.
- 1.5 Relevant management and monitoring mechanisms, policy and procedures must be included in the "Administrative Information Guide" of this organization, and this Guide must be updated and released in due course.
- 1.6 The past year status of the PF Reserve and its plan for the future use must be reported during the Annual General Meeting or in the annual report.

2 Procedures

- 2.1 The Head Office should submit the annual financial report to an independent accountant for revision and conformation that the use of the Fund is in compliance with relevant regulations.
- 2.2 Before the end of each fiscal year, the Management Committee must have discussed the status and budget of the PF Reserve and record the content of the meeting.
- 2.3 During the Management Committee Meeting, the actual situation of the PF Reserve will be reviewed in a timely manner and draw up a five-year plan to optimize employee benefits to enhance employee morale and increase employees' sense of belonging to the organization.
- 2.4 If the Management Committee has made any change resolution, the Head Office must send notices to employees.
- 2.5 The Head Office compiles the relevant management and monitoring mechanisms, policy and procedures of the PF Reserve into the "Administrative Information Guide" of this organization, and this Guide should be updated regularly or as needed.

2.6 The status of the use of the PF Reserve in the past year and the plan for the future use of the reserve will be reported in the Annual General Meeting or annual report.

Publication :	1. This document is included in the "Administrative Information Guide" of this organization. All current or newly recruited employees of relevant departments must read this document and act in accordance with the relevant policy.	
Revision :	1. This policy and procedures may be reviewed and updated as necessary. 2. Department Heads are welcomed to give feedback on the matter. The Chief Executive or appointees by the Management Committee are responsible to review this policy and its procedures.	
Signature :	(Chief Executive)	Updated Date : October 12, 2015