

3 September 2020

**BOCHK partners with Schroders to launch asset allocation solutions
Facilitating customers diversify risk and achieve long-term investment goals**

Bank of China (Hong Kong) (“BOCHK”) and Schroder Investment Management (Hong Kong) Limited (“Schroders”) jointly introduce “Asset Allocation Reference Portfolio” which enables customers to make reference to portfolios composing of different asset classes in the global market based on their financial needs and risk appetites. This will help customers diversify their risk more effectively while achieving their long-term investment goals.

The “Asset Allocation Reference Portfolio” provides customers with five model portfolios corresponding to different investor profiles for reference. The portfolios are designed with certain core asset classes as the foundation, coupled with short-term active strategic asset allocation, based on data analysis on the long-term returns and risks, as well as the performance across a range of asset classes including equities and bonds under various market conditions. Customers can make reference to the past performance of asset allocation portfolios and customise their own asset allocation that fits with their risk tolerance level, investment objectives and financial positions. Customers can now obtain information on global asset allocation by contacting their relationship managers. This service will also be available for all customers at internet banking and mobile banking in phases.

Arnold Chow, Deputy General Manager, Personal Digital Banking Product Department, BOCHK, said, “In the first seven months of 2020, global investment markets were volatile as some mature equity markets fluctuated by over 30%. As of the end of July, the total asset value of bond funds held by BOCHK personal customers recorded double-digit growth year-on-year. The outstanding balance of Notional Precious Metals Passbook recorded a year-on-year increase of over 60%. This reflects strong customer demand in reducing portfolio volatility through investment diversification amidst market fluctuation. BOCHK is pleased to partner with internationally renowned asset manager Schroders, to help our customers making informed decision based on timely global market information we provided when selecting a suitable asset allocation portfolio in this ever-changing market environment. Looking ahead, in view of the upcoming launch of Wealth Management Connect in Greater Bay Area and further business expansion in Southeast Asia, BOCHK will continue to optimise its wealth management services and enhance customer experience across online and offline channels in order to benefit more customers.”

Amy Cho, CEO, Hong Kong and Head of Intermediary, Asia Pacific, Schroders, said: “We are pleased to jointly launch the ‘Asset Allocation Reference Portfolio’ with BOCHK, our first partner in Hong Kong to offer this solution. Through this collaboration, we are bringing an investment tool that allows BOCHK customers with varying risk appetites to better understand the benefits that different asset classes can bring to their portfolios. The solution’s asset allocation reference portfolios are kept updated according to the Schroders Multi-asset Team’s analysis, which is based on our strategic asset allocation model using forward-looking return assumptions, and short-term asset allocation views. We have been offering similar solutions to clients in the UK for some time, involving about US\$17.7 billion of assets.”

— End —

Remarks:

1. Investment involves risk. The related information is for reference only, and does not constitute any offer, solicitation, recommendation, comment or guarantee to the purchase, subscription or sale of any investment product or service. Customer should not rely on the related information to make any investment decision. Past performance information presented is not indicative of future performance.
2. Although investment may bring profit opportunities, each investment product or service involves potential risks. Due to dynamic changes in the market, the price movement and volatility of investment products may not be the same as expected by customers. Customers' fund may increase or reduce due to the purchase or sale of investment products. The loss incurred from investment may be the same or greater than initial investment amount, proceeds may also change accordingly. Part of the investment may not be able to liquidate immediately under certain market situation.
3. Before making any investment decisions, customers should consider their own financial situation, investment objectives and experiences, willingness and ability to bear risks, and understand the nature and risks of the relevant product. Investment involves risks. Please refer to the relevant fund offering documents for further details including risk factor. Customers should seek professional advice from an independent financial adviser if they have any inquiries.
4. BOCHK does not guarantee or endorse the accuracy or completeness of, any information provided by Schroders, or whether or not any such information is the latest. BOCHK disclaims liability for any errors, omissions or inaccuracies in the information.
5. This material has not been reviewed by the Securities and Futures Commission. All investments involve risks (including the possibility of loss of the capital invested). Prices of investment products may go up as well as down and may even become valueless. The risk disclosure statements and the offering documents of the relevant investment products should be read in detail before making any investment decision.

About Bank of China (Hong Kong) Limited

Bank of China (Hong Kong) Limited (“BOCHK”) is a leading commercial banking group in Hong Kong with strong market positions in all major businesses. We have the most extensive local branch network and diverse service platforms in Hong Kong, including more than 190 branches, 280 automated banking centres, efficient e-channels of over 1,000 self-service machines, as well as Internet and Mobile Banking services. We offer a comprehensive range of financial, investment and wealth management services to personal, corporate and institutional customers. To implement the overseas development strategy of BOC Group, we strive to drive our regional development by expanding our business in the Southeast Asian region. Our branches and subsidiaries have been extended to Southeast Asian countries such as Thailand,



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Malaysia, Vietnam, the Philippines, Indonesia, Cambodia, Laos and Brunei, with the provision of professional and high-quality financial services to local customers. We will also expedite our development into a top-class, full-service and internationalised regional bank.

BOCHK is one of the three note-issuing banks and the sole clearing bank for Renminbi (“RMB”) business in Hong Kong. With our strong RMB franchise, we are the first choice of customers in this business. Through the deep collaboration with our parent bank, BOC, we provide a full range of high-quality cross-border services to multinationals, cross-border customers, mainland enterprises going global, central banks and super-sovereign organisations.

BOC Hong Kong (Holdings) Limited, BOCHK’s holding company, is one of the largest listed companies on the main board of the Stock Exchange of Hong Kong, with stock code “2388” and ADR OTC Symbol “BHKLY”.

About Schroders

As a global investment manager, we actively and responsibly manage investments for a wide range of institutions and individuals, to help them meet their financial goals and prepare for the future. The world is forever changing, and with our clients at the centre of everything we do, we understand the need to continue to adapt and evolve our business in line with what matters most to our clients today, and in the future.

Our ongoing success is built on a history of experience and expertise, whereby we partner with our clients to construct innovative products and solutions across our five business areas consisting of Private Assets & Alternatives, Solutions, Mutual Funds, Institutional and Wealth Management and invest in a wide range of assets and geographies. By combining our commitment to active management and focus on sustainability, our strategic capabilities are designed to deliver positive outcomes for our clients.

We are responsible for £500.2 billion (€590.3 billion/\$662.6 billion)* assets of our clients, managed locally by 42 investment teams worldwide. As a global business with over 5,000 talented staff across 35 locations, we are able to stay close to our clients and understand their needs. We have over 200 years of experience in investment and innovation and remain committed to creating a better future by investing responsibly for our clients.

Further information about Schroders can be found at www.schroders.com.hk.

*Source: Schroders, as at 31 December 2019