

## **PERNYATAAN TADBIR URUS KORPORAT**

*STATEMENT ON CORPORATE GOVERNANCE*

**KWSP SENTIASA  
MENGALAKKAN AMALAN  
TADBIR URUS KORPORAT  
YANG BAIK DAN BERUSAHA  
UNTUK MENYOKONG  
PENERAPAN AMALAN TERBAIK  
TADBIR URUS KORPORAT  
DI KALANGAN SYARIKAT  
PELABURANNYA DALAM  
USAHA UNTUK MELINDUNGI  
DAN MENINGKATKAN NILAI  
PELABURAN KWSP.**

*THE EPF HAS ALWAYS PROMOTED  
GOOD CORPORATE GOVERNANCE  
AND HAS ENDEAVOURED  
TO ADVOCATE CORPORATE  
GOVERNANCE BEST PRACTICES  
AMONG ITS LISTED INVESTEE  
COMPANIES TO PROTECT AND  
ENHANCE ITS INVESTMENTS.*





KWSP melalui penglibatannya di dalam pasaran ekuiti akan terus menggalakkan syarikat pelaburannya untuk mempraktikkan amalan terbaik tadbir urus korporat di dalam organisasi. Selaras dengan itu, KWSP telah menghadiri dan menyertai pelbagai aktiviti-aktiviti berkaitan tadbir urus korporat, antaranya Minggu Tadbir Urus Korporat yang dianjurkan oleh pihak Bursa Malaysia Berhad, dialog bersama pihak-pihak berkuasa, interaksi bersama pengurus dana luar KWSP, pelabur-pelabur institusi dan juga pengurusan syarikat bagi membincangkan isu-isu tadbir urus korporat.

Pada 17 Mei 2010, KWSP telah menerbitkan buku prinsip tadbir urus korporat dan garis panduan pengundian. Penerbitan buku ini adalah usaha berterusan KWSP dalam menggalakkan serta mewar-warkan prinsipnya di dalam amalan tadbir urus korporat di Malaysia. Buku tersebut yang mengandungi prinsip dan garis panduan pengundian boleh dijadikan panduan oleh pelabur-pelabur lain. KWSP berharap dengan penerbitan ini, ia dapat mendidik para pemegang saham dan pihak syarikat berhubung kepentingan mengamalkan tadbir urus korporat yang baik di dalam organisasi. Antara penekanan yang diberikan di dalam buku tersebut adalah:

**i. Mesyuarat Pemegang Saham**

KWSP amat menggalakkan pihak syarikat untuk mendedahkan serta memaklumkan kepada pemegang saham berhubung keputusan keseluruhan pengundian mesyuarat agung dan percaya bahawa minit mesyuarat pemegang saham harus disediakan bagi pemeriksaan apabila dikehendaki.

*EPF with its significant presence in equity market will continuously encourage its investee companies to adopt sound corporate governance practice in the organisation. In line with this, EPF had initiated and participated in various corporate governance activities, among others are participating in the Corporate Governance Week organised by Bursa Malaysia Berhad, dialogue with regulators, engagement with EPF's External Fund Managers and Institutional Investors as well as meetings with the management of companies to address corporate governance issues.*

*On 17th May 2010, the EPF had published its own corporate governance principles and voting guidelines. The publication signifies a milestone in the EPF's continuous effort to promote and communicate its stance on corporate governance practices in Malaysia. The booklet which contains principles and voting guidelines will be useful as a guide to other investors. It is hope that this publication is able to educate the shareholders and companies on the importance of good corporate governance practices within the organisation. Among the focus area in this booklet are as follows:*

**i. Shareholders Meeting**

*The EPF strongly encourage the company to disclose and present the collective result to shareholders during the general meeting and believes that minutes of the shareholder meetings should be made available for shareholders inspection upon request.*

## ii. Lembaga Pengarah

KWSP percaya bahawa lembaga pengarah yang efisien dan efektif akan meneraju syarikat kepada kejayaan untuk tempoh jangka masa panjang. Oleh itu, beberapa kriteria untuk lembaga pengarah telah ditetapkan dengan keutamaan ditekankan kepada komposisi lembaga pengarah eksekutif dan bukan eksekutif, had tempoh perkhidmatan pengarah bebas, kedatangan ahli lembaga pengarah, pembahagian kuasa antara Pengerusi dan Ketua Pegawai Eksekutif syarikat, had keahlian lembaga pengarah, dan ahli jawatankuasa lembaga.

## iii. Perkara Lain

Di antara isu-isu yang disentuh pada bahagian ini adalah polisi dividen, kuasa menerbit dan mengagihkan saham di bawah Seksyen 132D Akta Syarikat 1965, pembelian balik saham, Skim Opsyen Saham Pekerja dan urusan dengan pihak berkaitan.

KWSP percaya bahawa amalan tadbir urus korporat yang baik dapat menjamin sesebuah perniagaan diuruskan dengan cara yang telus, amanah dan bertanggungjawab. Sebagai pemegang amanah dana persaraan, KWSP secara berterusan akan melaksanakan pelaburan dalam pasaran modal dan bergantung pada pulangan pasaran untuk menjana dividen kepada ahli-ahlinya. Tadbir urus korporat dalam pasaran modal, khususnya pelaburan, adalah amat penting bagi memelihara nilai pelaburan KWSP. Amalan tadbir urus korporat yang baik diharap dapat mengurangkan pendedahan syarikat terhadap krisis kewangan dan meningkatkan ketelusan yang seterusnya akan membawa kepada pembangunan pasaran modal yang mampan.

Sebagai langkah awal KWSP untuk menjadi telus kepada pemegang berkepentingan, KWSP telah membuat pendedahan-pendedahan berhubung pelaburan seperti laporan pelaburan untuk setiap suku tahun yang merangkumi maklumat alokasi aset KWSP dan pendapatan yang dijana daripada aset-aset tersebut, saiz dana KWSP dan juga prospek untuk suku tahun yang akan datang. Selain itu, KWSP juga menyenaraikan 30 saham terbesar yang dilabur di dalam Laporan Tahunan KWSP dan Laporan Suku Tahun di laman web rasmi KWSP.

KWSP komited dan akan terus berusaha untuk mempraktis amalan terbaik tadbir urus korporat di dalam organisasi sebagai langkah asas KWSP dalam melaksanakan tugas dan tanggungjawab fidusiarinya untuk melindungi dan meningkatkan simpanan ahli serta memastikan pertumbuhan yang berterusan. KWSP juga akan sentiasa mempromosikan amalan terbaik tadbir urus korporat dengan pendekatan yang lebih luas meliputi penyertaan dalam penetapan polisi awam berkaitan tadbir urus korporat, kerjasama dengan pemegang saham lain dan interaksi berterusan dengan pihak syarikat.

## ii. Board of Directors

*The EPF believe that an efficient and effective board may lead to the success of the company over the long-term. Thus, certain criteria for boards has been set with the emphasis on composition of executive and non-executive directors term limit for independent directors, board attendance, separation of power between Chairman and Chief Executive Officer (CEO) of the company, directorship limit and board committee.*

## iii. Other Matters

*Among the issues covered under this area are the dividend policy, authorities to allot shares under Section 132D of the Companies Act 1965, share buy-back scheme, Employees Share Option Scheme (ESOS), and related party transactions.*

*The EPF believes that good corporate governance practices may assure a business is managed in a manner that is transparent, accountable and responsible. As a provident fund, the EPF continually invests in capital markets and relies on market returns to generate dividends to our members. Good governance reduces companies' vulnerability to financial crises and improves transparency, which will lead to sustainable capital market development.*

*As an initial step to be transparent to our stakeholders, the EPF has been disclosing information pertaining to its investment such as quarterly reports on investment which entails the details on EPF's asset allocation and revenue generated from those assets, EPF's total fund size, and outlook for the following quarter. In addition, the list of top 30 equity investments of EPF are also being disclosed in EPF's Annual Report and our official website on a quarterly basis.*

*EPF is committed to continuously strive for the highest standard of corporate governance throughout the organisation as a fundamental part of discharging its fiduciary duty and responsibility to protect and enhance members saving and to ensure sustainable growth. The EPF will also continue to promote best practices on a broader basis through actions in the area of public policy, collaboration with other shareholders and continuous engagement with companies.*

## LEMBAGA DAN PANEL PELABURAN

### Tugas dan Tanggungjawab Utama Lembaga dan Panel Pelaburan

Lembaga KWSP memikul beberapa tanggungjawab utama seperti mengawal selia pelaksanaan dasar berkaitan dengan operasi KWSP, mengenal pasti bidang risiko penting dan mengambil langkah-langkah yang sewajarnya untuk mengurus risiko-risiko itu dan dalam masa yang sama mengkaji kecukupan dan integriti sistem kawalan dalaman. Selain daripada Lembaga, Akta KWSP 1991 juga memperuntukkan penubuhan Panel Pelaburan yang bertanggungjawab terhadap hala tuju strategik dan perkara-perkara berkenaan dengan pelaburan KWSP. Ia juga menentu dan meluluskan aktiviti-aktiviti pelaburan KWSP selaras dengan garis panduan pelaburan serta dasar mengenai kawalan risiko dan alokasi aset.

### Pelantikan Lembaga dan Panel Pelaburan

Ahli-ahli Lembaga dan Panel Pelaburan serta Ketua Pegawai Eksekutif (KPE) dilantik oleh Menteri Kewangan. Menteri Kewangan hanya melantik individu-individu yang mempunyai rekod prestasi yang terbukti dalam integriti, kebolehan dan kebolehpercayaan untuk memastikan mereka melaksanakan tanggungjawab dengan berkesan. Pelantikan adalah untuk tempoh tidak melebihi tiga (3) tahun dan Menteri Kewangan akan mengkaji prestasi dan keberkesanan setiap Ahli Lembaga dan Panel Pelaburan secara individu.

### Komposisi Lembaga dan Panel Pelaburan

Akta KWSP 1991 memperuntukkan bahawa keahlian Lembaga hendaklah tidak melebihi 20 orang termasuk Pengerusi dan KPE. Dalam tahun 2010, Lembaga KWSP mempunyai 17 orang Ahli Lembaga termasuk Pengerusi dan KPE. Kesemuanya tidak mempunyai kuasa eksekutif kecuali KPE sebagai Ahli Ex-Officio. Selain daripada Pengerusi dan KPE, komposisi Lembaga adalah terdiri daripada wakil di kalangan pemegang berkepentingan KWSP, iaitu lima Ahli Lembaga mewakili Kerajaan, tiga Ahli Lembaga mewakili majikan, empat Ahli Lembaga mewakili pekerja dan tiga Ahli Lembaga profesional dari pelbagai latar belakang.

Panel Pelaburan, yang diterajui oleh Pengerusi Lembaga KWSP, terdiri daripada tujuh Ahli Panel dan mempunyai wakil daripada Bank Negara, Kementerian Kewangan, serta tiga pakar kewangan bebas dan KPE adalah Ahli Ex-Officio.

Ahli-ahli Lembaga KWSP serta Panel Pelaburan mempunyai pengalaman luas dalam pelbagai bidang, memberikan keupayaan yang kukuh dalam melaksanakan tanggungjawab mereka dengan berkesan.

## THE BOARD AND INVESTMENT PANEL

### Main Duties and Responsibilities of the Board and Investment Panel

*The Board assumes a number of specific responsibilities such as overseeing the implementation of policies related to the operations of the EPF, identifying key risks areas and taking appropriate steps to manage these risks, as well as reviewing the adequacy and integrity of the internal control systems. Apart from the Board, the EPF Act 1991 also provides for the establishment of an Investment Panel to provide strategic direction on investment matters. It determines and approves the investment activities in line with the guidelines, policies on risk control and asset allocation.*

### Appointment to the Board and Investment Panel and CEO

*Members of the Board and the Investment Panel as well as the CEO are appointed by the Minister of Finance. The Minister of Finance appoints only those who have proven track records of integrity, ability and reliability to undertake their obligations effectively. The appointments are for a period of not more than three years and the Minister of Finance will review the performance and effectiveness of individuals of Board and Panel Members.*

### Composition of the Board and Investment Panel

*The EPF Act 1991 dictates that the Board's membership should not be more than 20 persons, inclusive of the Chairman and CEO. In 2010, there are 17 Board members which includes the Chairman and the CEO, all with non-executive powers except the CEO as the ex-officio member. Besides the Chairman and the CEO, the Board's composition includes representatives from various stakeholders, consists of five members representing the Government, three members representing employers, four members representing the employees and three professional members from various backgrounds.*

*The Investment Panel, headed by the Chairman of the EPF Board, consists of seven members and has representatives from Bank Negara, the Ministry of Finance, and three professional members. The CEO is the ex-officio member.*

*The EPF's members of the Board together with the Investment Panel are from a wide spectrum of experience in providing competence and strength in discharging their duties effectively.*

## PERNYATAAN TADBIR URUS KORPORAT STATEMENT ON CORPORATE GOVERNANCE



### Pengerusi dan Ketua Pegawai Eksekutif

Jawatan Pengerusi dan KPE KWSP dipegang oleh dua individu yang berlainan. Pengasingan fungsi dan tanggungjawab adalah bagi memastikan keseimbangan kuasa dan autoriti, supaya tidak berlaku penumpuan kuasa pada seseorang individu. Lembaga, yang diketuai oleh Pengerusi adalah bertanggungjawab untuk memimpin dan mengawal organisasi, manakala KPE dan Pengurusan Tertinggi adalah bertanggungjawab terhadap operasi harian KWSP.

### Jawatankuasa Lembaga/Panel Pelaburan

Untuk memastikan pelaksanaan tugas dengan berkesan, Lembaga dan Panel Pelaburan telah menubuhkan Jawatankuasa Lembaga/Panel Pelaburan untuk mengawal selia perkara-perkara spesifik berkaitan dengan operasi organisasi. Setiap jawatankuasa melaksanakan tanggungjawab mengikut terma rujukan yang telah ditetapkan. Antara bidang tugas utama Jawatankuasa Lembaga/Panel Pelaburan adalah seperti berikut:

- **Jawatankuasa Audit Lembaga**

Jawatankuasa Audit Lembaga bertanggungjawab membantu Lembaga dalam penilaian keberkesanan kawalan dalaman, pengurusan risiko (kecuali aktiviti pengurusan risiko dalam membuat keputusan pelaburan) dan proses tadbir urus KWSP. Selain itu, Jawatankuasa ini turut mengawasi proses

### Chairman and Chief Executive Officer

*The positions of EPF's Chairman and the CEO are held by two different persons. The functions and the division of responsibilities were separated to ensure balance of power and authority so that there will be no concentration of power in one person. While the Board headed by the Chairman assumes the overall responsibility to lead and control the Board, the day-to-day operations are the responsibility of the CEO and Senior Management.*

### Board/Investment Panel Committees

*To ensure the effective discharge of its duties, the Board and Investment Panel have formed various Board/Investment Panel Committees to oversee specific matters pertaining to the operation of the organisation. Each committee operates within clearly defined terms of reference. The terms of reference of the main committees are set out as follows:*

- **Board Audit Committee**

*The Board Audit Committee assists the Board in evaluating the effectiveness of the internal controls, risk management (except risk management activities in making investment decisions) and governance processes of EPF. The Committee oversees the financial reporting process and the quality of the*

pelaporan kewangan serta kualiti laporan kewangan tahunan dan suku tahunan KWSP. Ia juga mempertimbangkan kesesuaian polisi perakaunan KWSP dan perubahan-perubahan kepada polisi ini.

Jawatankuasa ini terdiri daripada enam orang ahli termasuk Pengerusi dan sebanyak tujuh mesyuarat telah diadakan dalam tahun 2010 bagi membincangkan laporan juruaudit dalam dan juruaudit luar, serta mengawasi perkara-perkara berkaitan fungsi audit dalam dan pelan audit untuk tahun semasa. Jawatankuasa ini mempunyai akses sepenuhnya ke atas kedua-dua pihak iaitu juruaudit dalam dan juruaudit luar. Kedua-dua pihak juruaudit dalam dan juruaudit luar juga mempunyai akses secara langsung kepada pengerusi jawatankuasa pada setiap masa. Jawatankuasa Audit Lembaga mempunyai hubungan profesional dan rasmi dengan juruaudit luar dan telah mengadakan dua mesyuarat bersama juruaudit luar pada tahun 2010 tanpa kehadiran pihak pengurusan.

- **Jawatankuasa Pengurusan Risiko Lembaga**

Jawatankuasa Pengurusan Risiko Lembaga bertanggungjawab membantu Lembaga mengawasi semua aktiviti pengurusan risiko operasi, mengkaji semula risiko utama yang wujud dalam organisasi dan sistem kawalan dalaman untuk menguruskannya, dan melaporkan hasil penemuan risiko kepada Lembaga. Jawatankuasa ini terdiri daripada enam orang ahli termasuk Pengerusi dan sebanyak empat mesyuarat telah diadakan dalam tahun 2010.

- **Jawatankuasa Kewangan dan Pembangunan**

Jawatankuasa Kewangan dan Pembangunan bertanggungjawab meneliti dan mengawal perbelanjaan KWSP. Jawatankuasa ini juga memperakukan belanjawan tahunan kepada Lembaga selain perkara-perkara seperti pelupusan harta tak alih KWSP serta perkara berkaitan kewangan seperti pembukaan akaun bank utama dan kawalan perbelanjaan. Jawatankuasa ini terdiri daripada enam orang ahli termasuk Pengerusi dan sebanyak lima mesyuarat telah diadakan dalam tahun 2010.

- **Jawatankuasa Risiko Panel Pelaburan**

Jawatankuasa Risiko Panel Pelaburan bertanggungjawab mengawasi risiko pelaburan, termasuk memperakukan cadangan tahap risiko agregat untuk kelulusan Panel Pelaburan, meluluskan polisi pengurusan dan had risiko, mengkaji semula pendedahan risiko dan memberikan panduan berkaitan amalan pengurusan risiko dalam lingkungan fungsi pelaburan. Jawatankuasa ini terdiri daripada empat ahli termasuk Pengerusi dan sebanyak empat mesyuarat telah diadakan dalam tahun 2010.

*financial reporting of the EPF's annual and interim financial statements. It also reviews the appropriateness of the EPF's accounting policies and the changes to these policies.*

*The Committee consist of six members (including the Chairman) held seven meetings in 2010 to deliberate the reports of the internal and external auditors review matters including the internal audit function as well as the audit plan for the year. The Committee had full access to both the internal and external auditors who, in turn, have access at all times to the Chairman of the Committee. The Board Audit Committee maintains a formal and professional relationship with the external auditors and convened two meetings with the external auditors in year 2010 without the presence of Management.*

- **Board Risk Management Committee**

*The Board Risk Management Committee is responsible for assisting the Board to oversee all operational risk management activities, reviewing the key risks inherent in the organisation and the system of internal control to manage them, and reporting its findings to the Board. The Committee consisting of six members including the Chairman and there were four meetings held in 2010.*

- **Finance and Development Committee**

*The Finance and Development Committee is responsible to review and control EPF's expenditure. The Committee also recommends yearly budget to the Board besides disposal of EPF's immovable assets as well as other financial matters such as the opening of the main bank account and budget controls. The Committee consist of six members including the Chairman and there were five meetings held in 2010.*

- **Investment Panel Risk Committee**

*The Investment Panel Risk Committee is responsible for investment risk oversight, which includes recommending the aggregate risk appetite for Investment Panel sign-off, approving risk management policies and limits, reviewing risk exposure and providing direction in relation to risk management practices within the investment function. There are four members including the Chairman and four meetings were held in 2010.*



**Mesyuarat Lembaga dan Panel Pelaburan**

Sejumlah 10 mesyuarat Lembaga (empat daripadanya adalah Mesyuarat Khas) dan 18 mesyuarat Panel Pelaburan (tiga daripadanya adalah Mesyuarat Khas) telah diadakan pada tahun 2010. Butir-butir kehadiran ahli adalah seperti berikut:

**The Board and Investment Panel Meetings**

A total of 10 Board (including four Special Board) and 18 Investment Panel (including three Special Investment Panel) meetings were held in 2010. The details of members' attendance at meetings are as follows:

**MESYUARAT LEMBAGA/BOARD MEETINGS**

<b>NAMA/NAME</b>	<b>KEHADIRAN/ATTENDANCE</b>
1. Tan Sri Samsudin Osman (Pengerusi/Chairman)	10/10
<b>WAKIL KERAJAAN/GOVERNMENT REPRESENTATIVES</b>	
2. Datuk Latifah Datuk Abu Mansur (Naib Pengerusi/Vice Chairman) Datuk Nozirah Bahari (Ahli Silih Ganti/Alternate Member)	3/10
3. Dato' Sri Abu Bakar Bin Hj Abdullah (mulai Julai 2010/from July 2010) Tan Sri Ismail Adam (sehingga Julai 2010/until July 2010) Datuk Ab. Khalil Ab. Hamid (Ahli Silih Ganti/Alternate Member)	6/10
4. Dato' Segarajah Ratnalingam Encik Mohd Sahar Darusman (Ahli Silih Ganti/Alternate Member)	9/10
5. Datuk Hj Sukarti Wakiman Datuk Hj Nordin Siman (Ahli Silih Ganti/Alternate Member)	8/10
6. Datuk Hj Mohamad Morshidi Abdul Ghani Datu Abdul Ghafur Shariff (Ahli Silih Ganti/Alternate Member)	10/10
<b>WAKIL MAJIKAN/EMPLOYERS REPRESENTATIVES</b>	
7. Dato' Azman Shah Haron	10/10
8. Tan Sri Mustafa Mansur	9/10
9. Encik Mohd Hasnol Ayub	6/10
<b>WAKIL PEKERJA/EMPLOYEES REPRESENTATIVES</b>	
10. Tuan Syed Shahir Syed Mohamud	9/10
11. Encik Andrew Lo Kian Nyan	8/10
12. Encik Ahmad Shah Mohd Zin	5/10
13. Cik Chin Yung Chiew @ Rebecca	10/10
<b>PROFESIONAL/PROFESSIONALS</b>	
14. Tan Sri Lee Lam Thye	8/10
15. Datuk Dr. Hussein Awang	10/10
16. Encik Halim Hj Din	7/10
<b>EX-OFFICIO</b>	
17. Tan Sri Azlan Zainol	10/10

## MESYUARAT PANEL PELABURAN / INVESTMENT PANEL MEETINGS

NAMA/NAME	KEHADIRAN/ATTENDANCE
1. Tan Sri Samsudin Osman (Pengerusi/Chairman)	16/18
2. Datuk Latifah Datuk Abu Mansor	12/18
3. Puan Nor Shamsiah Mohd Yunus	12/18
4. Dato' Sri Mohamed Nazir Abdul Razak	11/17
5. Dato' Mohammed Azlan Hashim	13/17
6. Encik David Lau Nai Pek	13/18
7. Tan Sri Azlan Zainol (Ex-Officio)	18/18

## HONORARIUM DAN ELAUN KEHADIRAN AHLI LEMBAGA DAN PANEL PELABURAN/ HONORARIUM AND ATTENDANCE ALLOWANCE OF BOARD AND INVESTMENT PANEL MEMBERS

### JENIS ELAUN/TYPES OF ALLOWANCES

ELAUN/ ALLOWANCE (RM)	LEMBAGA/ BOARD	PANEL PELABURAN/ INVESTMENT PANEL	LEMBAGA/PANEL PELABURAN/ JAWATANKUASA AUDIT LEMBAGA/ JAWATANKUASA PENGURUSAN RISIKO LEMBAGA/JAWATANKUASA RISIKO PANEL PELABURAN/ BOARD/INVESTMENT PANEL/ BOARD AUDIT COMMITTEE/BOARD RISK MANAGEMENT COMMITTEE/ INVESTMENT PANEL RISK COMMITTEE	JAWATANKUASA LEMBAGA LAIN/ OTHER BOARD'S COMMITTEES
Honorarium (sebulan/per month)	2,000	2,000		
Pengerusi Mesyuarat/ Chairman of Meeting			1,000	1,000
Kehadiran Mesyuarat (termasuk Ahli Silih Ganti)/ Meeting Attendance (including Alternate Members)			1,000	800

Pada tahun 2010, jumlah bayaran honorarium dan elaun Ahli Lembaga dan Ahli Panel Pelaburan adalah masing-masing sebanyak RM480,000 dan RM437,800.

For the year 2010, the total honorarium and allowances paid to the Board and Investment Panel members were RM480,000 and RM437,800 respectively.

**EMOLUMEN PENGURUSAN KANAN/EMOLUMENT OF TOP MANAGEMENT**



JAWATAN/POSITION	EMOLUMEN/EMOLUMENT (RM)
Ketua Pegawai Eksekutif/Timbalan Ketua Pegawai Eksekutif (Operasi)/Timbalan Ketua Pegawai Eksekutif (Polisi & Perancangan Korporat)/Timbalan Ketua Pegawai Eksekutif (Kewangan & Khidmat Pelanggan)/Timbalan Ketua Pegawai Eksekutif (Pelaburan) <i>Chief Executive Officer/Deputy Chief Executive Officer (Operations)/Deputy Chief Executive Officer (Policy &amp; Corporate Planning)/Deputy Chief Executive Officer (Finance &amp; Customer Care)/Deputy Chief Executive Officer (Investment)</i>	3,732,802

**KOMUNIKASI DENGAN PEMEGANG BERKEPENTINGAN**

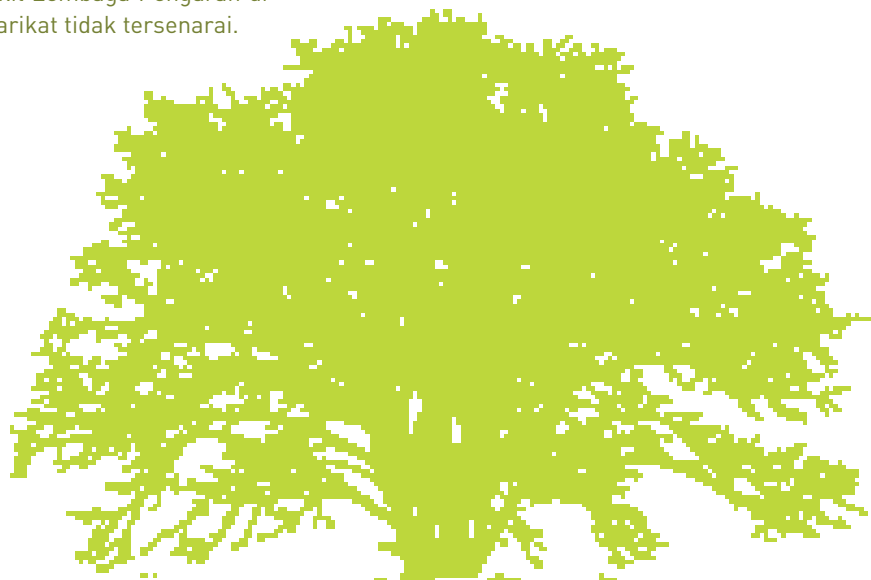
Lembaga mengakui ia perlu bersikap telus kepada pemegang berkepentingannya, khususnya ahli KWSP. Semua perubahan utama dan maklumat penting seperti tanggungan untuk mencarum, pengeluaran dan manfaat, prosedur, saluran penyampaian perkhidmatan baru dan perkara-perkara lain berkaitan sentiasa dimaklumkan kepada ahli dari semasa ke semasa. Dalam tahun semasa, KWSP telah mengadakan 10 mesyuarat/seminar dengan pelbagai pemegang berkepentingan. Ini termasuk, antara lain, Kongres Kesatuan Sekerja Malaysia (Malaysian Trade Unions Congress, MTUC), Persatuan Perancangan Kewangan Malaysia (Financial Planning Association of Malaysia, FPAM) dan Persatuan Pengguna Islam Malaysia.

Selain daripada itu, KWSP secara berterusan mengadakan sesi dialog dengan syarikat-syarikat yang mana KWSP melabur. Dalam tahun 2010, KWSP telah mengadakan sesi lawatan ke 28 syarikat-syarikat tempatan. KWSP juga telah menghadiri serta mengundi secara aktif dalam 106 Mesyuarat Agung Tahunan dan 51 Mesyuarat Agung Luar Biasa syarikat di mana KWSP melabur. Memandangkan KWSP bergiat aktif dalam mengawal selia pelaburannya, KWSP telah melantik wakilnya dalam Lembaga Pengarah syarikat tersenarai dan tidak tersenarai. Setakat 31 Disember 2010, KWSP mempunyai wakil Lembaga Pengarah di dalam 10 syarikat tersenarai dan 17 syarikat tidak tersenarai.

**COMMUNICATION WITH STAKEHOLDERS**

*The Board acknowledges the need to be transparent to its stakeholders, particularly the EPF's members. All major changes and material information such as changes in liability to contribute, withdrawals and benefits, procedures, new service delivery channels and other related matters are communicated to its members on a regular basis. During the year under review, the EPF conducted 10 meetings/dialogues with various stakeholders, which included, among others, the Malaysian Trade Unions Congress (MTUC), Financial Planning Association of Malaysia (FPAM) and Persatuan Pengguna Islam Malaysia.*

*Apart from this, the EPF continues to hold dialogues with its investee companies. In 2010, the EPF visited 28 local companies. The EPF also attended and voted actively in 106 AGMs and 51 EGMs of its investee companies. As EPF becomes more active in overseeing its investments, the organisation has appointed its nominees on Boards of listed and unlisted companies. As at 31 December 2010, EPF has nominees in 10 listed companies and 17 unlisted companies.*



## PERNYATAAN KAWALAN DALAMAN STATEMENT ON INTERNAL CONTROL

“ Sistem kawalan dalaman tersebut dirangka untuk mengurus risiko dan bukan untuk menghapus semua risiko tidak mencapai dasar, matlamat dan objektif organisasi.

*The system of internal controls is designed to manage rather than to eliminate all risk of failure in achieving the organisation's policies, aims and objectives.*

### TANGGUNGJAWAB

Lembaga mengakui bahawa ia bertanggungjawab ke atas sistem kawalan dalaman dan rangka kerja pengurusan risiko operasi KWSP. Sistem kawalan dalaman tersebut dirangka untuk mengurus risiko dan bukan untuk menghapus semua risiko tidak mencapai dasar, matlamat dan objektif organisasi. Justeru, sistem kawalan dalaman hanya dapat memberikan jaminan keberkesanan yang munasabah dan bukan secara mutlak.

### CIRI-CIRI UTAMA KAWALAN DALAMAN

Ciri-ciri utama kawalan dalaman yang sedia ada di KWSP adalah:

- Terma rujukan yang ditakrif dengan jelas, menggariskan peranan dan tanggungjawab semua jawatankuasa Lembaga dan Panel Pelaburan.
- Sebuah struktur organisasi yang mempunyai panduan yang jelas mengenai kebertanggungjawaban, penurunan kuasa dan tanggungjawab di semua peringkat urusan bisnes organisasi. Pengurusan juga tertakluk kepada garis panduan polisi dan had penurunan kuasa dalam melaksanakan operasi harian termasuk aktiviti pelaburan.
- Mesyuarat jawatankuasa pengurusan diadakan dari semasa ke semasa untuk mengenal pasti, membincang dan menyelesaikan isu-isu utama pengurusan, operasi, kewangan dan pelaburan. Lembaga dan Panel Pelaburan menerima dan mengkaji laporan daripada pengurusan dari semasa ke semasa. Terma rujukan Lembaga dan Panel Pelaburan, serta jawatankuasa masing-masing bagi tahun ini dinyatakan dalam Penyata Tadbir Urus Korporat.

### RESPONSIBILITY

*The Board acknowledges that it is responsible for the EPF's system of internal controls and operational risk management framework. The system of internal controls is designed to manage rather than to eliminate all risk of failure in achieving the organisation's policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness.*

### KEY ELEMENTS OF INTERNAL CONTROL

*The key elements of internal controls in place in the EPF are as follows:*

- *Terms of reference that clearly define stating the roles and responsibilities of all committees of the Board and the Investment Panel.*
- *Organisational structure with clearly defined lines of accountability, delegation of responsibility and levels of authorisation for all aspects of the business. There are policy guidelines and delegated authority limits imposed on the Management with regard to day-to-day operations including investments activities.*
- *Management committee meetings held on a regular basis to identify, discuss and resolve operational, financial, investment and key management issues. The Board and the Investment Panel receive and review reports from the management on a regular basis. The terms of reference of the Board and the Investment Panel and their respective committees for the year are noted in the Statement on Corporate Governance.*

- Pelan bisnes dan belanjawan tahunan disediakan oleh unit-unit operasi, dikaji semula oleh jawatankuasa pengurusan yang berkaitan dan diluluskan oleh Lembaga. KWSP mempunyai proses perancangan pelan bisnes dan belanjawan tahunan terperinci dan rasmi yang mengambil kira objektif jangka pendek dan jangka sederhana organisasi.
- KWSP mempunyai garis panduan yang teratur mengenai pengambilan dan pemecatan kakitangan, program latihan kakitangan, penilaian prestasi tahunan dan prosedur-prosedur lain yang berkaitan bagi memastikan kakitangan berdaya saing dan dilatih secukupnya untuk menjalankan tanggungjawab mereka.
- Dasar dan prosedur yang didokumentasi bagi memastikan pematuhan terhadap kawalan dalaman seperti pengasingan tugas, proses penyemakan dan pengesahan secara bebas serta kawalan capaian sistem, yang mana kesemuanya dikemaskini dari semasa ke semasa.
- Sebuah fungsi audit dalam yang menyediakan penilaian bebas terhadap kecukupan dan kewibawaan sistem kawalan dalaman. Ini dicapai melalui kajian semula aktiviti bisnes utama KWSP berdasarkan pelan audit tahunan yang diluluskan oleh Jawatankuasa Audit Lembaga.
- Pelan pengurusan kawalan fraud bersepadu untuk mencegah dan mengesan fraud telah diwujudkan termasuk polisi Anti-Fraud dan Pendedahan Maklumat.
- Dasar Keselamatan ICT yang didokumen, menggariskan dasar dan prosedur yang perlu untuk memastikan kerahsiaan, kewibawaan dan ketersediaan maklumat, data dan aplikasi di dalam organisasi.
- Fungsi pengurusan risiko operasi ('ORM') yang membantu Pengurusan dan pemilik risiko mengenal pasti, menilai dan mengkaji semula risiko-risiko penting serta menilai kecukupan kawalan dalaman untuk mengatasi risiko tersebut. Fungsi ORM turut membantu Jawatankuasa Pengurusan Risiko Lembaga mengawasi aktiviti pengurusan risiko KWSP. Pemilik risiko dan kawalan turut memberikan pengesahan digital berhubung dengan keberkesanan risiko dan kawalan milik mereka.
- Rancangan Kesenambungan Perniagaan ('BCP') diwujudkan bagi memastikan kesinambungan bisnes jika berlaku gangguan yang ketara atau bencana.
- Semua proses teras KWSP adalah berlandaskan kepada piawaian MS ISO 9001.
- *Annual business plans and annual budgets are prepared by the operating units, reviewed by the relevant management committees and approved by the Board. There is a detailed and formalised annual business and budget planning process in place that looks at both the immediate and medium-term objectives of the organisation.*
- *Proper guidelines within the organisation for hiring and termination of staff, staff training programmes, annual performance appraisals and other relevant procedures to ensure that staff are competent and adequately trained in carrying out their responsibilities.*
- *Documented policies and procedures to ensure compliance with internal controls such as segregation of duties, independent checks and verification processes, system access controls are updated from time to time.*
- *An internal audit function that provides an independent assessment on the adequacy and integrity of the system of internal controls. This is achieved through the review of key activities of EPF businesses based on the annual internal audit plan as approved by the Board Audit Committee.*
- *An integrated fraud control management plan to prevent and detect fraud including Anti-Fraud and Whistleblowing policies.*
- *A documented ICT Security Policy, which outlines the necessary policies and procedures to ensure confidentiality, integrity and availability of information, data and application within the organisation.*
- *An operational risk management ('ORM') function that facilitates the Management and risk owners to identify assess and review significant risks as well as assess the adequacy of internal controls to mitigate it. The ORM function also supports the Board Risk Management Committee in overseeing risk management activities of the EPF. Risks and controls owners also provide digital assurance on the effective management of risks and controls under their ownership.*
- *Business Continuity Plans ('BCP') to ensure business continuity in case of significant upheavals or disaster.*
- *All EPF core processes are in compliance with MS ISO 9001 standard.*

## PEMBANGUNAN MASA DEPAN

KWSP telah melaksanakan Polisi dan Prosedur *Chinese Wall* bagi meningkatkan lagi kawalan dalaman berkaitan pengendalian, penggunaan dan pemeliharaan maklumat sensitif harga untuk mengelakkan sebarang potensi percanggahan kepentingan dalam KWSP.

Polisi ini telah dilaksanakan pada Januari 2011.

## KESIMPULAN

Lembaga berpandangan bahawa sistem kawalan dalaman KWSP adalah mantap dan mencukupi untuk melindungi kepentingan ahli. Kajian semula oleh Lembaga terhadap keberkesanan sistem kawalan dalaman disokong oleh:

- Jawatankuasa Pengurusan Risiko Lembaga yang bermesyuarat sekurang-kurangnya empat kali setahun untuk mengawasi aktiviti pengurusan risiko KWSP;
- Jawatankuasa Audit Lembaga yang bermesyuarat sekurang-kurangnya empat kali setahun dan mengkaji semula penemuan dan cadangan yang dikemukakan oleh juruaudit dalaman dan Pejabat Ketua Audit Negara; dan
- Pejabat Ketua Audit Negara yang memberi sijil audit tahunan kepada akaun kewangan dan laporan pengurusan.

Pernyataan ini disediakan selaras dengan resolusi ahli Lembaga bertarikh 28 Februari 2011.

## FUTURE DEVELOPMENT

*The EPF has established the Chinese Wall Policy and Procedures to further enhance the internal control in relation to the treatment, use and protection of price sensitive information in order to avoid any potential conflict of interest within the EPF.*

*This policy has been implemented in January 2011.*

## CONCLUSION

*The Board is of the opinion that the system of internal controls in place within the EPF is sound and sufficient to safeguard the interests of members. The Board's review of the effectiveness of the system of internal controls is supported by:*

- *The Board Risk Management Committee which meets at a minimum of four times a year to oversee risk management activities of EPF;*
- *The Board Audit Committee which meets at a minimum of four times a year and reviews the findings and recommendations of the internal auditor and the Auditor General's Office; and*
- *The Auditor General's Office, which gives the annual audit certificate on the financial statements of EPF.*

*This statement is made in accordance with the resolution of the members of the Board dated 28 February 2011.*



## PERNYATAAN PENGURUSAN RISIKO PELABURAN STATEMENT ON INVESTMENT RISK MANAGEMENT



Panel Pelaburan bertanggungjawab terhadap perkara-perkara berkaitan pelaburan KWSP dan menggalas tanggungjawab terhadap rangka kerja pengurusan risiko pelaburan.

*The Investment Panel is responsible for matters pertaining to the investments of the Fund and it acknowledges responsibility for the investment risk management framework.*



### TANGGUNGJAWAB

Berdasarkan Akta Kumpulan Wang Simpanan Pekerja 1991, Panel Pelaburan bertanggungjawab terhadap perkara-perkara berkaitan pelaburan KWSP dan menggalas tanggungjawab terhadap rangka kerja pengurusan risiko pelaburan. Rangka kerja ini diwujudkan untuk mengurus dan bukannya menghapuskan risiko salah nyata atau kerugian dalam melaksanakan dasar, matlamat dan objektif pelaburan organisasi. Justeru itu, ia hanya boleh memberi jaminan keberkesanan yang munasabah dan bukan secara mutlak.

### RANGKA KERJA PENGURUSAN RISIKO PELABURAN

KWSP telah menyediakan rangka kerja pengurusan risiko pelaburan yang meliputi struktur tadbir urus, pelbagai polisi dan proses, alokasi modal dan pengukuran. Rangka kerja ini sentiasa dikaji semula sebagai sebahagian daripada usaha berterusan untuk meningkatkan lagi pengurusan risiko di KWSP.

### STRUKTUR PENGURUSAN RISIKO

- Panel Pelaburan, melalui Jawatankuasa Risiko Panel Pelaburan, bertanggungjawab untuk mengawasi pengurusan risiko berkaitan dengan keputusan pelaburan yang dibuat oleh KWSP;
- Jawatankuasa Risiko Pengurusan, yang dipengerusikan oleh Ketua Pegawai Eksekutif, bertanggungjawab untuk memantau dan mengkaji semula aktiviti-aktiviti pengurusan risiko dan membantu Jawatankuasa Risiko Panel Pelaburan; dan
- Jabatan Pengurusan Risiko membantu Pengurusan dan Jawatankuasa Risiko Panel Pelaburan dengan menyediakan ukuran, pemantauan dan pelaporan secara bebas bagi pendedahan risiko pelaburan KWSP.

### RESPONSIBILITY

*In accordance with the Employees Provident Fund Act 1991, the Investment Panel is responsible for matters pertaining to the investments of the Fund and it acknowledges responsibility for the investment risk management framework. The framework is designed to mitigate rather than to eliminate the risk of misstatement or loss in carrying out the organisation's investment policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness.*

### INVESTMENT RISK MANAGEMENT FRAMEWORK

*The EPF has put in place an investment risk management framework covering governance structure, policies and processes, capital allocation and measurement. The framework is regularly reviewed as part of the continuous effort to enhance risk management in EPF.*

### RISK MANAGEMENT STRUCTURE

- *The Investment Panel through Investment Panel Risk Committee is responsible for overseeing risk management pertaining to EPF's investment decisions making;*
- *The Management Risk Committee, chaired by the Chief Executive Officer, is responsible for monitoring and reviewing risk management activities and supporting the Investment Panel Risk Committee; and*
- *The Risk Management Department supports the Management and the Investment Panel Risk Committee by providing independent measurement, monitoring and reporting of EPF's investment risk exposures.*

## KAWALAN RISIKO

Pernyataan Tahap Risiko yang diluluskan oleh Panel Pelaburan menggariskan secara umum tahap risiko yang boleh diterima oleh KWSP dan menjadi asas kepada alokasi dana untuk pelaburan. Kajian semula terhadap alokasi aset sentiasa dilaksanakan untuk memastikan bahawa dana yang dilaburkan adalah selaras dengan tahap risiko KWSP.

Jawatankuasa Risiko Panel Pelaburan telah menyediakan pelbagai dasar dan had untuk memastikan risiko-risiko dikawal bagi setiap kelas aset. Tambahan kepada dasar dan had tersebut, Sistem Risiko dan Atributasi Prestasi, Model Portfolio Kredit dan Penarafan Korporat, telah dilaksanakan dan dipertingkatkan secara berterusan untuk memastikan risiko diukur secara sistematik.

Panel Pelaburan, melalui Jawatankuasa Risiko Panel Pelaburan sentiasa mengkaji semula pengukuran risiko, alokasi modal, pelbagai polisi, proses dan had untuk memastikan keberkesanan yang berterusan.

## KESIMPULAN

Panel Pelaburan yakin bahawa amalan pengurusan risiko pelaburan di KWSP adalah kukuh dan memadai untuk melindungi pelaburan KWSP. Kajian semula Panel Pelaburan terhadap keberkesanan rangka kerja pengurusan risiko pelaburan ini dibantu oleh Jawatankuasa Risiko Panel Pelaburan yang bermesyuarat sekurang-kurangnya empat kali setahun dan mengkaji semula laporan risiko dan pematuhan daripada pihak pengurusan.

Pernyataan ini disediakan berdasarkan resolusi semua Ahli Panel Pelaburan bertarikh 08 Februari 2011.

## RISK CONTROLS

*The Risk Appetite Statements, as approved by the Investment Panel, broadly outline the level of risks that EPF is willing to tolerate and form the basis of funds allocation for investment. A review on asset allocation is regularly conducted to ensure funds are invested within EPF's risk appetite.*

*The Investment Panel Risk Committee has put in place various policies and limits to ensure risks are mitigated for each asset class. To complement the policies and limits, Risk and Performance Attribution Systems, Credit Portfolio Model and Corporate Rating are installed and continuously enhanced to ensure the risks are systematically measured.*

*The Investment Panel through the Investment Panel Risk Committee regularly reviews the risk measurement, capital allocation, policies, processes and limits to ensure their continued effectiveness.*

## CONCLUSION

*The Investment Panel is confident that the investment risk management practices in place within the EPF are sound and sufficient to safeguard the investments of the EPF. The Investment Panel's review of the effectiveness of the investment risk management framework is supported by the Investment Panel Risk Committee, which meets a minimum of four times a year and reviews risk and compliance reports from the management.*

*The statement is made in accordance with the resolution of the members of the Investment Panel dated 08 February 2011.*

