

FACTS AT A GLANCE FOR 2017





13,790,216 members*, of whom

7,110,517

are actively contributing



CONTRIBUTION TO
THE EPF BY

494,945

employers**



ANNUAL CONTRIBUTION OF

**RM65,523.86
million**

from employees and employers



TOTAL WITHDRAWALS IN 2017

**RM49,396.43
million**



TOTAL INVESTMENT ASSETS

8.26%

2017 : RM791,475.72 million
2016 : RM731,111.78 million



TOTAL GROSS INCOME

14.14%

2017 : RM53,139.68 million
2016 : RM46,557.22 million



SIMPANAN SHARIAH
DIVIDEND RATE

6.40%

DIVIDEND PAYOUT

**RM3.98
billion**



SIMPANAN KONVENSIONAL
DIVIDEND RATE

6.90%

DIVIDEND PAYOUT

**RM44.15
billion**



TOTAL DIVIDEND PAYOUT
FOR 2017

**RM48.13
billion**

FOR YOUR INFORMATION

WITHDRAWALS STATISTICS

Number of Acceptance

2,450,696

Number of Approval

2,324,706

TOTAL WITHDRAWALS

RM49.40 billion

Sources:

1. Executive Information System (EIS) for Number of Members and Employees
2. Business Intelligence for Total Withdrawals (Number of Acceptance and Number of Approval)

RECLASSIFICATION OF MEMBERS AND EMPLOYERS DATA

* Revision of the total number of members by excluding those with zero balance in their EPF account in order to conform to the current definition of a 'member' in the EPF Act.

** Revision of the total number of employers by excluding those with self-employed status, who were initially registered under the previous policy, as 'employer'.

CHAIRMAN'S STATEMENT

TAN SRI SAMSUDIN OSMAN

Chairman

2017 was a historical year for the EPF being the first year it started managing two retirement schemes i.e. Simpanan Konvensional and Simpanan Syariah. It was also the first time we announced the financial results and dividend for Simpanan Syariah.



RECORD DIVIDEND PAYOUT IN 2017

2017 has indeed been a good year for the Employees Provident Fund (EPF) as it closed the year with RM53.14 billion in total gross investment income, the highest in its history, with a gross return on investment (ROI) of 7.30 per cent.

There were significant improvements to our returns and asset performance in 2017, compared to the last several years. As a long-term investor, we have learned the importance of remaining disciplined in our investment philosophy. We focus on having the highest standards of governance to enable us to effectively mitigate risk and fulfil our strategic objectives. We have a well-diversified investment portfolio that is closely aligned with our Strategic Asset Allocation, which has enabled us to be effective in navigating the changing market conditions in order to arrive to a successful outcome.

Due to improved market conditions in 2017, we were able to generate RM53.14 billion in gross investment income as at 31 December 2017. We were also able to recognise a substantially lower net impairment of RM3.38 billion, compared to RM8.17 billion in 2016, which led to a higher percentage of the gross income being distributed as dividend.

CHAIRMAN'S STATEMENT



The EPF celebrated its 66th anniversary at its Headquarters on 30 October 2017.

I am also pleased to report the great strides we have made in our operational performance where we have significantly enhanced our operational capability and capacity. Withdrawals that once took three months now take three days, and our counter services have won numerous awards. Our online services, meanwhile, continue to record excellent growth. We have achieved close to 100 per cent adoption of e-Caruman for employers in submitting their employees' EPF contribution details online, as well as making online payments.

A HISTORICAL YEAR

2017 was a historical year for the EPF being the first year it started managing two retirement schemes i.e. Simpanan Konvensional and Simpanan Shariah. It was also the first time we announced the financial results and dividend for Simpanan Shariah.

As a "first-timer", the 6.40 per cent dividend rate for Simpanan Shariah was nothing less than outstanding, reaffirming the strength and health of EPF's shariah assets. It should come as good news for members who have opted to switch to Simpanan Shariah. The 6.90 per cent dividend rate for Simpanan Konvensional was the highest since 1997, and a very welcome

boon for members as it helped to enhance their retirement savings. The combined dividend payout of RM48.13 billion in 2017 was record-breaking as it was the highest dividend payout in EPF's history.

It is also noteworthy that there was a small difference between the dividend rates of Simpanan Konvensional's 6.90 per cent and Simpanan Shariah's 6.40 per cent, which indicates that both schemes are performing well. There will always be a deviation between the two schemes in the short term, but over the long run, we expect the returns to be comparable as both schemes share common investment objectives and strategies.

Aside from providing a shariah-compliant option to members, Simpanan Shariah has played a supporting yet catalytic role in the development of Islamic finance industry. Malaysia has seen dynamic progress at attracting global Islamic funds, along with sustainable and responsible investments. This is in line with the agenda of the Malaysian International Islamic Financial Centre (MIFC) to establish Malaysia as an international Islamic and shariah-compliant financial marketplace. I am gratified that the EPF is able to play a positive role in further boosting the Islamic finance industry with Simpanan Shariah.

2017

Investment Asset
RM791.48
Billion

Return On Investment
7.30
Per cent

Gross Investment Income
RM53.14
Billion

Total Dividend Payout
48.13
Billion

Simpanan Konvensional
Dividend
6.90
Per cent

Simpanan Shariah
Dividend
6.40
Per cent

CHAIRMAN'S STATEMENT

TECHNOLOGY – BACKBONE OF OPERATIONAL EXCELLENCE

The EPF has progressed significantly in its operations and service delivery in the past year. We continue to build on our solid foundation of operational excellence to drive growth and deliver more value for our people, members and employers.

We have focused our energy and dedicated resources towards implementing new technologies and initiatives to further enhance our systems and processes. As a result, we have seen distinct productivity growth coupled with significant reduction in turnaround time and less reliance on manual transactions.

As well as introducing improvements to our existing systems and processes, we began to advance our digital agenda, which involves the redesign of operational core processes that link activities, functions and information, to improve the quality of our services and timeliness.

We continue to invest in making our online channels simpler and accessible to all our members and employers. For example, members who wish to apply for withdrawals can submit their application online and check the status through e-Pengeluaran. This online facility is available through our flagship i-Akaun where members may also check other details pertaining to their EPF savings.

FUTURE OF WORK AND SOCIAL PROTECTION

Given the rapid shift in demographics and advancements in technology that challenge the way we communicate, work and collaborate, our understanding of what is work and retirement are likely to evolve in tandem. We can already see subtle changes happening in Malaysia where self-employment, freelancing jobs and online businesses, which make up the country's informal work sector, have grown steadily over the past few years and have contributed to the growth of the e-commerce industry. While this sector contributes greatly to the growth of the digital economy, the workers may not be contributing to their own retirement as they are not covered by any formal pension or retirement scheme.

With this issue specifically in mind, we organised the annual International Social Security Conference with the theme "Future of Work: Preparing for Tomorrow Today". The conference, jointly organised with BNY Mellon in October 2017, was successful in raising the interest and awareness level of key issues relating to the future of work.

More than 300 delegates from the Asia Pacific region participated in the conference and heard notable thought leaders and leading futurists, such as Magnus Lindkvist and Mike Walsh, speak about global readiness for the Fourth Industrial Revolution. Among the issues discussed and debated were advancements in automation and artificial intelligence,

which are drastically disrupting our way of life and may very well be cataclysm for jobs we know today becoming obsolete.

I am pleased to see that the conference has become a sought-after platform for the constructive exchange of ideas and crowd-sourcing of potential solutions that would enable the EPF, together with other relevant agencies, to ensure that Malaysia's social protection ecosystem stays relevant and aligned with the latest global trends and developments for the well-being of our members and the population as a whole.

To further enable greater understanding on the complexities of social protection, the EPF signed a partnership agreement with the International Training Centre of the International Labour Organisation (ITC-ILO) in August 2017. This will pave the way for the joint development and implementation of future training activities between the EPF and ITC-ILO for the Southeast Asian region. The EPF already has a world-class learning infrastructure at the EPF Learning Campus in Bangi. The EPF plans to leverage on more such collaborations in the future, to address the needs of an ageing society in Malaysia, as well as the social security challenges presented by the rising gig economy while helping put Malaysia on the map as a regional centre of excellence for social protection.

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CHAIRMAN'S STATEMENT

ENGAGING THE INFORMAL SECTOR ON RETIREMENT AND FINANCIAL LITERACY

Out of the 22 million of Malaysia's working population, nearly 15 million are EPF members, of which 6.8 million are active EPF contributors. Another 1.7 million are covered by the public pension system. The remaining 13.7 million, comprising the self-employed or freelancers, however, are not covered by any formal social protection programme.

There are other challenges facing Malaysians when it comes to preparing for retirement. Income inadequacy post-retirement has become a national issue and will continue to cause anxiety to the population, particularly to those in the B40 (bottom 40 per cent income level) and the M40 (middle 40 per cent income level) groups. To encourage the informal employment sector, which comprise primarily those in the B40 and M40, to save for their retirement, we stepped up efforts to promote the 1Malaysia Retirement Scheme (SP1M) so that those eligible could take advantage of the Government's increased contribution from the earlier 10 per cent to 15 per cent¹.

We are happy that Uber Malaysia shares our concern and has agreed to join us to help promote SP1M. In October 2017, the EPF and Uber Malaysia signed a Memorandum of Understanding (MoU) to help Uber driver-partners plan for their retirement using SP1M. I truly hope that this MoU signing will encourage more participants from the informal work sector to follow suit and make SP1M part of their retirement plan.

¹ Subject to a maximum of RM250 per person per year and valid over the next five-year period from 2018 to 2022



The EPF and UBER Malaysia signed an Memorandum of Understanding on 19 October 2017.

MORE PRODUCTS AND SERVICES

As Malaysia's premier retirement fund, the EPF continuously strives to ensure that members' savings are sufficient to meet their basic retirement needs. We also took into account various socio-economic factors which have changed and shaped members' expectations. Therefore, in December 2017, the EPF announced new products and services for its members' benefit which came into effect on 1 January 2018.

One new product was the option to appoint Amanah Raya Berhad (ARB) as administrator/trustee. This announcement was met with much positive feedback from members who prefer to appoint ARB as an independent nominee/administrator to help facilitate impartial and equitable distribution of EPF savings upon their demise.

Among the enhanced and improved services introduced was the simplification of flexible withdrawals for post-retirement needs. This new service now enables retired members to withdraw any amount, any time to suit their living expenses and needs. Using this facility will help them to better manage their retirement savings, while the balance will continue to enjoy the compounding benefit from EPF's yearly dividends until Age 100.

CODE OF TRUST

In January 2017, the EPF signed the Malaysian Code for Institutional Investors. This industry-driven Code, which aims to promote effective stewardship, consists of six principles – Disclosing Policies on Stewardship; Monitoring Investee Companies; Engaging Investee Companies; Managing Conflict of Interest; Incorporating Sustainability Considerations; and Publishing Voting Policy.

CHAIRMAN'S STATEMENT

I am pleased to say that the EPF has already taken measures to fully embrace and adopt all six principles under the Code since its launch in 2014. Being a signatory to the Code further reinforces our commitment as a responsible investor in ensuring high levels of accountability and transparency, while promoting good corporate governance and best practices among our investee companies.

Trust and confidence in our ability to safeguard and manage members' retirement savings underpin the EPF's success and what motivates us to continue to do better at what we do. As the guardian to the retirement savings of almost half of the country's working population, we understand and strive to allay members' concerns on the safety of their savings. Integrity is a key value for the EPF, and every single staff is required to do his/her part in ensuring that members' retirement savings are being expediently processed, prudently managed and invested in accordance to our mandate. After all, we too are contributors, with vested interests in ensuring the EPF's well-being and success.

A COMPELLING WORK ENVIRONMENT

The EPF celebrated its 66th anniversary in October 2017. We have witnessed many changes to the EPF over the past 66 years but ultimately, it is the people that makes the difference. Utmost priority has been given to developing and enhancing a tangible work culture and environment of teamwork, continuous development, customer focused and integrity. These four attributes, which form the pillars of our Corporate Values, are as strong, relevant and compelling as they are vibrant. I am very proud of the very talented and committed people here at the EPF, led by a highly capable leadership and management team.

Every effort has been made to develop a high performance culture among our 5,795-strong employees, which has included proactive knowledge-based and empowering programmes. In order to close the gap

between existing transactional skills and future skills of the digital age, we have provided for the retooling of employees with these new and necessary skill sets. Training budgets have been increased and key technical and soft skills enhancement courses have been introduced that are aligned to the vision and aspiration of the EPF, and future expectations of our members, stakeholders and our employees.

MAINTAINING STRENGTH AHEAD

The EPF has, thus far, persevered in the face of turbulent economic conditions throughout its 66-year history. Syukur Alhamdulillah, we have always emerged stronger and become ever more resilient, having learnt and adapted throughout.

We anticipate that 2018 will be an eventful year as Malaysia gears up for the upcoming 14th General Election. Political events will no doubt take centre stage, though they tend to have a short term effect on the markets. As a retirement fund, our focus will be for the long-term, driven by microeconomic factors. We remain committed to our long-term investment strategy, and will invest only in assets that are able to provide a steady and consistent stream of income.

Indeed, there is no shortcut to our success. At the heart of all our accomplishment is the combination of talent, perseverance, commitment and sheer hard work, while staying true to our mandate and role as guardian of members' retirement savings. We make sure that the awareness of the importance of trust and the espousal of trust-building behaviours, such as leading by example and adhering to commitments, are aligned across all levels within the EPF.

As Chairman, I am happy to share that the EPF operations and investment are well managed and governed by thoughtful, selfless and accomplished professionals who bring competence, integrity and character to the whole decision making process.

I would like to thank all our members and employers for their trust in the EPF and for their support of our initiatives. We will continue to engage and discourse with them on matters relating to social security and retirement planning, so we can work together in building a robust social protection framework for all Malaysians.

Finally, my sincere thanks and appreciation goes out to all EPF employees, past and present, for their dedication and steadfast professionalism throughout the years. I am also immensely grateful to our CEO and his management team, the Board and Investment Panel for their guidance, wisdom and support. With EPF's extraordinary heritage and strong business acumen, I am confident that we can further advance to achieve a better future for our members.

TAN SRI SAMSUDIN OSMAN

Chairman

CHIEF EXECUTIVE OFFICER'S STATEMENT

DATUK SHAHRIL RIDZA RIDZUAN

Chief Executive Officer

I am very pleased that we were able to declare the highest dividend rate since 1997 of 6.90 per cent for Simpanan Konvensional with a RM44.15 billion payout, and 6.40 per cent for Simpanan Shariah with a payout of RM3.98 billion. The EPF dividend rate is often used as a final arbiter of our performance by our members and this solid performance is a direct outcome of our strong investment strategy.

A REMARKABLE 2017 FOR INVESTMENT

Last year marked a number of firsts for the Employees Provident Fund (EPF). We ended the year with our highest ever gross investment income, at RM53.14 billion and a gross return on investment (ROI) of 7.30 per cent. It was also the first time we were managing two retirement schemes – Simpanan Konvensional and Simpanan Shariah – with two separate dividend rates, and the first financial results for Simpanan Shariah.

I am very pleased that we were able to declare the highest dividend rate since 1997 of 6.90 per cent for Simpanan Konvensional with a RM44.15 billion payout, and 6.40 per cent for Simpanan Shariah with a payout of RM3.98 billion. The EPF dividend rate is often used as a final arbiter of our performance by our members and this solid performance is a direct outcome of our strong investment strategy, based on our robust governance processes and stringent risk assessments when making investment decisions.



CHIEF EXECUTIVE OFFICER'S STATEMENT

Considering that this was the maiden investment result and dividend rate for Simpanan Shariah, the 6.40 per cent dividend declared was highly commendable. We attribute this to our asset allocation diversification strategy, which enabled a strong overall performance of our asset classes, based on the healthy year-on-year growth compared to 2016. This was reflected by a lower net impairment of RM3.38 billion, compared to RM8.17 billion in 2016.

The difference in returns between Simpanan Shariah and Simpanan Konvensional was anticipated and within our expectations. The 2017 returns for Simpanan Konvensional (which is derived from both shariah and non-shariah compliant investments) were enhanced by income generated from the outperformance of global banking stocks for the year. Returns from these investments could not be factored into the Simpanan Shariah dividends, as they are not shariah compliant. Nonetheless, we expect the differences to converge over the longer term, as both schemes share common investment objectives and strategies.

Diversification and foreign investments

Our strong performance in 2017 was largely driven by the EPF's investments in global equities that benefited from improved market conditions as global market indices rallied on the back of two rate hikes by the US Federal Reserve and positive anticipation of US tax reforms. The equities portfolio, which makes up almost half of EPF's total investment assets, generated RM31.47 billion. Our diversification into global assets in various countries and currencies has served us well as it enabled the EPF to realise substantial gains from different markets and asset classes, helping to boost overall performance for the year. Global equities in particular had shown strong performance, particularly North Asian and global developed market equities in technology, consumer and financial services.

Our domestic investments still form the largest part of our portfolio at 72 per cent. However, our global assets, while constituting only 28 per cent of total assets, contributed more than 40 per cent of our gross investment income of RM53.14 billion in 2017. We target to expand our global portfolio to 32 per cent in 2018, from 28 per cent in 2017 as part of our ongoing efforts to ensure appropriate diversification and risk management of our total portfolio.

OPERATIONAL EXCELLENCE THROUGH ONLINE SERVICES

Our continued focus on improving our online service delivery channels has been extremely successful as our flagship product, the i-Akaun, achieved substantial growth. As at end 2017, a total of 4.7 million members had registered for i-Akaun, a significant 40 per cent increase from 3.35 million in 2016. We have also seen a marked increase in the number of downloads of the i-Akaun mobile app to 919,500 with 6.03



The EPF signed a partnership agreement with the International Training Centre of the International Labour Organisation (ITC-ILO) at the EPF Learning Campus in Bangi on 8 August 2017.

million access recorded. Introduced in 2014, the i-Akaun mobile app has been enhanced to include a new EPF statement user interface, push notifications, secure inbox and Simpanan Shariah FAQs. This is in addition to the original features, such as checking EPF statements and using the retirement calculator to project savings, thus providing for an enhanced user experience.

With all these enhancements, i-Akaun has now become the gateway for the EPF's other online facilities namely e-Pengeluaran and e-Caruman, which saw an impressive 99 per cent take-up rate by employers. E-Caruman was designed to process a high volume of data and is integrated with the FPX system, allowing employers to make real-time contribution payments. More importantly, employers, of which 85 per cent are of small and medium-sized enterprises, are able to see the immediate benefit of using e-Caruman, as it facilitates and enables a highly secure and efficient real-time transaction processing of their employees' contribution details. The steady increase in the number of newly-registered members every quarter has also helped to encourage employers to leverage on e-Caruman.

CHIEF EXECUTIVE OFFICER'S STATEMENT

Continually meeting members' expectations

While emphasising on our service excellence, the EPF constantly reviews its policies and schemes to ensure we provide products and services that are relevant to members' needs and expectations. Keeping this in mind and to provide members' with greater flexibility and more options, particularly those nearing retirement age, we introduced four new products and enhanced services in December 2017:

			
Enhancement to age 55 and age 60 withdrawal payment options	Flexible withdrawal policy until age 100	Extension of death benefit from age 55 to 60	Option to nominate Amanah Raya Berhad (ARB) as administrator/ trustee

The enhancements to the age 55 and age 60 withdrawal schemes now allow members to make partial withdrawals of any amount at any time to suit their expenses and needs (previously retired members were only allowed to withdraw a minimum of RM2,000 once every 30 days). Those who choose to make monthly withdrawals can now withdraw from as low as RM100 per month, compared with RM250 previously. These improvements are to encourage members to withdraw their EPF savings in a staggered manner, instead of in one lump sum, allowing for a more sustainable retirement while the balance of members' savings can continue to earn dividends.

We also introduced the option for members to appoint Amanah Raya Berhad (ARB) as administrator/ trustee to their EPF savings. This ARB option is to facilitate faster and equitable distribution of their savings to their beneficiaries in the event of their demise, and is in addition to members' existing right to appoint any individual persons as nominee.

Reclassification of EPF data

Given our 66 years of operations, the EPF has the challenging task of dealing with massive amounts of data. We undertook a major data reclassification exercise involving all employee and employer data in the third quarter of 2017, as it was timely for us to verify the integrity of our data. In addition, this allowed us to realign our data to conform to the latest provisions of the EPF Act 1991.

The objective of the reclassification exercise was to distinguish between member accounts – those with savings are 'active accounts', while those with zero savings have been reclassified as 'dormant'. Dormant accounts will remain open until age 75 to allow members the opportunity to re-contribute after their retirement and enjoy EPF dividends. Meanwhile, employers as stipulated in the EPF Act 1991 have been classified as 'employer' status, and those from the informal sector have been classified as 'self-employed'.

Based on this reclassification exercise, the total number of EPF members were 13.79 million, out of which 7.11 million were active members, while the total number of registered employers was 494,945 as at 31 December 2017.

STRATEGIC RECOGNITION AND COLLABORATION

In 2017, the EPF was honoured to win the Asian Investor Institutional Excellence Award for Southeast Asia for a second time, in addition to the Best Institutional Investor in terms of investment capabilities. This is noteworthy as these awards recognised the EPF as one of the most efficient fund managers in the world. In addition, the Abu Dhabi Islamic Bank and Thomson Reuters by Ethical Finance Innovation Challenge and Awards (EFICA) acknowledged Simpanan Shariah as an extension of our commitment to Environmental, Social and Governance (ESG) and socially responsible investing.

CHIEF EXECUTIVE OFFICER'S STATEMENT

The year also saw the EPF ink several strategic alliances with both international and local partners, in line with our role to shape and strengthen Malaysia's social security landscape.

EPF AND ITC-ILO ON SOCIAL SECURITY

In August 2017, the EPF entered into an agreement with the International Training Centre of the International Labour Organisation (ITC-ILO) to jointly develop and implement training activities in Malaysia and other Southeast Asian countries through our EPF Learning Campus. This strategic partnership will help put Malaysia on the world map as the regional centre of excellence for social protection.

EPF-UBER MALAYSIA FOR SP1M

Ride-sharing company Uber Malaysia signed a Memorandum of Understanding (MoU) with the EPF in October 2017. The objective of this alliance was to promote the 1Malaysia Retirement Scheme (SP1M) to the community of Uber driver-partners and encourage them to plan for their retirement. SP1M is a part of the EPF's voluntary retirement savings scheme, which receives a 15 per cent Government contribution subject to a maximum of RM250 per person per year from 2018 until 2020. SP1M members enjoy the same EPF dividend rate as mandatory members. As at 31 December 2017, there were 90,599 SP1M members with total savings of RM525.31 million.

All these awards and strategic collaboration with notable parties are testament to our pledge to excellence, strong governance and prudent investment decisions, and will serve to encourage us to strive harder in exceeding our own internal expectations and those of our members.

IMPORTANCE OF RETIREMENT PLANNING AND FINANCIAL LITERACY

We look forward to entering into further collaborations, especially from the informal work sector, as there is a real need for all Malaysians to understand the importance of retirement planning and financial literacy. We carried out much work in 2017 to get this message across to the informal sector and outlying communities, particularly those in the B40 (bottom 40 per cent income level) and the M40 (middle 40 per cent income level) groups.

Among others, we organised a retirement and financial literacy roadshow in July 2017 at popular shopping malls in Kota Kinabalu and Kuching, and the turnout at both venues was tremendous. More importantly, the experience provided us with valuable insight on the issues and concerns by our members in Sabah and Sarawak. Collaborating with us on this roadshow were Debt Management and Counselling Agency (AKPK) for a stronger and more holistic message and with the See Hua Media Group, which enabled for wider coverage to the target groups in both states.

We also participated in several Karnival Kewangan events in 2017 organised by Bank Negara Malaysia (BNM). The EPF's participation in such events and roadshows gives us the opportunity to engage with our members as well as the general public, while providing advice and counsel on matters relating to retirement and adequacy of savings. As a member of the Financial Education Network, an initiative spearheaded by BNM and the Securities Commission Malaysia, the EPF is committed to raise the national level of financial literacy among Malaysians.

CHIEF EXECUTIVE OFFICER'S STATEMENT

As such, I am pleased that our Retirement Advisory Service (RAS), a free service for members to get face-to-face counselling and advice on retirement, continues to appeal to our members. The effectiveness of RAS has seen its expansion to 10 branches nationwide last year, adding to the overall total of 28 RAS counters offered by the EPF. In addition, RAS officers routinely give talks at public and private seminars about retirement and financial literacy issues, as well as give interviews for newspapers and television. All our effort has paid off handsomely and in 2017, we recorded 50,684 consultations at our RAS counters, a staggering 298 per cent leap from 12,734 in 2016.

FORGING AHEAD

We closed 2017 with contributions totaling RM768.51 billion. After a year of strong investment returns, we must be ready to face another challenging year ahead. There is strong likelihood of continuing economic volatility and political uncertainty in the global marketplace, but we look upon this as an opportunity for us to maintain our financial performance and enhance investment returns. Managing a large fund such as the EPF is very demanding and we need to preserve our members' savings while generating consistent and sustainable real returns for the long run.

We will continue to adopt new technologies to improve operational performance and efficiency while looking at simplifying various processes and support functions. With improved performance and productivity, we will be able to free up time and resources for our people to focus on fresh ideas and innovations for our members' financial and future well-being.



EPF won Top FPX Merchant category for the Malaysian e-Payment Excellence Awards 2017 on 25 May 2017.

My utmost thanks and appreciation goes out to all EPF employees, past and present, for their commitment, dedication and steadfast professionalism throughout another eventful year. It is my honour to be working alongside a remarkable team, without which all our achievements could not have been possible. I would also like to put on record my profound thanks to the Chairman, Board Members and Investment Panel, for their wisdom and guidance. I am confident that together, we will be able to forge ahead and strive to empower our members' future.

To all the registered employers, we thank you for supporting our online initiatives and for your commitment to ensuring that your employees' retirement well-being is being taken care of. To our members, your trust and confidence towards the EPF mean so much to us. Rest assured that your interest continues to drive our strategies, and that we are dedicated to our vision of helping you achieve a better future.

DATUK SHAHRIL RIDZA RIDZUAN

Chief Executive Officer