KWSP®
EPF



LIFTING LIVES, SHAPING THE NATION

INTEGRATED ANNUAL REPORT 2024



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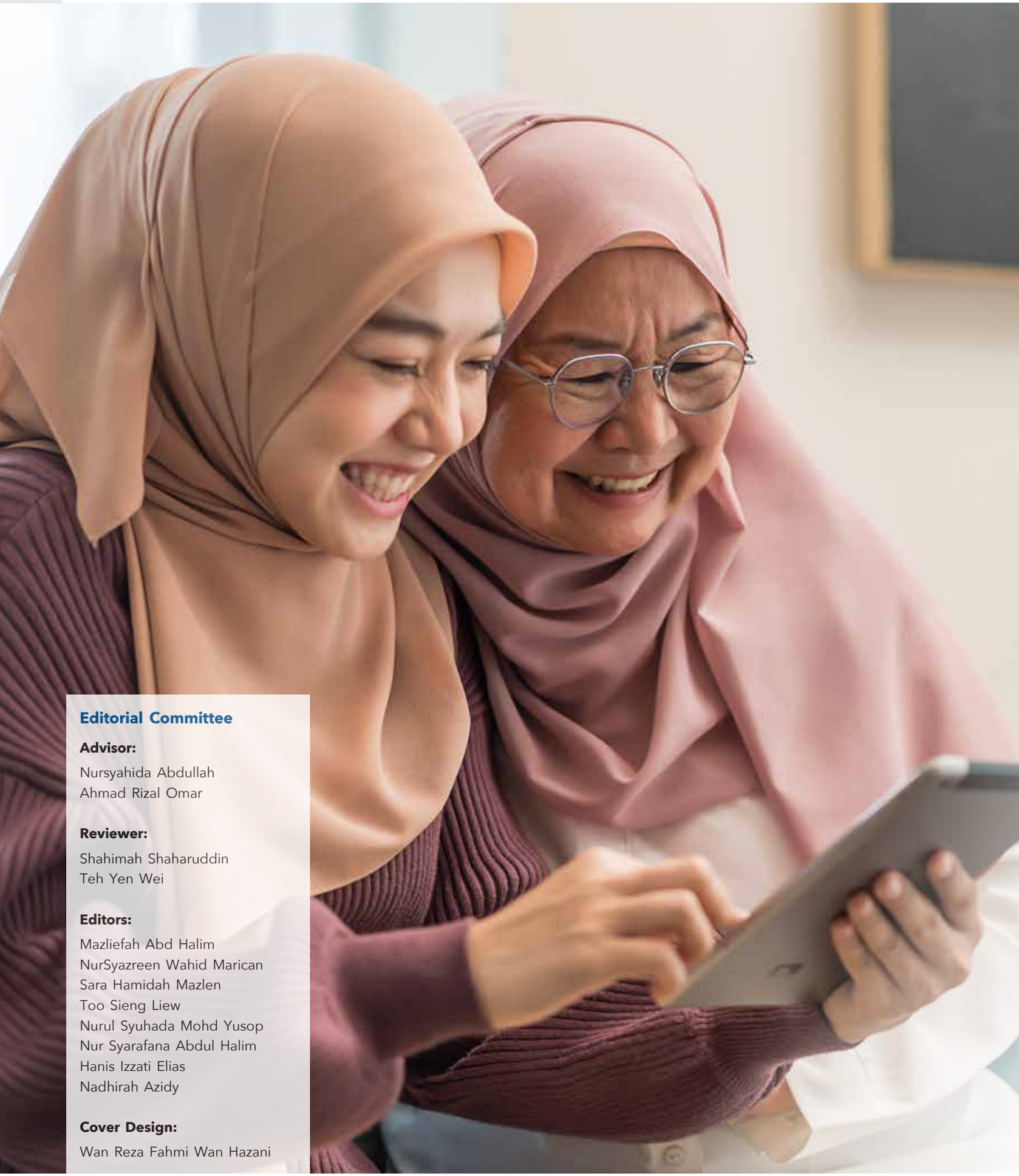
LIFTING LIVES, SHAPING THE NATION

INTEGRATED ANNUAL REPORT 2024



From top left in the photo:
Nik Yasmin Nik Nubli, Sharul Nizam, Yong Yan Yan, Muhammad Nafiezuddin Mohd Nasir, Fahana Mohd Mokhtar, Muhammad Nurkuzaini Hashim, Umairah Hussin, Zahari Ahmad, Siti Nornisha Shasir, Thamilselvan Perinpajothi, Subashini Thuraisingam, Mohd Zamarudin Abdul Rahim, Zulkifli Ab Manaf, Lester Belon, Diana Stephen Seliong, Bahril Ilmi Adnan, Norelizaiana Makkasau, Tan Zi Zhen, Shakira Alya Natasha, Mohamad Naim Mohamad Nizam.

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INSIDE THIS REPORT

Lifting Lives, Shaping the Nation

The EPF's purpose is rooted in a dual commitment: to uplift the financial wellbeing of our members and to help shape a more resilient and prosperous Malaysia. Lifting Lives, Shaping the Nation encapsulates this enduring mission–one that goes beyond savings and retirement, and into real, lasting impact for individuals and the nation alike. In 2024, we continued to push boundaries through service enhancements, wider accessibility, and inclusive reforms tailored to the evolving needs of our members.

This cover design pays tribute to the people behind these efforts. While it features only a handful of individuals, each one symbolises the collective dedication, talent, and values of the entire EPF workforce. Their shared commitment drives our achievements and brings our mission to life. By highlighting them, we honour not just what we do, but who we are: a people-driven institution committed to lifting lives and shaping a stronger, more secure Malaysia.

About This Report 4
Facts at a Glance 6

ABOUT THE EPF

Who We Are, Purpose, Mission and Values 8
EPF over the Years (1951-2023) 10
2024 Significant Events 12
Group Corporate Structure 14
Where the EPF Operates 16
How the EPF Creates Value 22
The EPF's Value Creation Model 24

KEY MESSAGES

Chairman's Message 26
Chief Executive Officer's Message 30

STRATEGY AND BUSINESS OUTLOOK

Strategy 34
Operating Environment 35
Stakeholder Engagement 41
Material Matters 42
Investment Review 50
Enterprise Review 53
EPF GHG Emissions Data 71
Business Outlook 73

PERFORMANCE

Five-Year Financial Highlights 74
Performance Indicators 76

GOVERNANCE

Statement on Corporate Governance 84
Statement on Shariah Governance for the EPF Simpanan Shariah 91
Shariah Advisory Committee Report 98
Risk Management 100
Statement on Risk Management and Internal Control 109
Board Audit Committee Report 114
Statement on Internal Audit 117
Statement on Investment Risk Management 119

PEOPLE

Members of the Board 120
Members of the Investment Panel 126
Board and Investment Panel Committees 128
Members of the Shariah Advisory Committee 129
Organisational Structure 132
Executive Leadership 134
Senior Management 137

FINANCIALS

Financial Overview and Analysis 143
Certificate of the Auditor General 146
Statement by the Chairman and a Board Member 150
Declaration by the Officer Primarily Responsible for the Financial Management of the EPF 151
Financial Statements 152
EPF Properties in Malaysia 346
Glossary 347

ABOUT THIS REPORT

The Employees Provident Fund's (EPF) Integrated Annual Report (IAR or Report) provides an overview and analysis of its performance for the 2024 calendar year (1 January 2024 to 31 December 2024).

PURPOSE

The IAR2024 aims to provide insights on the EPF's performance for the 2024 calendar year (1 January 2024 to 31 December 2024). This Report outlines the EPF's initiatives to safeguard and enhance members' retirement funds. Throughout 2024, the EPF has continued its journey in Integrated Reporting (IR) with the intention of enhancing its reporting procedures.

In order to create value throughout the short, medium, and long-term, it is committed to providing a more transparent and thorough assessment of its strategy, governance, performance, and outlook within the broader external environment. Beyond reporting, the EPF is dedicated to assisting members secure a more stable future through a continued focus on delivering excellent services, fortifying investment resilience and embracing sustainable practices for the benefit of all its stakeholders over the long term.



This report and additional information on KWSP can be found on our corporate website:

www.kwsp.gov.my

SCOPE

The EPF is a federal statutory body under the purview of the Ministry of Finance (MoF) and it is mandated to manage the retirement savings of the Malaysian workforce in accordance with the Employees Provident Fund Act 1991.

This Report presents an overview of the EPF's financial and non-financial performance in 2024 across all its operations, along with its outlook for the short, medium and long-term. It aims to inform stakeholders about the EPF's value creation process in a transparent and comprehensive manner.

REPORTING FRAMEWORK

The IAR and its financial statements were prepared in accordance with:

- The International Integrated Reporting Council's (IIRC) International Integrated Reporting Framework;
- The EPF Act 1991;
- The Malaysian Financial Reporting Standards (MFRS);
- The International Financial Reporting Standards (IFRS); and
- The Global Reporting Initiative (GRI) Standards.

BOARD STATEMENT

The Board is responsible for the integrity of this Report and has determined that its contents are factual and fairly represent the EPF's performance for the 2024 calendar year.

FORWARD-LOOKING STATEMENTS

This Report includes discussions on the EPF's business and financial performance through forward-looking statements, which involve risks and uncertainties as they pertain to future events and conditions that may or may not materialise. All forward-looking statements presented are based on the EPF's current position, projected trajectory and the information available at hand.

NAVIGATION ICON

The EPF aims to produce a report that is interactive, engaging, and easy to understand. To assist readers in navigating this Report, the EPF has adopted the following navigational icons that highlight our reporting on the six (6) capitals of value creation as outlined in the IR Framework, along with material matters that impact our value creation process:

The Six Capitals

- FC Financial Capital
- HC Human Capital
- IC Intellectual Capital
- MC Manufactured Capital
- SC Social and Relationship Capital
- NC Natural Capital

Stakeholders

- S1 Members
- S2 Board, Investment Panel and Shariah Advisory Committee
- S3 Government and Regulators
- S4 Employers
- S5 Employees
- S6 Investee Companies
- S7 Business Partners
- S8 Local Communities

Material Matters

- M1 Retirement Income Security
- M2 EPF Coverage and Member Advocacy
- M3 Policy-shaping and Regulatory Engagement
- M4 Financial Literacy
- M5 Fair and Decent Wages
- M6 Higher Value Employment Opportunities
- M7 Greater Social Impact
- M8 Enterprise GHG Emissions
- M9 Responsible Consumption and Waste Management
- M10 Green Coverage
- M11 Re-/Up-skilling Employees
- M12 Employee Health and Wellbeing
- M13 Fair and Inclusive Employment Practices
- M14 Financial Performance
- M15 Sustainable Investment
- M16 Transparency, Business Ethics and Anti-corruption
- M17 Digitalisation, Innovation and Cybersecurity
- M18 Customer Experience and Engagement
- M19 Sustainable Supply Chain Management

- Catalysing Better Lives and Livelihoods
- Driving Climate Action
- Unlocking Human Capital Potential
- Sustaining Growth and Governance

FEEDBACK

The EPF is focused on building confidence and transparent relationships with its stakeholders. Should you have feedback and/or queries regarding the content of this Report, please contact the EPF Contact Management Centre at

Tel : +603 8922 6000
Web : www.kwsp.gov.my

Scan the QR code
For more information

FACTS AT A GLANCE

RM108.22 billion
in annual contribution, from employees and employers

6.30%
dividend rate for Simpanan Konvensional and **RM63.05 billion** dividend payout



RM68.28 billion
in total withdrawals & refunds

RM1,252.69 billion in total assets, up **9.70%** from **RM1,141.90 billion** in 2023

RM75.18 billion
in total gross investment income, up **11.56%** from **RM67.39 billion** in 2023

16.22 million
members, of whom **8.78 million** are actively contributing

FACTS AT A GLANCE



6.30%
dividend rate for Simpanan Shariah and **RM10.19 billion** dividend payout

614,563
employers contributing to the EPF

OVERARCHING STRATEGY

The EPF's strategy is guided by its unwavering commitment to helping members achieve a better retirement future through adequate and sustainable retirement income. This commitment is anchored on five (5) key aspirational outcomes: improve adequacy, extend coverage, enhance customer experience, deliver optimal yield, and strengthen trust. The EPF continues to solidify its strategies to remain responsive in a dynamic business landscape.

PEOPLE DEVELOPMENT

351,818
Training Hours Recorded

INVESTMENT RESILIENCY

Investment Assets Breakdown

46% Fixed Income Instruments
44% Equities
6% Real Estate and Infrastructure
4% Money Market Instruments

SUSTAINABILITY EMBEDMENT

145
Sustainability Review for Investment Proposals

CUSTOMER CENTRICITY

93%
Customer Satisfaction Score

OPERATIONAL & BUSINESS EFFICIENCY

21.9 sen
Cost per Asset Under Management (per RM100 AUM)

RETIREMENT WELLBEING

37.3%
Active Formal Sector Members Meeting Basic Savings by Age

DIGITAL ENABLEMENT

ZERO
Cybersecurity Incidents and Breaches

34.8 million
digital transactions by members and employers via i-Akaun (web portal and mobile app)

ABOUT THE EPF

WHO WE ARE

Purpose

We build a better retirement future for Malaysia

Established in 1951, the Employees Provident Fund (EPF) stands as one of the world's oldest and most respected provident funds. With a steadfast commitment to safeguarding the retirement wellbeing of Malaysia's workforce, the EPF has evolved significantly over the decades. As of the reporting year 2024, the EPF manages a membership base exceeding 16 million and oversees total investment assets surpassing RM1 trillion. This growth reflects not only our expanding scale but also our unwavering dedication to delivering a secure and sustainable retirement future for Malaysia.



Mission

Helping members achieve a comfortable retirement income



Values

The foundation of the EPF's success:

PROGRESSIVE
Embracing change, adapting to challenges, and fostering continuous learning.

EMPATHY
Cultivating a culture of understanding, mutual respect, and appreciation for one another.

TEAMWORK
Promoting unity, collaboration, and collective success.

INTEGRITY
Acting ethically, taking accountability, and upholding the EPF's reputation.

EPF OVER THE YEARS (1951-2023)

1951 to 1975

1951
The EPF was established under the EPF Ordinance 1951, and was placed under the National Director of Posts.

1956
The EPF made its first short and long-term investments in Federation, Singapore and Municipal Government securities.

1958
The EPF Board took over the administration of the EPF from the National Director of Posts.

1960
The EPF officially opened its new headquarters in Petaling Jaya, Selangor.



1963
The EPF Ordinance was amended to cover employers who employ at least three (3) persons, as opposed to five (5) or more persons.

1968
The EPF Ordinance was amended, to allow for the withdrawal of one-third of a member's savings upon reaching age 50, to assist with purchasing a house and preparing for retirement.

1975
The contribution rates were increased to 6% for employees and 7% for employers.

1977 to 1991

1977
The EPF Ordinance was amended to:
(a) Increase employees' contribution rate;
(b) Allow self-employed employees the option to contribute to the EPF; and
(c) Allow members to withdraw up to 10% of the purchase price of a low-cost house from their savings.

1980
Contributions for the year surpassed the RM1 billion mark. The employee contribution rate was raised from 6% to 9% and employers' rate from 7% to 11%.

1981
To mark the EPF's 30th anniversary, the then Minister of Finance, Tengku Razaleigh Hamzah, laid the foundation stone for the new 28-storey EPF building on Jalan Raja Laut, Kuala Lumpur.

1982
On 22 July, the EPF Ordinance 1951 became the EPF Act 1951.

1983
The EPF declared its highest dividend rate of 8.5%, which was maintained until 1987.

1991
- The EPF celebrated its 40th anniversary.
- The EPF Act 1951 (Amended 1982) was replaced with the EPF Act 1991 to liberalise investment regulations and enhance withdrawal schemes while facilitating enforcement.

1996 to 2009

1996
The EPF launched the Members Investment Scheme, allowing members with more than RM55,000 in their Account 1 to invest in unit trusts through approved Fund Management Institutions appointed by the Securities Commission.

2000
The EPF introduced the Education Withdrawal Scheme and the Pensionable Employees Withdrawal Scheme.

2004
The EPF introduced e-Kiosks in 13 states and 28 branch offices nationwide, allowing members to print their EPF statement using their MyKad.



2007
The EPF introduced Beyond Savings, which restructured members' accounts from three (3) to two (2); introduced the Flexible Age 55 Withdrawal; and allowed members with savings in excess of RM1 million to manage their savings on their own.

2008
The EPF extended the liability period for the EPF contributions from age 55 to 75.

2009
The EPF was awarded a Five-Star Rating by the Malaysian Administrative Modernisation and Management Planning Unit (MAMPU).

EPF OVER THE YEARS

2010 to 2016

2010

The EPF launched its 1Malaysia Retirement Savings Scheme for the self-employed, and the service was later extended to include housewives.

2011

The EPF extended the list of critical illnesses under the Health Withdrawal from 39 to 55 illnesses and allowed members to withdraw savings for purchasing medical support equipment.

2012

The EPF was awarded a Five-Star Excellence Ranking as a top front-line agency by MAMPU for the second time.

2013

- The EPF introduced e-Caruman, an online facility that allows employers to remit their contributions through i-Akaun on the EPF website.
- e-Pengeluaran was introduced, allowing EPF members to submit withdrawal applications online through their i-Akaun.

2014

The EPF introduced the Retirement Advisory Service at its main branches in Jalan Raja Laut, Kuala Lumpur and Jalan Gasing, Petaling Jaya.

2016

The EPF introduced Simpanan Shariah to provide members with the option to have their account managed and invested according to Shariah principles.



2018 to 2020

2018

The then Deputy Prime Minister, Dato' Seri Dr. Wan Azizah Wan Ismail, launched Caruman Sukarela Insentif Suri (i-Suri) at the EPF International Social Security Conference 2018.



2019

- The then Minister of Finance, YB Lim Guan Eng, launched the Belanjawanku: Expenditure Guide for Malaysian Individuals and Families, with University Malaya's Social Wellbeing Research Centre.
- The EPF announced its signing of the United Nations-supported Principles for Responsible Investment (PRI), underlining its commitment towards responsible investing and ESG best practices.
- i-Invest was launched in September, as the EPF continues to deliver value to members embracing a digital future.

2020

- The statutory contribution rate for employees was reduced to 7% from 11% due to the COVID-19 pandemic, from April to December 2020.
- The EPF launched several initiatives to help members, employers, and businesses navigate the COVID-19 pandemic: the i-Lestari Withdrawal facility, Employer Advisory Services (EAS), Employer COVID-19 Assistance Programme (e-CAP), and i-Sinar Withdrawal facility.

2021 to 2023

2021

- The EPF launched the first and largest Shariah Private Equity (PE) Direct/Co-Investment Separate Managed Account (SMA) fund in the world.
- The i-Citra withdrawal facility was introduced to aid EPF members who were affected by the Movement Control Order (MCO).

2022

- The EPF officially opened its new headquarters in Kwasa Damansara, Selangor.
- YB Tengku Zafrul, Minister of Finance launched the EPF Sustainable Investment Policies and Pledge by External Fund Managers.
- The EPF launched its i-Lindung initiative, a self-service platform within the i-Akaun (Member) that simplifies the process of purchasing protection products under the Member Protection Plan (MPP).

2023

- The EPF launched its i-Sayang initiative, officiated by YAB Dato' Seri Anwar Ibrahim, Prime Minister of Malaysia, in conjunction with International Women's Day at Dewan Felda Perdana, Jalan Semarak.
- Launch of i-Akaun mobile application during the International Social Wellbeing Conference (ISWC) 2023 by YAB Dato' Seri Anwar Ibrahim.
- Launch of Menara KWSP in Kwasa Damansara, Selangor, officiated by YAB Dato' Seri Anwar Ibrahim.



2024 SIGNIFICANT EVENTS



30 January 2024
Collaboration of Innovation with GLIC Partners



14 February 2024
Launch of Buku Panduan Pegawai Pemeriksa, Second Edition 2024



27 February 2024
CEO Townhall



2 March 2024
MTUC Offers Collaboration with EPF to Educate the Public on Financial Literacy



3 March 2024
2023 Financial Performance Briefing



2-5 May 2024
EPF Management Conference 2024: A Sustainable Tomorrow: From Purpose to Action



24 May 2024
External Fund Managers Annual Awards Dinner (EFM) 2024



4-6 June 2024
International Social Wellbeing Conference (ISWC) 2024



20 June 2024
Launch of EPF Pasir Gudang



30 June 2024
Karnival Jom Heboh, Melaka



2 July 2024
Strategic Collaboration between EPF and Gig Economy Workers



17 July 2024
EPF Sustainability Day 2024



19 July 2024
Launch of EPF Tawau



22 July 2024
EPF State Media Engagement – Sabah Region



2 August 2024
Strategic Collaboration between EPF and LHDN



7 August 2024
Karnival Jom Heboh, Terengganu

2024 SIGNIFICANT EVENTS



26 August 2024
EPF Investment Seminar 2024



26 September 2024
EPF State Media Engagement - Northern Region



27 September 2024
Karnival Jom Heboh, Penang



1 October 2024
EPF 73rd Anniversary Celebration



1 October 2024
Launch of Financial Literacy Month



2-3 October 2024
National Financial Literacy Symposium (NFLS) 2024



10 October 2024
Pengerusi Turun Padang to EPF Ipoh, Launch of New Service Counter Uniform, SST, and Mobile KWSP



20-21 October 2024
EPF Strategy Meeting (ESM) 2024



6 November 2024
Official Visit of U.S. Ambassador



7 November 2024
Regional Counseling Convention



11-12 November 2024
GLIC Integrity Event (GIE) 2024



13 November 2024
Courtesy Visit from the Ministry of Higher Education



15 November 2024
GLIC Syariah Secretariat Dialogue 2024



16 November 2024
25th Anniversary Kelab KWSP



19 November 2024
MoU Signing between EPF and FINAS



21 November 2024
EPF Integrity Day 2024



20 December 2024
Visit of the National Union of Security Workers of Peninsular Malaysia (KESPA) to EPF



27 December 2024
Karnival Jom Heboh, Sabah

GROUP CORPORATE STRUCTURE

As at 31 December 2024

KWSP® EPF

Infrastructure

100.00%	Pinggiran Ventures Sdn Bhd
49.00%	PLUS Malaysia Berhad
40.00%	Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd

Financial Institutions

56.55%	MBSB Berhad
98.33%	Rashid Hussain Berhad#
39.20%	RHB Bank Berhad
30.00%	FWD Takaful Berhad

Construction

36.21%	Malaysian Resources Corporation Berhad

Private Equity

98.52%	Endau Capital Sdn Bhd
98.52%	Gobi Malaysia Growth Capital Sdn Bhd

Strategic Investments

98.52%	Gobi Emerald Malaysia Strategic Fund, L.P.^
100.00%	Kwasa Aktif Sdn Bhd^

Real Estate

100.00%	Kwasa Properties Sdn Bhd
100.00%	Kwasa Land Sdn Bhd
100.00%	Naungan Sentosa Sdn Bhd
100.00%	Kwasa Logistics Sdn Bhd
100.00%	Common Icon Sdn Bhd
100.00%	Tanjung Wibawa Sdn Bhd
100.00%	Yarra Development Holdings (Australia) Sdn Bhd
100.00%	Alpha Real Estate Investment Trust
100.00%	Kwasa Utama Sdn Bhd
85.00%	PPNK - Harta Sdn Bhd
80.00%	YTR Harta Sdn Bhd
40.00%	Nusa Gapurna Development Sdn Bhd
34.00%	Bandar Eco-Setia Sdn Bhd
30.00%	Jelas Puri Sdn Bhd
30.00%	Panca Pesona Sdn Bhd
29.27%	Iskandar Capital Sdn Bhd
20.00%	Iskandar Investment Berhad

Global

100.00%	KWASA Global (Jersey) Limited
100.00%	KWASA Global-I (Jersey) Limited
100.00%	KWASA Invest Limited
100.00%	Kwasa Singapore Solo Pte. Ltd.
100.00%	Kwasa Singapore Duo Pte. Ltd.
100.00%	Kwasa Singapore Trio Pte. Ltd.
100.00%	KWASA Europe S.à r.l
100.00%	KWASA Europe-I S.à r.l
100.00%	Kwasa Infrastructure I
100.00%	Kwasa Capital Limited
100.00%	KWASA Capital Partners Limited
100.00%	Kwasa Asia
100.00%	KWASA US
100.00%	Kwasa Infrastructure Alpha
100.00%	Kwasa Infrastructure Beta
100.00%	Kwasa Infrastructure Sapphire
100.00%	Salam Private Opportunities Feeder Fund, L.P.
100.00%	Cendana I, L.P.
100.00%	Kwasa Emerald ICAV
100.00%	Kwasa Emerald#
99.50%	Cengal Private Equity Investments plc
99.47%	Cengal Private Equity Investments II plc
99.53%	Cengal Private Equity Investments III plc
99.43%	Cengal Private Equity Investments IV plc
99.99%	Merbau Investors Offshore, L.P.
99.99%	Merbau Investors Offshore, II L.P.
99.99%	Merbau Investors Offshore, III L.P.
99.25%	Meranti Fund L.P.
99.25%	Meranti Fund II L.P.
99.29%	Meranti Fund III L.P.
99.00%	Jati Private Equity Fund L.P.
99.00%	Jati Private Equity Fund II L.P.
99.00%	Jati Private Equity Fund III L.P.
99.25%	Nour Fund I, L.P.
99.01%	Ameen Direct Equity I, L.P.
99.01%	Akasia I, L.P.
99.01%	Qamar Direct Infrastructure I, L.P.
99.00%	Equitix Najm L.P.
99.01%	GIP Ashshams, L.P.
98.00%	LOGOS Tuas South Venture L.P.^
50.00%	GEDCP I, SCSp^
32.00%	Asterix Investment Holdings Pte Ltd

Note:

1. *^ The company was established in 2024.*
2. *# The company is in the process of voluntary winding up as at 31 December 2024.*
3. *Refer to Note 38 and 39 of the EPF Financial Statement 2024 for the complete list of EPF subsidiaries, associates and joint venture.*

GROUP CORPORATE STRUCTURE



WHERE THE EPF OPERATES



69 BRANCHES AND 6 REGIONS ACROSS MALAYSIA

CENTRAL REGION

- Shah Alam
- Petaling Jaya
- Kajang
- Klang
- Kwasa Damansara
- Puchong
- Gombak
- Rawang
- Kuala Selangor
- Pejabat Wilayah Tengah
- Kuala Lumpur
- Wangsa Maju
- Kepong
- Sri Petaling

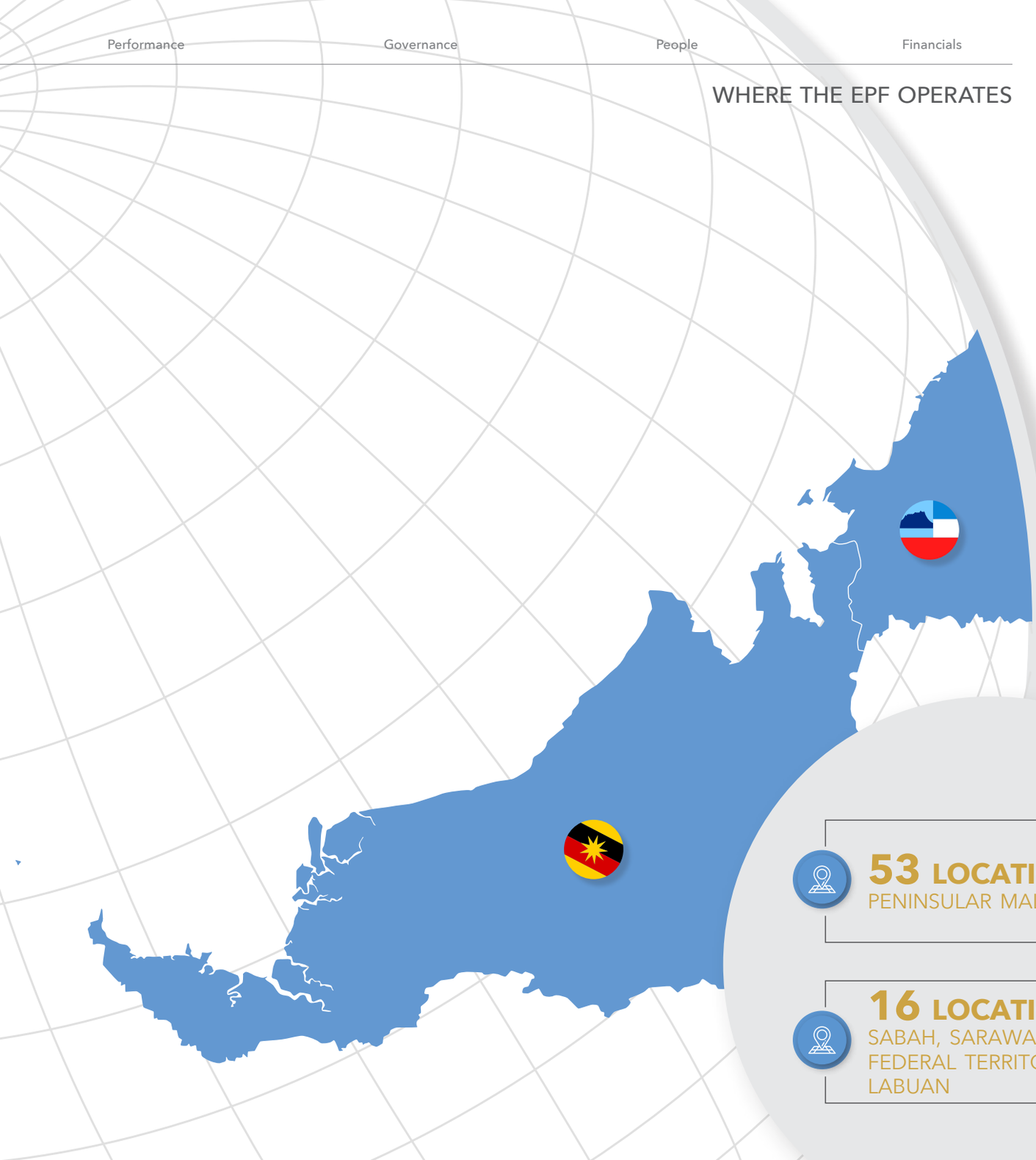
NORTHERN REGION

- Ipoh
- Teluk Intan
- Taiping
- Manjung
- Parit Buntar
- Kuala Kangsar
- Pejabat Wilayah Utara
- Seberang Jaya
- Georgetown
- Bayan Baru
- Alor Setar
- Sungai Petani
- Kangar
- Kulim
- Langkawi

SOUTHERN REGION

- Pejabat Wilayah Selatan
- Johor Bahru
- Pasir Gudang
- Batu Pahat
- Muar
- Kluang
- Kulai
- Segamat
- Mersing
- Melaka
- Jasin
- Alor Gajah

WHERE THE EPF OPERATES



53 LOCATIONS
PENINSULAR MALAYSIA

16 LOCATIONS
SABAH, SARAWAK & FEDERAL TERRITORY OF LABUAN

- Seremban
- Bahau
- Nilai

- Pejabat Wilayah Timur
- Kuantan
- Raub
- Temerloh
- Jerantut
- Pekan

EASTERN REGION

- Kuala Terengganu
- Kemaman
- Dungun
- Jerteh

- Kota Bharu
- Tanah Merah
- Kuala Krai

SABAH REGION

- Pejabat Wilayah Sabah
- Kota Kinabalu
- Keningau
- Labuan
- Lahad Datu
- Tawau
- Sandakan
- Kudat
- Kota Marudu
- Beaufort

SARAWAK REGION

- Pejabat Wilayah Sarawak
- Kuching
- Sibu
- Miri
- Bintulu
- Sri Aman
- Sarikei
- Limbang

WHERE THE EPF OPERATES

CENTRAL REGION

SELANGOR

Shah Alam
Tingkat G, 1 & 2,
Corporate Tower IDCC Shah Alam,
Jalan Pahat L 15/L,
40200 Shah Alam, Selangor.

Petaling Jaya
Menara PJX HM Shah
Lot A & B, Tingkat G dan Tingkat 20,
No. 16A, Jalan Persiaran Barat,
46050 Petaling Jaya, Selangor.

Kajang
No. 1, Jalan Hentian 3,
Pusat Hentian Kajang, Jalan Reko,
43000 Kajang, Selangor.

Klang
Tingkat Bawah & 1, Unit B-G-1,
North Tower (Tower B),
BBT One The Towers,
Lebuh Batu Nilam 1,
Bandar Bukit Tinggi,
41200 Klang, Selangor.

Kwasa Damansara
Tingkat Bawah, Menara KWSP,
Persiaran Kwasa Utama,
Pusat Bandar Kwasa Damansara,
Seksyen U4,
40150 Shah Alam, Selangor.

Puchong
No. 3A,
The Prime @ Dataran Puchong,
Taman Puchong Utama,
47100 Puchong, Selangor.

Gombak
Lot 5, Sunway Batu Caves,
68100 Batu Caves, Selangor.

Rawang
No. 3S-10-G & 3S-10-1,
Rawang One,
Jalan Pintas Rawang,
48000 Rawang, Selangor.

Kuala Selangor
Tingkat GF & 1,
No. 1, Jalan Medan Niaga 6,
Medan Niaga,
45000 Kuala Selangor, Selangor.

FEDERAL TERRITORY OF KUALA LUMPUR

Pejabat Wilayah Tengah
Tingkat 9, Bangunan KWSP,
Jalan Raja Laut,
50350 Kuala Lumpur.

Kuala Lumpur
Tingkat Bawah, Bangunan KWSP,
Jalan Raja Laut,
50350 Kuala Lumpur.

Wangsa Maju
No. 32A, Dataran Wangsa,
Wangsa Melawati,
53300 Kuala Lumpur.

Kepong
No. 1 & 3,
Jalan Laman Rimbunan Raya 1,
Laman Rimbunan,
52100 Kepong, Kuala Lumpur.

Sri Petaling
No. 2, Jalan Radin Bagus 6,
Bandar Baru Sri Petaling,
57000 Kuala Lumpur.

NORTHERN REGION

PERAK

Ipoh
Tingkat Bawah, 6, 7 & 8,
Bangunan KWSP,
Jalan Greentown,
30450 Ipoh, Perak.

Teluk Intan
No 23, Lorong Perwira M1/38,
Taman Nanas, Jalan Changkat Jong,
36000 Teluk Intan, Perak.

Taiping
No. 37 (GF-2) & No. 39 (GF),
Persiaran TBC, Taiping Business
Centre Jalan Tupai,
34000 Taiping, Perak.

Manjung
No. 260 & 261, Jalan PPMP 3/4,
Pusat Perniagaan Manjung Point 3,
32040 Seri Manjung, Perak.

Parit Buntar
No. 2 & 4, Jalan Wawasan 1,
Taman Wawasan Jaya,
34200 Parit Buntar, Perak.

Kuala Kangsar
Tingkat Bawah & 1,
No. 8B, Jalan Raja Chulan,
33000 Kuala Kangsar, Perak.

PENANG

Pejabat Wilayah Utara
Menara KWSP,
Pejabat Wilayah Utara, Tingkat 5,
38, Jalan Sultan Ahmad Shah,
10050 Georgetown, Pulau Pinang.

Seberang Jaya
Tingkat 1-5, Bangunan KWSP,
No. 3009, Off Lebuh Tenggiri 2,
Bandar Seberang Jaya,
13700 Prai, Pulau Pinang.

Georgetown
Tingkat 3 & 4, Menara KWSP,
No. 38, Jalan Sultan Ahmad Shah,
10050 Georgetown, Pulau Pinang.

Bayan Baru
Tingkat Bawah & Tingkat 1,
Blok F-2, Lorong Bayan Indah 1,
Bay Avenue,
11900 Bayan Baru, Pulau Pinang.



KEDAH

Alor Setar
Aras Bawah, Mezzanine, 8 & 9,
Bangunan KWSP Peladang,
No. 33, Jalan Sultan Badlishah,
05000 Alor Setar, Kedah.

Sungai Petani
Tingkat Bawah & 1, Wisma Keladi,
No. 11A, Jalan Bank,
08000 Sungai Petani, Kedah.

Kangar
Tingkat Bawah, Blok Podium,
Bangunan KWSP, Jalan Bukit Lagi,
01000 Kangar, Perlis.

Kulim
No. 33 & 34, Persiaran 7,
Kulim Avenue,
Kulim Hi -Tech Park,
09000 Kulim, Kedah.

Langkawi
No. 25 (GF-1), Langkawi City,
Mukim Kuah,
07000 Langkawi,
Kedah.

SOUTHERN REGION



JOHOR

Pejabat Wilayah Selatan
Tingkat 11, Bangunan KWSP,
Jalan Dato' Dalam,
80888 Ibrahim International Business
District, Johor Bahru, Johor.

Johor Bahru
Tingkat 1 & 12-17, Bangunan KWSP,
Jalan Dato' Dalam,
80888 Ibrahim International Business
District, Johor Bahru, Johor.

Pasir Gudang
No. 36-40, Jalan Permas 15/1,
Bandar Baru Permas Jaya,
81750 Masai, Johor.

Batu Pahat
No. 6 & 8, Jalan Sulaiman,
83000 Batu Pahat, Johor.

Muar
Tingkat Bawah, 1, 2 & 3,
No. 9, Jalan Petrie,
84000 Muar, Johor.

Kluang
No. 8 & 10, Tingkat Bawah, 1 & 2,
Jalan Haji Manan,
86000 Kluang, Johor.

Kulai
No. 259 & 260,
Jalan Kenanga 29/8,
Indahpura, 81000 Kulai, Johor.

Segamat
No. 5 & 6, Jalan Genuang Perdana,
Taman Genuang Perdana,
85000 Segamat, Johor.

Mersing
Lot. No. 2, Tingkat Bawah, 1 & 2,
Bandar Tepian Sungai,
Jalan Jemaluang,
86800 Mersing, Johor.



MELAKA

Melaka
Bangunan KWSP,
Jalan MITC, Hang Tuah Jaya,
75450 Ayer Keroh, Melaka.

Jasin
JC 538, Tingkat Bawah & 1,
Jalan Bestari 5,
Bandar Jasin Bestari Seksyen 2,
77200 Bemban, Melaka.

Alor Gajah
SP 34 & 34-1,
Jalan Sungai Petai Permai Utama 1,
Taman Sungai Petai Permai,
78000 Alor Gajah, Melaka.



NEGERI SEMBILAN

Seremban
No. 1, Jalan Dato' A.S. Dawood,
70100 Seremban, Negeri Sembilan.

Bahau
No. 4, 5 & 6, Jalan Kiara 1,
Pusat Perniagaan Kiara,
72100 Bahau, Negeri Sembilan.

Nilai
D'Nilai Convention Mall,
No. G-6 & M-6, PT 9946,
Jalan BBN 1/3F,
71800 Bandar Baru Nilai,
Negeri Sembilan.

WHERE THE EPF OPERATES

EASTERN REGION

PAHANG

Pejabat Wilayah Timur
Tingkat 3, Bangunan KWSP Kuantan,
Persiaran KWSP,
Bandar Indera Mahkota,
25200 Kuantan, Pahang.

Kuantan
Pejabat KWSP Kuantan,
Bangunan KWSP Kuantan,
Persiaran KWSP,
Bandar Indera Mahkota,
25200 Kuantan, Pahang.

Raub
No. 79, Jalan Tun Razak,
27600 Raub, Pahang.

Temerloh
No. 128B(GF, 1F & 2F) &
No. 128A(GF),
Persiaran Damai 1, Damai Court,
28000 Temerloh, Pahang.

Jerantut
Tingkat Bawah, No. 1 & 2,
Lorong Wawasan 3,
Taman Wawasan,
27000 Jerantut, Pahang.

Pekan
Tingkat Bawah & Tingkat 1,
No. 10, Lorong Peramu Permai 1,
Taman Peramu Permai
26600 Pekan, Pahang.

TERENGGANU

Kuala Terengganu
Bangunan KWSP,
Jalan Kemajuan, Padang Hiliran,
21100 Kuala Terengganu,
Terengganu.

Kemaman
Tingkat Bawah & Tingkat 1,
PT 10720 & 10721,
Taman Cukai Utama, Fasa 4,
Jalan Kubang Kurus,
24000 Kemaman, Terengganu.

Dungun
Tingkat GF & 1,
Lot PT 15824 (Unit 22),
Sura Gate Commercial Centre,
Jalan Sura Jeti,
23000 Dungun, Terengganu.

Jerteh
Tingkat GF & 1,
Lot 226, Jalan Dato Kamaruddin,
22000 Jerteh, Terengganu.

KELANTAN

Kota Bharu
Tingkat 2, 3 & 5, Bangunan KWSP,
Jalan Padang Garong,
15000 Kota Bharu, Kelantan.

Tanah Merah
Lot 655, Jalan Hospital,
17500 Tanah Merah, Kelantan.

Kuala Krai
Lot PT 5556, Tingkat Bawah & 1,
Taman Yani,
18000 Kuala Krai, Kelantan.

WHERE THE EPF OPERATES

SABAH REGION



SABAH

Pejabat Wilayah Sabah
Tingkat 7, Beg Berkunci 2019,
Blok A, Bangunan KWSP, Lot 49,
Jalan Karamunsing,
88598 Kota Kinabalu, Sabah.

Kota Kinabalu
Blok A, Bangunan KWSP,
Beg Berkunci 2019,
88598 Kota Kinabalu, Sabah.

Keningau
Beg Berkunci 20, Jalan Masak,
89009 Keningau, Sabah.

Labuan
Tingkat Bawah, Lot E004,
Financial Park, Jalan Merdeka,
87000 Wilayah Persekutuan Labuan.

Lahad Datu
Bangunan KWSP, MDLD 3330,
Lot 65, Fajar Centre,
Jalan Segama, Peti Surat 61828,
91126 Lahad Datu, Sabah.

Tawau
Tingkat Bawah & 1,
TB 308, Blok 35,
Kompleks Fajar, Jalan Perbandaran,
91000 Tawau, Sabah.

Sandakan
Lot 3A & 5, Midtown Plaza,
Beg Berkunci 36, Jalan Lintas Utara,
90000 Sandakan, Sabah.

Kudat
Tingkat Bawah & Tingkat 1, Lot 1,
Blok G,
Jalan Mawar, Pekan Tomborungus,
89058 Kudat, Sabah.

Kota Marudu
Lot No. 2,
Taman WTK Fasa II,
Jalan Tandek,
89100 Kota Marudu, Sabah.

Beaufort
Tingkat GF &FF,
Unit No. A-005, Blok A,
Beaufort Square Avenue 2,
Jalan Binunuk,
89800 Beaufort, Sabah.

SARAWAK REGION



SARAWAK

Pejabat Wilayah Sarawak
Tingkat 9, Bangunan KWSP Kuching,
Jalan Uplands, Beg Berkunci 2089,
93598 Kuching, Sarawak.

Kuching
Bangunan KWSP, Jalan Uplands,
Beg Berkunci 2089,
93598 Kuching, Sarawak.

Sibu
No. 10-12, Tingkat Bawah & 1,
Lorong Kampung Datu 5,
Jalan Kampung Datu,
96000 Sibu, Sarawak.

Miri
1255 & 1256,
Blok 10, MCLD Centre Point,
Jalan Melayu,
98000 Miri, Sarawak.

Bintulu
Blok E, Sublot 7,
Naim Bintulu Paragon,
No. 1, Old Airport Place,
97000 Bintulu, Sarawak.

Sri Aman
Tingkat Bawah & Tingkat 1,
Lot 654, Blok 3,
Daerah Bandar Simanggang,
Jalan Hospital,
95000 Sri Aman, Sarawak.

Sarikei
Tingkat GF & 1,
No. 5, Jalan Nenas,
96100 Sarikei, Sarawak.

Limbang
Lot 1565,
Tingkat Bawah & Tingkat 1,
Jalan Buangsiol,
98700 Limbang, Sarawak.

HOW THE EPF CREATES VALUE

The EPF is dedicated to adding value for its stakeholders, viewing this as a crucial indicator of our success and influence. Our steadfast commitment to our vision of empowering members for a brighter future propels us to create and deliver value over short, medium, and long-term periods. With a primary focus on enabling dignified retirements, the EPF maintains its role as Malaysia's leading retirement fund, ensuring future financial security and wellbeing for our members while generating value for all stakeholders, including members, contributors, investee companies, and beyond.

The EPF continues to drive its value creation journey in 2024, guided by strategic initiatives outlined in the Three-Year Rolling Plan, which is reviewed and approved annually by the Board. These initiatives, led by Senior Management and executed across divisions, are designed to optimise stakeholder value while aligning with five strategic outcomes (ACE-YT).

BROAD TARGETS OF THE EPF



Improving members' savings adequacy with over **50%** of active formal sector members meeting Basic Savings by age



To expand membership to over **60%** of the formal and informal sector workforce



Strives to achieve a Net Promoter Score (NPS) above **50%**, reflecting strong member satisfaction



To deliver a blended rate of SK-SS 3-Year Rolling (Real Dividend) above **2.0%**



the EPF seeks to strengthen stakeholder confidence with a Trust Score exceeding **75%**

Note: *Targets refer to Broad Targets for 2030*

To enhance member savings, the EPF focuses on increasing the uptake of Voluntary Excess, Voluntary Contributions, and promoting products like i-Sayang to support family members' retirement income security. For expanding membership and outreach, it aims to increase coverage in the informal sector through awareness programmes and strategic collaborations with regulatory bodies, associations, and gig platforms.

Enhancing member engagement involves elevating the customer experience through service innovation, upgrading digital solutions such as Employer Interactive Portal (EIP) enhancement, eKYC implementation, and Digital HR, and expanding Self-Service Terminals (SST) to improve accessibility. To optimise investment returns, the EPF advances the Shariah Private Equity (PE) mandate to diversify investment strategies and executes strategic investment mandates for long-term sustainable growth.

Strengthening stakeholder confidence involves proactive engagement with government bodies, unions, agencies, and key influencers. This includes advocating for social protection through independent thought leadership, promoting member and stakeholder activism to drive financial literacy and policy reforms, and enhancing EPF branding, enterprise sustainability, and cybersecurity resilience.

The EPF's six (6) capitals of value creation include Financial, Human, Manufactured, Intellectual, Natural, and Social and Relationship Capital. In 2024, the EPF continues its transformation towards enterprise-wide sustainability by embedding Environmental, Social, and Governance (ESG) principles into decision-making, ensuring value creation extends beyond financial returns to generate positive economic, environmental, and social impact.

Key sustainability initiatives include the EPF Sustainable Investment Stewardship Policy and the Enterprise Sustainability Plan. The EPF Sustainable Investment Stewardship Policy is the first standalone stewardship policy by a Malaysian institutional investor, setting best practices for sustainability among investee companies and external fund managers. The Enterprise Sustainability Plan, launched in February 2024, establishes a structured framework and long-term guidelines for embedding sustainability across EPF operations.

THE EPF'S SIX CAPITALS OF VALUE CREATION

The EPF's value creation rests on six (6) fundamental capitals, each representing a cornerstone of value generation essential for sustaining the EPF and benefiting stakeholders over time. These capitals serve as crucial inputs that fuel our business activities, transforming into outputs and outcomes that drive sustainable value creation.

- FC Financial Capital
- MC Manufactured Capital
- NC Natural Capital
- HC Human Capital
- IC Intellectual Capital
- SC Social and Relationship Capital



THE EPF'S VALUE CREATION MODEL

GOVERNANCE

GUIDED BY **OUR PURPOSE** OF BUILDING A BETTER RETIREMENT FUTURE FOR MALAYSIA, DRIVEN BY **OUR MISSION** OF HELPING MEMBERS ACHIEVE A COMFORTABLE RETIREMENT INCOME

INPUTS

FC FINANCIAL CAPITAL

- **RM108.22 billion** total contributions
- Investment returns and income

HC HUMAN CAPITAL

- **5,743** employees
- **679** interns and protégés
- **RM1.41 billion** total employee expenses
- **RM10.82 million** invested in employees' learning and development
- **380** learning programmes conducted
- Over **8,500** online courses offered
- Competitive benefits

MC MANUFACTURED CAPITAL

- **69** branches, 10 Mobile KWSP and 6 regions across Malaysia
- **277** units of Self-Service Terminals (SST)
  - 205 Standee SST units and 72 Mobile SST units
- **256** units of Payment Terminals
  - 205 Mobile Terminal units and 51 SST Terminal units

SC SOCIAL AND RELATIONSHIP CAPITAL

- **16.22 million** members
- **8.78 million** active members
- **614,563** employers
- Suppliers Code of Conduct (SCOC)

IC INTELLECTUAL CAPITAL

- EPF 3-Year Rolling Plan (3YRP) 2024-2026
- Digital platforms delivering EPF products and services on:
  - KWSP i-Akaun mobile app and i-Akaun (Member) web portal for members
  - i-Akaun (Employer) web portal and e-Caruman mobile app for employers
  - i-Akaun (Business Partner) for business partners
  - Debit Card Terminal payments nationwide through SST
- Key strategies outlined in Digitise 2025 remain relevant and aligned with EPF's aspiration to achieve a Digital EPF

NC NATURAL CAPITAL

- Sustainability review conducted on all new investment proposals
- Digitalisation initiatives, particularly through mobile applications and Self-Service Terminals (SST), offer significant environmental advantages over traditional branch visits. By reducing the need for travel, simplifying processes, and enhancing overall efficiency, these solutions actively contribute to a more sustainable future

BUSINESS ACTIVITIES AND PROCESSES

EXTERNAL FACTORS IMPACTING THE FUND

- Economic & Market Conditions
- Ageing Population
- Changing Employment Landscape
- Rapid Technological Advancement
- Focus on ESG & Sustainable Investment



MATERIAL MATTERS

THE EPF'S VALUE CREATION MODEL

RISK MANAGEMENT

SUPPORTED BY **OUR VALUES**: PROGRESSIVE, EMPATHY, TEAMWORK, AND INTEGRITY

OUTPUTS

- **RM75.18 billion** total gross investment income
- **RM1,252.69 billion** total assets
- **RM0.22** cost per asset under management (per RM100)
- **2.73%** total expenditures over total income
- **RM68.28 billion** withdrawals and refunds
- **6.66%** return on investment

- **439** new hires
- **34.21%** women representation in Senior Management
- **57.71%** female workforce
- **81** Relationship Advisor (RA) officers trained and qualified in financial and retirement planning
- **351,818** learning hours recorded

- **2.12 million** over-the-counter customer interactions
- **3.69 million** members used SST
- **7.57 million** transactions via SST
- **120,523** members used payment terminal
- **RM105.29 million** contribution via payment terminal

- **1.12:1** male-to-female members ratio
- **3.06 million** members meeting basic savings by age
- **242,827** members receiving financial advice from qualified RA officers
  - **5,020** face-to-face Relationship & Advisory (RA) Services
  - **4,741** Financial Literacy Programmes (targeted and mass campaigns)
- **837** new suppliers have registered and agreed to comply with SCOC

- **13th** largest pension fund in the world, 5th in Asia (As of September 2024)
- **18.96 million** member transactions (web portal and mobile app)
- **15.89 million** employer transactions (web portal and mobile app)
- **5.35 million** average Monthly Active Users (MAU) in member's i-Akaun (web portal and mobile app)
- **92.9 million** total EPF website visits
- **1.02 million** members registered on i-Akaun
- **71,471** employers registered on i-Akaun
- **544,625** employers utilising e-Payment
- **543,206** employers utilising e-Form

- **145** sustainability reviews conducted for investment proposals

OUTCOMES

S1 MEMBERS

- Launch of new EPF Website and i-Akaun (Member) web portal
  - Delivers engaging content, user-friendly design and smooth navigation
- Enhancements of KWSP i-Akaun app
  - New features include multiple withdrawal options, a retirement planning calculator and push notifications
- **93%** customer satisfaction score
- Dividend rates: **6.30%** (Simpanan Konvensional) and **6.30%** (Simpanan Shariah)
- **RM63.05 billion** dividend payout for Simpanan Konvensional
- **RM10.19 billion** dividend payout for Simpanan Shariah
- **RM68.12 billion** total withdrawn
- **RM842.75 million** withdrawn for education
- **RM4.08 billion** withdrawn for housing
- **RM83.40 million** withdrawn for health
- **RM30.22 billion** withdrawn for retirement by individuals aged 55 and 60 years old

S2 BOARD, INVESTMENT PANEL AND SHARIAH ADVISORY COMMITTEE

- **14** meetings of the EPF Board
- **19** meetings of the Investment Panel
- **15** meetings of the Shariah Advisory Committee

S3 GOVERNMENT AND REGULATORS

- Enhance EPF policies and offerings to strengthen financial resilience and retirement security
- Champion social protection through impactful policies and strong government collaboration
- Safeguard members' savings by optimising investment strategies and sustainable asset growth
- Support national development through strategic investments that drive economic resilience

S4 EMPLOYERS

- Enhancements of i-Akaun (Employer) web portal
  - Form A and e-CTML enhancements
  - SOCSO/SIP wage ceiling adjustments
  - Enhanced e-Payroll features, including tax deduction and contribution file reconciliation
  - Pop-up alerts for members above 75 years old

S5 EMPLOYEES

- An average of **16 years of service**
- Opportunities to upskill and build capabilities with an average of **66 training hours per employee**
- A conducive work environment
- **3.57%** employee attrition rate
- **91%** employee engagement level
- **95%** employee satisfaction score

S6 INVESTEE COMPANIES

- Participated and exercised voting rights diligently in **86 Annual General Meetings** and **13 Extraordinary General Meetings** of our investee companies
- Provided a source of funding and capital

S7 BUSINESS PARTNERS

- **No incidents** of non-compliance across the supply chain with the EPF's environmental and social criteria
- **RM266.15 million (75%)** of the procurement budget was expended on local suppliers

S8 LOCAL COMMUNITIES

- Collaborated with the Financial Education Network (FEN), an inter-agency platform, to develop and execute financial literacy initiatives aimed at improving Malaysians' financial literacy
- Hosted the launch of Financial Literacy Month and the National Financial Literacy Symposium in partnership with Bank Negara Malaysia (BNM) and FEN, fostering discussions on innovative solutions to advance financial literacy in Malaysia
- Promoted social protection globally by hosting the International Social Wellbeing Conference (ISWC) and publishing The Social Protection Insight in conjunction with the event
- Participated in over 34 external speaking engagements, partnering on discussions around social protection and retirement income security

STAKEHOLDER ENGAGEMENT

CHAIRMAN'S MESSAGE

DEAR STAKEHOLDERS,

With solid performance and purposeful transformation defining much of 2024, I am pleased to share the EPF's progress this year, a year that speaks not only to our resilience, but also to our deepening role in the nation's social and economic development.

Throughout the year, the EPF continued to strengthen its foundations, guided by a deep and enduring commitment to help every member retire with dignity, security, and hope. Our strong financial performance, including a record-high dividend payout for both Simpanan Konvensional and Simpanan Shariah, is more than just a matter of numbers. It represents the trust that over 16 million members have placed in us, and our strong commitment to honour that trust, especially in an era of fast-changing economic and social realities.

Our achievements in 2024 were driven by steady policy improvements, disciplined long-term strategies, and a shared belief that the EPF must continue to evolve, not only to meet today's needs but to help shape a more secure and inclusive future. At the heart of this progress lies our core purpose - to build a better retirement future for Malaysia. As custodians of the nation's retirement savings, we believe our role goes beyond financial stewardship. We are partners in nation-building, committed to long-term wellbeing, and dedicated to expanding economic opportunity for all.

NAVIGATING A COMPLEX LANDSCAPE WITH FOCUS AND FORTITUDE

The global economy remained uncertain in 2024, with persistent geopolitical tensions and trade disruptions dampening investor confidence. Financial markets largely adopted a cautious stance, while central banks maintained tight monetary policies to rein in inflation.

Despite global challenges, Malaysia recorded encouraging growth. The economy expanded by 5.1% in 2024, up from 3.7% the previous year, driven by robust domestic demand, rising wages, and stable government policies under Budget 2024 and the Ekonomi MADANI framework.

This positive momentum was reflected in the capital markets, with the FBM KLCI rising by 12.9%, a strong rebound from its decline in 2023. The recovery was supported by improved investor sentiment, a stronger labour market, and a pickup in export performance.



TAN SRI DATO' SERI MOHD ZUKI ALI
Chairman



The EPF's performance kept pace with these developments. Guided by our long-term investment strategy and Strategic Asset Allocation framework, we remained steady and focused, navigating market uncertainties with prudence and a deep sense of responsibility.

DELIVERING STRONG, SUSTAINABLE RETURNS

In 2024, we rewarded members with a 6.30% dividend on both Simpanan Konvensional and Simpanan Shariah, the highest in seven years, and the first time both schemes delivered the same annual dividend. This translated into total distributions of RM73.24 billion, comprising RM63.05 billion for Simpanan Konvensional and RM10.19 billion for Simpanan Shariah. The result highlights the resilience of our diversified portfolio and our steadfast commitment to generating sustainable, long-term value in a constantly evolving market.

Our total investment income reached RM74.46 billion, an 11% increase from the previous year, driven by disciplined deployment across equities, fixed income, and real assets. Anchored by our Strategic Asset Allocation, this balanced approach continues to steer us through both tranquil and turbulent markets while safeguarding long-term value for members.

As of 31 December 2024, the EPF's total investment assets stood at RM1,249.71 billion, a 10% year-on-year increase, despite elevated market volatility and global uncertainties. This milestone speaks to the resilience of our portfolio and the enduring confidence members show through their continuing contributions.

A notable milestone for the year was the strategic separation of the EPF's Simpanan Konvensional and Simpanan Shariah portfolios. This initiative allows each portfolio to operate with its own investment strategy and asset allocation, enhancing the potential for long-term returns. It also strengthens diversification across asset classes, markets, countries, and currencies, supporting more resilient and sustainable growth.

Simpanan Shariah continues to uphold strict ethical and Shariah-compliant investment standards. Guided by the EPF's Shariah Advisory Committee, all investments undergo a rigorous screening process to ensure they are free from elements such as interest (*riba*), uncertainty (*gharar*), and non-halal activities. The portfolio avoids sectors like alcohol, gambling, adult entertainment, and military weapons, reflecting our commitment to responsible and principled investing.

DEEPENING TRUST, EXPANDING IMPACT

The continued growth in our membership is a testament to the trust Malaysians place in the EPF, a trust we are proud to uphold. In 2024, we welcomed 475,752 new members, raising our total to 16.22 million members. Notably, 402,024 members opted for Simpanan Shariah, bringing total participation to 2.19 million. This reflects the strong appeal of principled, Shariah-compliant investing and reinforces our responsibility to manage the Fund with integrity, transparency, and care.

Total contributions of members and employers increased by 11% from 2023 to RM108.22 billion. Encouragingly, participation from the informal sector saw strong momentum, with i-Saraan registrations surging by 51% to 558,269, and total contributions rising by 83% to RM1.20 billion.



EPF staff from the Seberang Jaya branch provided on-site assistance and personalised guidance to the local community during the Karnival Jom Heboh held in Batu Kawan, Penang.

Employer participation continued its upward trend, with 71,471 new employers registered in 2024, bringing the total to 614,563. This progress was driven by proactive outreach efforts and ongoing digital enhancements that improved compliance and service efficiency.

Voluntary contributions also recorded strong growth, rising 63% from RM8.4 billion in 2023 to RM13.7 billion in 2024. A total of 75,169 members made Voluntary Excess contributions, which are additional contributions beyond the statutory rate. This marks a 27% increase from 2023 and underscores a growing commitment among members to strengthen their long-term financial security.

As more individuals from all walks of life place their trust in the EPF, we remain committed to building a retirement system that is inclusive, resilient, and worthy of that confidence.

RESHAPING THE FUTURE OF RETIREMENT SAVING

In 2024, we introduced a meaningful change to our account structure to better align with members' financial needs across different stages of life. The launch of Akaun Persaraan, Akaun Sejahtera, and Akaun Fleksibel marked a new chapter in the EPF's efforts to better support members' evolving financial journeys, balancing long-term retirement goals with flexibility to meet immediate priorities.

Under the new structure, 75% of contributions are allocated to Akaun Persaraan to secure retirement income, a slight increase from the previous 70% reinforcing our continued focus on long-term financial security. Meanwhile, 15% is channelled to Akaun Sejahtera to support broader wellbeing needs, and 10% to Akaun Fleksibel for short-term access when necessary. This gives members greater clarity and control over their savings while underscoring the importance of long-term financial resilience.

This restructuring reflects our ongoing commitment to evolve alongside the changing needs of our members. As economic realities and work patterns continue to shift, we remain focused on shaping policies that are inclusive, forward-looking, and centred on long-term financial wellbeing.

LEADING WITH INTEGRITY, ACCOUNTABILITY AND PURPOSE

The EPF's stewardship of Malaysia's retirement savings rests on robust governance and principled leadership. True to that mandate, we upheld the highest standards of transparency and accountability in 2024, embedding integrity and sustainability into every facet of EPF's operations.

A milestone in 2024 was the launch of our Sustainable Investment Stewardship Policy, the first standalone policy of its kind by a Malaysian institutional investor. This policy sets a clear framework for engaging investee companies and external fund managers, promoting responsible practices that align with global standards, such as the UN-supported Principles for Responsible Investment and the Malaysian Code for Institutional Investors.

Through the EPF's MyRisks platform, 27 departments, six regionals and 69 branches now participate in corruption risk management assessments. Ongoing awareness and training programmes reinforce ethical decision-making, while a structured Integrity Performance Index tracks progress and holds every unit to account. Together, these measures embody our zero-tolerance stance on corruption and our commitment to upholding the highest governance standards across the public sector.

These efforts form the foundation of the trust our members place in the EPF. In 2024, we achieved a trust score of 83%, and once again led the GLIC/GLC/Government sector in the Ipsos Trust Track study for the sixth consecutive year. Conducted annually by Ipsos Malaysia, the study measures public trust across key sectors. Our consistent top ranking reaffirms the confidence placed in us as a trusted and leading national institution.

Our Customer Satisfaction Index stood at an impressive 93%, while our Net Promoter Score reached +52, a level considered great and a clear reflection of our members' strong confidence in the EPF as a transparent, accountable, and member-centric institution. As our role grows in complexity and scope, our leadership principles remain unchanged: grounded in integrity and guided by the long-term interests of those we serve.

STRENGTHENING OUR GLOBAL STANDING

As one of the largest pension funds in the region, the EPF plays a growing role in shaping investment stewardship and long-term pension sustainability across markets. As such, we have continued to align with internationally recognised frameworks and remained active on platforms that advance responsible investment practices throughout 2024.



EPF East Region Director, Encik Rahmat Ali, together with EPF staff during the Karnival Jom Heboh in Terengganu.

Through our participation in the Institutional Investors Council and other regional networks, we continue to contribute meaningfully to ongoing dialogue around ESG integration, retirement adequacy and future-ready pension systems. These engagements complement our internal efforts to ensure our practices remain robust, transparent and reflective of international expectations.

OUTLOOK

As we look to the year ahead, our focus remains on navigating change while delivering consistent value to our members. Global trade tensions and rapid technological shifts will continue to shape capital markets, while domestically, demographic transitions and changing labour dynamics will heighten the urgency of ensuring retirement adequacy and driving inclusive reforms.

Amidst this evolving landscape, our focus remains steadfast: to deliver sustainable outcomes for our members while contributing meaningfully to national development. Our Strategic Asset Allocation framework will continue to guide us, enabling disciplined investment, steady growth, and strong domestic participation.

Yet we know that financial returns alone are not enough to close the retirement gap. A shift in mindset towards consistent savings, broader access to social protection, and deeper cross-sector collaboration will be essential. As we move forward, the EPF is committed to delivering value that is both financially resilient and socially impactful ensuring our work today continues to reflect our purpose and uphold our responsibility to future generations.

ACKNOWLEDGEMENTS

I extend my heartfelt thanks to all who contributed to making 2024 a year of meaningful progress. To my fellow Board members, the Investment Panel, the Shariah Advisory Committee, and the EPF management team – your wise counsel and unshakeable dedication have been invaluable.

To the entire EPF family, from our branches to our headquarters – your integrity, professionalism, and commitment remain the driving force behind all that we do. And most importantly, to our members: thank you for placing your trust in us. Your confidence inspires us to aim bigger, act with conviction, and serve with purpose.

As we look ahead, let us move forward together, with confidence and shared purpose, to build not just stronger retirements, but a stronger Malaysia.

Tan Sri Dato' Seri Mohd Zuki Ali
Chairman

CHIEF EXECUTIVE OFFICER'S MESSAGE

DEAR STAKEHOLDERS,

Our responsibility to our members has never been more vital. As Malaysia undergoes profound demographic and economic shifts, from an ageing society to the rise of the gig economy, our role as the anchor for our members' financial security has never been more important. In 2024, we delivered strong results, pushed forward key structural reforms, and stayed disciplined in execution, all with a clear focus on securing better retirement outcomes for our members and supporting the nation's long-term resilience.

We are more than a fund manager. We are a partner in helping over 16 million Malaysians build lasting financial security. That sense of responsibility shapes every part of our strategy, which is focused, forward-looking, and firmly anchored in the trust of the people we serve.

STRONG PERFORMANCE, STEADY STEWARDSHIP

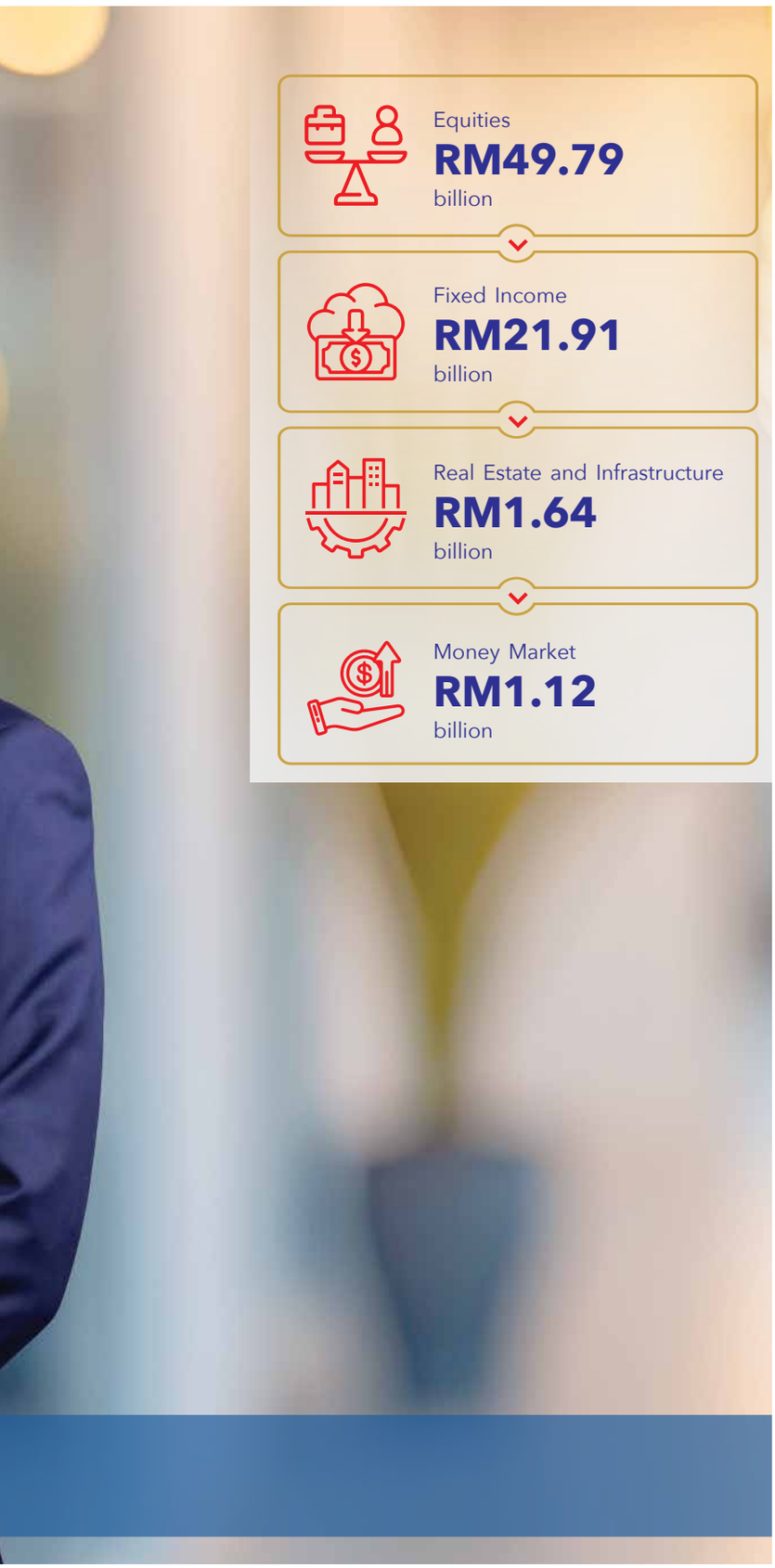
We ended the year with a total investment income of RM74.46 billion, a strong result driven by disciplined strategy, agile execution, and a long-term approach to stewardship. This performance allowed us to declare a 6.30% dividend for both Simpanan Konvensional and Simpanan Shariah, the highest since 2018. It reflects the renewed strength and consistency of our investment strategy in delivering sustainable value to our members.

Our Equities portfolio delivered RM49.79 billion, accounting for 67% of total investment income, with a return on investment (ROI) of 9.90%. This was supported by timely and strategic decisions in a volatile market. Private Equity posted a strong ROI of 11.33%, highlighting the continued value of our alternative investments. Fixed Income remained a stable contributor, generating RM21.91 billion or 29% of income (ROI: 4.27%), largely from Malaysian Government Securities. Real Estate and Infrastructure added RM1.64 billion (ROI: 5.13%), while Money Market Instruments contributed RM1.12 billion (ROI: 1.89%). Returns in these segments were moderately affected by currency movements, particularly the stronger Ringgit.

Our portfolio remains well balanced, with 46.2% in Fixed Income, 43.5% in Equities, 6.3% in Real Estate and Infrastructure, and 4% in Money Market Instruments, reflecting the right mix between capital preservation and growth. Domestic investments, which make up 63% of total assets, contributed RM37.02 billion or 49.7% of income, supporting the national economy. International investments, at 37% of assets, generated RM37.44 billion or 50.3% of income, reinforcing the value of global diversification.



AHMAD ZULQARNAIN ONN
Chief Executive Officer



EXECUTING WITH PURPOSE: THE EPF'S THREE-YEAR ROLLING PLAN

The EPF's strategy is anchored by a clear framework that guides every major initiative and reform. Our Three-Year Rolling Plan sets the strategic direction, ensuring our priorities stay relevant, measurable, and responsive to a changing environment.

In 2024, we reaffirmed our identity and purpose. With a renewed purpose to build a better retirement future for Malaysia, and a clear mission to help members achieve a comfortable retirement income, we sharpened our focus. Our path forward puts people at the centre and the future in view, guided by our core values of Progressive, Empathy, Teamwork, and Integrity.

Rooted in this refreshed identity, the Three-Year Rolling Plan serves as our roadmap to build a resilient, future-ready, and member-focused organisation. It is structured around seven strategic thrusts that drive execution across key areas, keeping our efforts aligned, coordinated and results-driven.

7 STRATEGIC THRUSTS

1. People Development
2. Investments Resiliency
3. Sustainability Embedment
4. Customer Centricity
5. Operational and Business Efficiency
6. Retirement Wellbeing
7. Digital Enablement

In 2024, our Three-Year Rolling Plan progressed steadily, with measurable results across key priorities: expanding inclusive coverage through i-Saraan and i-Suri, improving member experience through digital transformation, and embedding ESG deeper into our investment practices. Internally, we strengthened workforce upskilling, implemented performance KPIs, and reinforced service values aligned with our renewed purpose, mission and values – laying the foundation for a more effective and future-ready organisation.

DRIVING STRUCTURAL REFORM

Malaysia's pension landscape faces real structural challenges, from longer life expectancy and rising healthcare costs to low retirement savings and a growing informal workforce. These are complex challenges that call for collective action, and the EPF remains engaged in contributing to the way forward.

In 2024, we introduced a three-account structure to better support members' lifetime financial planning. In addition to Akaun Persaraan and Akaun Sejahtera, we introduced Akaun Fleksibel, allowing partial withdrawals for short-term needs without compromising retirement security.

By the end of the year, more than 4 million members utilised Akaun Fleksibel, with withdrawals totaling RM12.17 billion. However, over 70% of eligible members chose not to withdraw, indicating a growing awareness of the importance of long-term financial planning. This shift not only signals stronger savings behaviour among members, but also opens up new possibilities for designing better ways to support income needs in retirement.

To further support this shift, we introduced the Retirement Income Adequacy (RIA) framework and the updated Belanjawanku Guide 2024/2025. The RIA framework outlines three tiers of retirement adequacy to guide members in planning, while Belanjawanku offers revised monthly expenditure estimates for key urban centres. Both tools aim to help Malaysians make informed decisions about saving and retirement lifestyles.

We also expanded the reach of these reforms by enhancing coverage through targeted policies and inclusive product design.

i-Saraan

Grew by 51%, welcoming 558,269 new participants and surpassing 1 million contributors.

i-Suri and i-Sayang

Supported over 287,000 i-Suri members and 102,000 i-Sayang members respectively, strengthening protection for caregivers and dependents.

i-Lindung Phase 2

Enabled over 115,000 members to extend life and critical illness coverage to immediate family – a crucial step in building resilience against rising medical costs.

ALIGNING WITH NATIONAL PRIORITIES

Malaysia's economy is being shaped by structural shifts. Demographic change, the rise of the informal workforce, and growing climate pressures are redefining work, lifestyle, and retirement planning. In this evolving landscape, the EPF's role has expanded beyond fund management. We are now a key institutional partner in supporting national resilience and contributing to broader social and economic outcomes.

One such effort is our commitment of RM50 billion in domestic direct investments over five years under the GEAR-uP programme. While aimed at generating sustainable returns, these investments also serve the wider goal of national development – by helping build the enabling infrastructure for an ageing population, improving access to healthcare and digital services, and accelerating the transition to a greener economy. By raising the country's economic baseline, these efforts contribute to a more inclusive and resilient future.

We are also actively contributing to pension and social protection reform. In 2024, the EPF held the chair of the ASEAN Social Security Association and actively participated in Malaysia's Social Protection Council. Initiatives such as the RIA framework, partnerships with the creative and platform gig sectors, and inclusive product development reflect our focus on expanding coverage to the underserved and mobile segments of the workforce.

At the same time, our sustainability agenda gained further traction in 2024, marked by a 28% reduction in our operational greenhouse gas emissions, underscoring our commitment to responsible stewardship. Recognising that most emissions are tied to our investment portfolio, we also completed the baselining of financed emissions across nearly 100% of our holdings, guided by the Partnership for Carbon Accounting Financials (PCAF) methodology. These are important steps in our shift towards a data-driven approach to decarbonisation, as we work toward a tailored roadmap and interim targets on the path to net zero.

OUTLOOK

As Malaysia enters a new phase of transformation, the EPF must remain agile, inclusive, and focused on the future. Our long-term success depends not just on generating returns, but on how effectively we respond to change and deliver retirement outcomes that are relevant, resilient, and sustainable.

The outlook for 2025 points to modest growth with continued volatility arising from geopolitics and higher tariffs. In this environment, our priority remains clear: manage risks with discipline while creating long-term value. We see strong potential



From left: Chief Operations Officer, Encik Sazaliza Zainuddin; Chief Executive Officer, Encik Zulqarnain Onn; Chief Investment Officer, Puan Rohaya Mohammad Yusof; and Chief Digital Technology Officer, Encik Muhammad Afhzal Abdul Rahman, at the EPF 2024 Financial Performance Briefing.

in sectors aligned with the national MADANI vision - green energy, healthcare innovation, digital infrastructure, and AI. These opportunities reflect our belief that long-term value creation must support both national resilience and shared prosperity.

We are encouraged by the growing financial maturity of our members. From prudent use of Akaun Fleksibel to increased participation in voluntary schemes, members are shaping their retirement future. This level of trust and engagement reaffirms our role not only as a fund manager but as a long-term partner in their financial wellbeing.

Our new Three-Year Plan 2025–2027 is both ambitious and grounded. It sets a clear path to strengthen EPF's impact, reinforce institutional resilience, and deliver meaningful outcomes in a rapidly changing world.

Looking ahead, we remain focused on expanding inclusive access, improving lifetime income adequacy, and supporting Malaysia's broader economic transformation, while staying true to our purpose.

ACKNOWLEDGEMENTS

I would like to extend my sincere appreciation to the Board, Investment Panel, and Shariah Advisory Committee, for their guidance, oversight, and steadfast support throughout the year. Your leadership has been instrumental in steering the EPF through a challenging environment and ensuring we stay focused on our long-term responsibilities to our members.

To every EPF staff member, thank you. Much of your work happens behind the scenes, but its impact is clear. It is your dedication that keeps us moving forward and reinforces the trust placed in us by millions of Malaysians.

To our members, thank you for your continued confidence. We remain fully committed to serving your best interests with integrity, purpose, and a long-term view to securing your financial future.

Ahmad Zulqarnain Onn
Chief Executive Officer

STRATEGY

The EPF 3-Year Rolling Plan (3YRP) is designed to future-proof the organisation, ensuring that we remain resilient, adaptable, and forward-looking in securing a better retirement future for Malaysia. This strategic plan underscores our responsibility to safeguard and grow members' savings, deliver service excellence, and evolve with the changing socio-economic landscape.

At its core, the EPF 3YRP is driven by our refreshed Purpose, Mission, and Values, which serve as guiding principles for all our initiatives. Through this plan, we are committed to empowering members to make informed and meaningful retirement decisions, enabling every Malaysian to look forward to financial security, wellbeing, and fulfilment in their golden years.

STRATEGIC THRUSTS

The EPF is guided by seven strategic thrusts, encapsulated by the phrase "Perfectly I SCOReD", where each capitalised letter represents a key focus area.



PEOPLE DEVELOPMENT
We aim to future-proof the organisation by fostering a culture that nurtures future-ready talent and develops a highly skilled workforce. This is achieved by elevating the employee experience and overall wellbeing.



INVESTMENTS RESILIENCY
We ensure financial resilience by optimising our assets and liability management, including strengthening asset allocation to maximise returns, while unlocking additional value through strategic investments.



SUSTAINABILITY EMBEDMENT
We aspire to lead in sustainable investment practices. This involves embedding sustainability across all enterprise operations and adopting a holistic approach to ESG matters.



CUSTOMER CENTRICITY
Guided by a deep commitment to our members' long-term wellbeing, we aim to expand EPF coverage and improve retirement savings adequacy. To better serve our members, we strive to deliver relevant data-driven solutions powered by advanced technology to enhance the customer experience. Furthermore, we seek to strengthen stakeholder engagement and forge strategic partnerships to drive greater impact.



OPERATIONAL AND BUSINESS EFFICIENCY
We aim to enhance cost efficiency and operational effectiveness by simplifying and digitalising our business processes, enabling streamlined workflows and greater productivity.



RETIREMENT WELLBEING
We actively drive social wellbeing initiatives that deliver value beyond financial returns, helping our members enjoy a meaningful retirement. We also continuously enhance the EPF scheme to stay relevant for future generations amidst evolving demographics.



DIGITAL ENABLEMENT
We strengthen our digital infrastructure to accelerate data-driven decisions and seamless ecosystem integration, while simultaneously enhancing cybersecurity across the organisation.

OPERATING ENVIRONMENT

MACROECONOMIC TRENDS AND DEVELOPMENTS

The macroeconomic environment significantly influences the EPF's performance, including investment returns, employment rates, member contributions, and withdrawal patterns. Accordingly, we actively monitor and assess these factors to guide our strategic planning over the short-, medium-, and long-term.

GLOBAL TRENDS

Moderate Global Growth

Global economic growth is estimated to have fallen to 3.3% in 2024 (2023: 3.5%). This deceleration is attributed to the cumulative effects of earlier monetary tightening and persistent inflation, which continue to dampen economic activity. The US economy remains stable, supported by a resilient labour market and easing inflation, while other major economies face significant headwinds that constrained their growth.

Geopolitical Tensions and Volatility

Global trade dynamics were affected by rising geopolitical tensions, including the potential for an intensification of the trade war between the US and China. This uncertainty weighed on financial markets and prompted multinational corporations to adjust their operations and investment decisions in response.

The Green Economy Transition

Global energy-related CO2 emissions continue to rise, reaching new highs. In 2024, emissions increased by 0.8% according to the International Energy Agency (IEA). The growth in energy-related emissions in 2024 was the lowest since the post-pandemic rebound and among the lowest in the past decade, signalling a potential turning point in the fight against climate change. There is also growing momentum in green energy transition globally, driving sustainability-focused investment and policy shifts.

Ageing Global Population

By 2030, individuals aged 50 years and above are expected to contribute more significantly to the global economy than ever before, emphasising the growing importance of policies and products tailored to an ageing demographic.

Rising Public Debt

Global public debt is projected to reach 93% of global GDP by the end of 2024, increasing fiscal constraints and influencing economic policies worldwide.

Automation and AI Transforming the Workforce

Businesses are accelerating the adoption of automation, with an estimated four in ten tasks expected to be automated by 2027. This shift necessitates large-scale workforce transformation and reskilling, presenting both challenges and opportunities for the modern labour market.

Escalating Cybersecurity Risks

The cost of cybercrime is rising sharply, with global damages expected to triple in the coming years. This trend underscores the critical need for stronger cybersecurity frameworks and enhanced digital resilience.

DOMESTIC TRENDS

Healthy Economic Growth

According to Bank Negara Malaysia (BNM), the Malaysian economy grew by 5.1% in 2024, up from 3.6% in 2023. This growth was driven by a rebound in exports and strong domestic demand, supported by robust investment activity, a healthy labour market, and stable inflation. Export performance benefitted from the stabilising global economy and the technology sector upcycle.

Robust Job Creation

Domestic political stability, ongoing reforms, and the execution of national strategic plans attracted increased foreign direct investment (FDI) and domestic direct investment (DDI), boosting job creation. Malaysia's unemployment rate fell slightly to 3.3% in 2024, compared to 3.4% in 2023.

Stable Interest Rates

BNM maintained the Overnight Policy Rate (OPR) at 3.0%, further supporting economic growth as inflation remained manageable.

OPERATING ENVIRONMENT

LONG-TERM MARKET TRENDS IN MALAYSIA

Ageing Population

Malaysia is undergoing a rapid ageing transition and is expected to become an aged nation by 2043, when 14% of the population will be 65 or older.

At the same time, Malaysians are living longer, with life expectancy reaching 75.2 years in 2024, while the minimum retirement age remains at 60. This creates a 15-year post-retirement period where individuals risk exhausting their savings. Rising healthcare costs and increasing long-term care needs further compound financial pressures in later life.

Savings Inadequacy and Low Wage Structure

Many Malaysians struggle to build sufficient savings for retirement – a challenge compounded by the country's low wage structure. 77% earn less than RM5,000 while 55% of members earn below RM3,000.

Informal Employment

The rapid rise of the gig economy has led to continued growth in informal employment. As of 2024, around 6.8 million individuals in Malaysia's labour force remain outside any formal retirement or pension scheme. This includes independent contractors, the self-employed, business owners, unpaid family workers, and domestic workers.

Our Response

To address and maximise our performance amidst these factors outlined above, we have set objectives across five (5) key focus areas: Adequacy, Coverage, Experience, Yield and Trust (ACE-YT). Our performance in these areas is detailed below.



ADEQUACY

Definition

Percentage of active formal sector members who attain the basic savings for their age group, based on having at least RM240,000 by age 55.

What We've Done

- Introduced the EPF account restructuring aimed at enhancing members' retirement income security with an increase of contribution allocation into Akaun Persaraan from 70% to 75%.
- Reinforced employer compliance and engagement, with a 1.4% increase in active employers from 2023.
- Recorded a 63% increase in Voluntary Contributions (VC) from members.
- Recorded a 27% increase in Voluntary Excess (VE) contributions for the employees' share.
- Provided 5,020 personalised sessions with our Relationship and Advisory (RA) Service, equipping members with tailored financial advisory for a secure retirement.
- Launched the Retirement Income Adequacy (RIA) Framework – a three-tier savings level framework that guides members on the savings and income levels required for retirement sustainability.
- Increased nomination awareness to ensure smoother inheritance processes.
- Promote EPF products, such as i-Sayang to support family members' retirement income security.
- Collaboration with Financial Education Network (FEN), an inter-agency platform comprising institutions and agencies committed to improving the financial literacy of Malaysians, to develop and execute financial literacy initiatives.
- Hosted the launch of Financial Literacy Month and National Financial Literacy Symposium, in collaboration with Bank Negara Malaysia (BNM) and Financial Education Network (FEN) to foster discussion and share insights on innovative solutions in advancing the nation's financial literacy agenda, with the aim to enhance financial literacy and empower Malaysians with the knowledge, skills, and tools needed to make informed financial decisions.
- Conducted 41 financial literacy sessions for final-year university students, benefiting 4,049 participants.

2024 Target	2024 Performance
34%	37.3%

COVERAGE

Definition

Number of active members aged 15 to 64 within labour force who contribute to the EPF.

What We've Done

- Recorded 3.3% increase in new member registrations via various channels including the i-Akaun mobile application, self-service terminals (SST), automatic registration via Form KWSP 6 (Form A), over-the-counter, and registration via mail.
- Recorded 71,471 new employer registrations using i-Akaun Majikan, facilitating functions such as new employee registrations and employer contributions.
- Encouraging voluntary contributions by self-employed individuals and gig workers through i-Saraan, with a 38% increase in members who registered and also made contributions.
- Launched i-Lindung Phase 2 which allows members to use the funds in their Akaun Sejahtera to purchase insurance and takaful products covering life and critical illness protection for their immediate family members.
- Since its launch, the i-Sayang initiative has recorded 102,338 registrations by wives as recipients, underscoring its sustained contribution to enhancing financial inclusivity among families.
- Partnered with key stakeholders for community-based events targeting gig workers and the informal sector, while also extending our products and services to younger demographics and underserved communities. We participated in 17 events, recording over 19,000 booth attendees.
- Completed 13,184 outreach programmes through strategic collaborations nationwide.

2024 Target	2024 Performance
50%	50.2%

EXPERIENCE

Definition

Members' Net Promoter Score (NPS) which measures customer experience and gauges customer loyalty to assess overall customer satisfaction with EPF services.

What We've Done

- Implemented the EPF Account Restructuring to enhance members' retirement income security while addressing their current life cycle needs together with the introduction of Akaun Fleksibel which is accessible for short-term financial needs.
- Elevated the customer experience through service innovation.
- Upgraded digital solutions such as EIP enhancement, eKYC implementation, and Digital HR.
- Expanded Self-Service Terminals (SST) to improve accessibility.

2024 Target	2024 Performance
> +50%	+52%

OPERATING ENVIRONMENT

YIELD

Definition

Blended three-year rolling real dividend for Simpanan Konvensional and Simpanan Shariah accounts.

What We've Done

- Ensured our overall investment strategy is guided by our long-term Strategic Asset Allocation, which has consistently proven effective, playing a crucial role in enhancing resilience amid market uncertainties.
- Maintained robust liquidity and risk management practices, providing a framework that guides and safeguards the EPF against challenging and unexpected events.
- Diversified investments across various asset classes, mandates, markets, and sectors, as well as conducting active portfolio management.
- Achieved a total ROI of 6.66% through strategic investments.
- Advanced the Shariah Private Equity (PE) mandate to diversify investment strategies.
- Executed strategic investment mandates for long-term sustainable growth.

2024 Target	2024 Performance
>2%	3.15%

TRUST

Definition

The level of trust among stakeholders in the EPF's ability to deliver.

What We've Done

- Maintained a high level of integrity with a dedicated Integrity & Governance Department.
- Established an Anti-Corruption Policy, supported by a Sponsorship and Donation Policy.
- Ensured all procurement was conducted in line with the EPF's Procurement Policy, with all suppliers required to agree with the EPF's Supplier's Code of Conduct (SCOC), which incorporates ESG considerations.
- Investigated and acted upon all reports submitted via our whistleblowing channels.
- Reported performance transparently on a quarterly and annual basis in a transparent manner.

2024 Target	2024 Performance
>75%	83%

OUR LONG-TERM GOALS

To achieve our purpose of building a better retirement future for Malaysia, we have set long-term goals for each of the five (5) ACE-YT focus areas to be achieved by 2030. Our future aspirations are outlined below.

ADEQUACY

2030 Goal

Achieve over 50% of active formal members meeting their basic savings by age.

How We Will Achieve It

Adopt a differentiated approach tailored to diverse member segments across both the accumulation and decumulation phases to foster lifelong customer relationships. Simultaneously, promote the uptake of savings solutions by introducing more structured retirement income products and enhancing existing offerings to deliver greater value to members.

COVERAGE

2030 Goal

Ensure over 60% of the labour force is covered by EPF (active members).

How We Will Achieve It

Extending the EPF coverage to all segments in the labour force including, contract for service workers.

EXPERIENCE

2030 Goal

Consistently achieve +50% or more for Net Promoter Score.

How We Will Achieve It

Continuously advance our digital platforms to ensure seamless and intuitive user interactions through expanded functionalities and strengthened security measures. Beyond digital enhancements, we remain committed to elevating the overall customer experience by streamlining processes, delivering personalised services, and providing outstanding support across all engagement channels.

YIELD

2030 Goal

Achieve over 2% 3-year rolling real dividend rate.

How We Will Achieve It

Further strengthen our Strategic Asset Allocation, improve liquidity and risk management frameworks, and expand diversification across asset classes and global markets. Enhance active portfolio management and harness advanced analytics to support more informed and effective investment decisions.

TRUST

2030 Goal

Achieve over 75% Trust Score.

How We Will Achieve It

Reinforce our dedication to integrity and transparency by advancing governance initiatives, strengthening anti-corruption measures, and working towards full implementation of a corruption risk management platform by 2025. This commitment is further supported through consistent and transparent quarterly and annual performance disclosures.

Driving ESG Advancement

In 2024, EPF continued its transformation towards enterprise-wide sustainability by embedding ESG principles into decision-making. This ensures that value creation extends beyond financial returns to generate positive economic, environmental, and social impacts.

Specifically, our approach is pillared by two (2) key strategies:

1. **Strengthening ESG Capabilities and Investment Practices**

   Our ESG commitment is reflected in the launch of our ESG Stewardship Policy. The first standalone stewardship policy by a Malaysian institutional investor, setting best practices for sustainability among investee companies and external fund managers. We have also developed an ESG-aligned investment framework to strengthen portfolio resilience, manage climate-related risks, and align with international sustainability standards.

   To further support responsible investing, the i-Invest platform has been enhanced with ESG tagging features, providing members with greater visibility into ESG-compliant funds and enabling more informed investment decisions.

2. **Embedding Enterprise-wide Sustainability Practices**

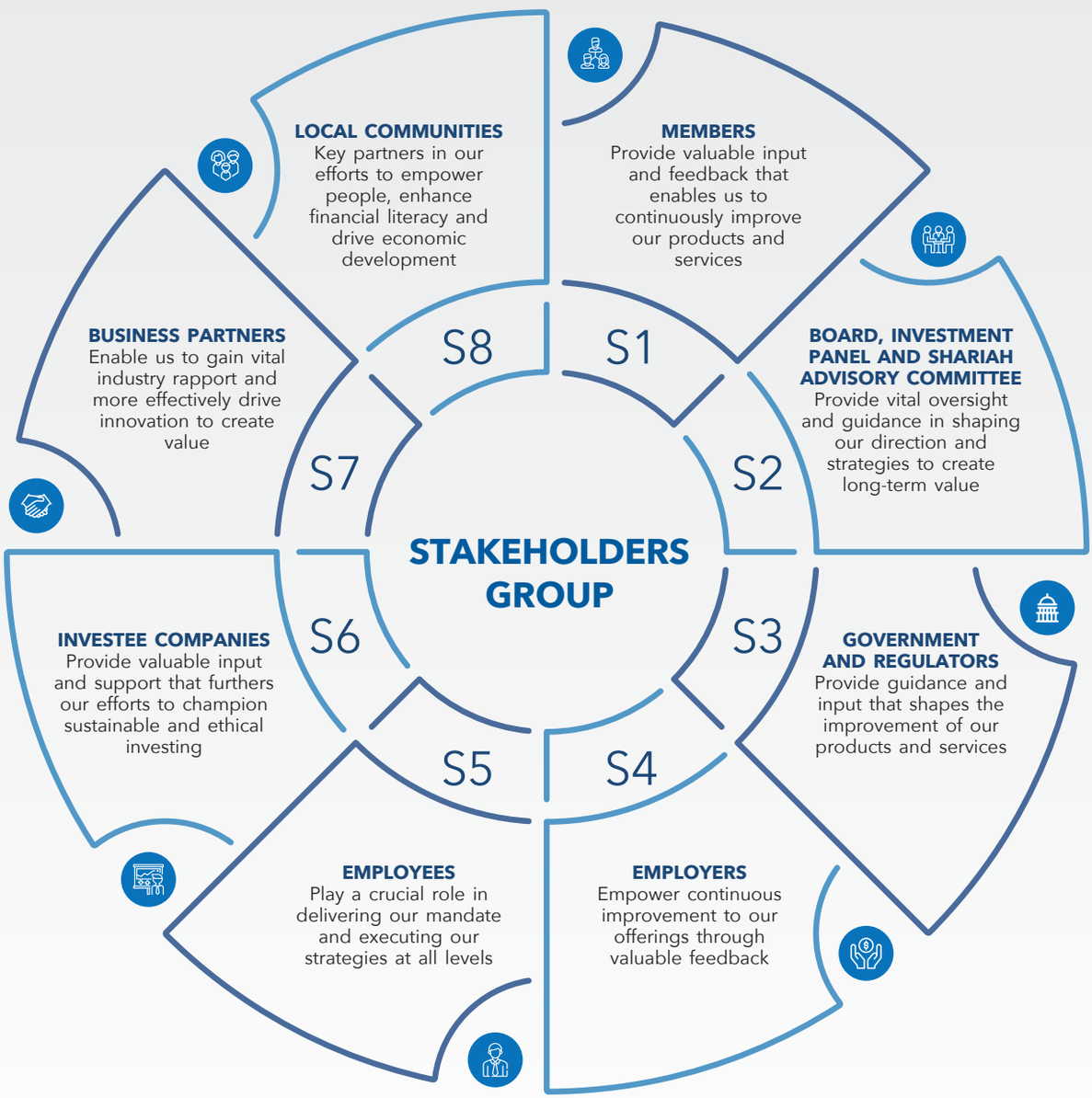
   Our Enterprise Sustainability Plan, approved in February 2024, serves as a strategic framework in adopting sustainability practices across the organisation. This comprehensive plan outlines our approach to embedding sustainability at every level, beginning with benchmarking our practices against global standards. It also incorporates a materiality assessment to identify and prioritise key sustainability priorities.

   At the core of the plan is a robust sustainability framework and strategy, supported by actionable initiatives and clearly defined, measurable targets to drive long-term impact and accountability. In complement to the plan, sustainability and ESG-related key performance indicators (KPIs) have been integrated across all employee levels, incentivising our team to drive improved performance across key metrics.

STAKEHOLDER ENGAGEMENT

Understanding the interests and concerns of our stakeholders is essential for developing and implementing strategies that generate sustainable value, while also underscoring our commitment to transparency and sound governance.

In 2024, we identified our primary stakeholder groups, considering their capacity to influence and be influenced by our decisions and activities across the short, medium, and long-term timeframes.

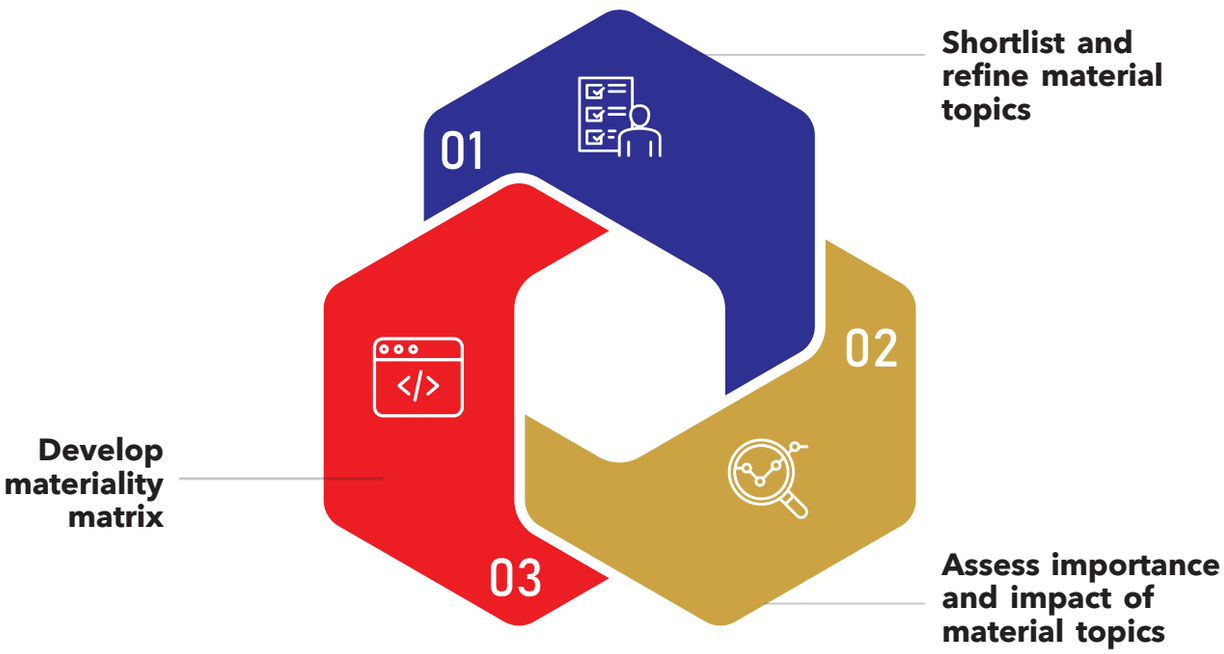


MATERIAL MATTERS

Our material matters represent the issues that have the greatest impact on both our organisation and our stakeholders. As such, they serve as the foundation of our business and sustainability strategies.

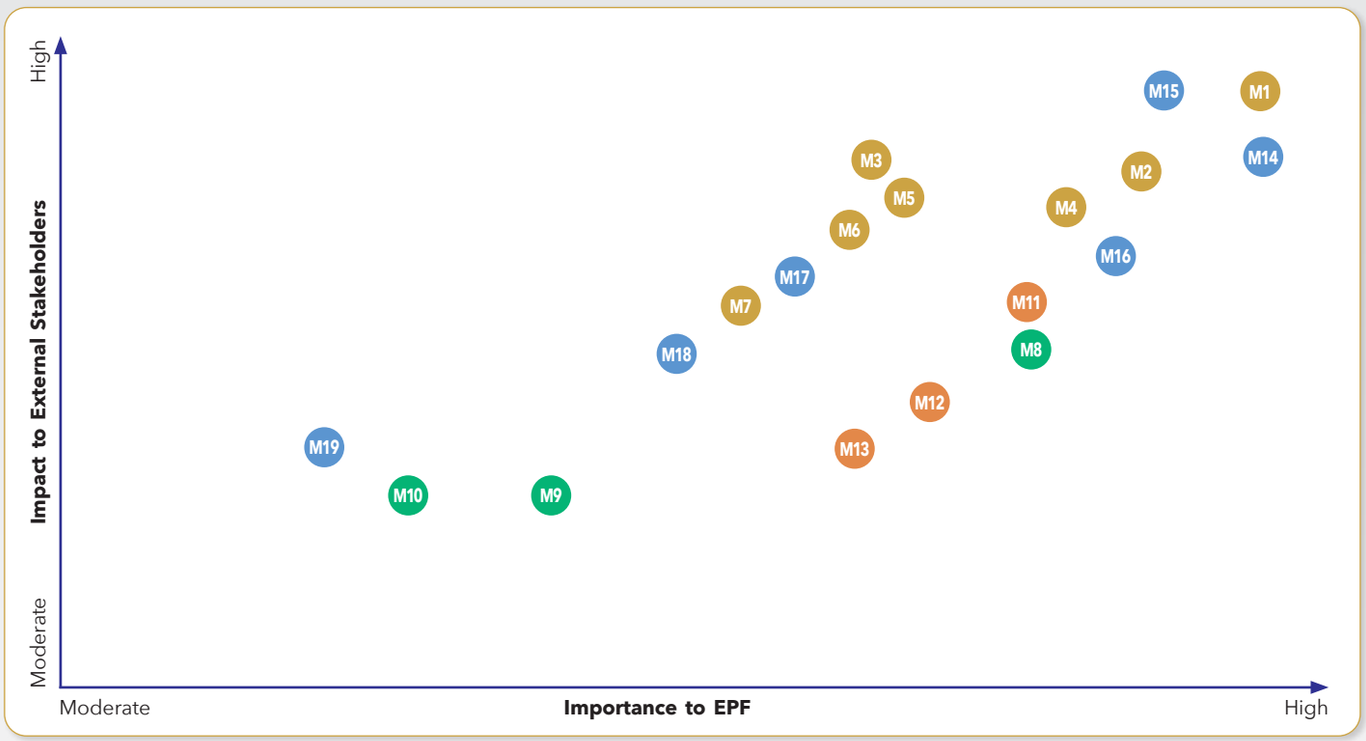
As part of our enterprise sustainability plan, we conducted a comprehensive materiality assessment in 2023. This process incorporated insights from 39 in-depth interviews and responses from over 2,700 survey participants across a diverse range of stakeholder groups. The result was a well-rounded and robust evaluation of the current and anticipated impacts of key issues.

The assessment followed a structured three-step approach. It began with the identification and refinement of potential material topics, followed by an evaluation of each topic's significance and potential impact. The final step involved developing a materiality matrix – mapping each issue based on its relevance to our business and its effect on stakeholders. This approach ensures that our strategic decisions remain focused on the areas of greatest importance and long-term value.



In 2024, we conducted a desktop review and validation of our material matters, affirming that they remain most relevant to our business and stakeholders in the current macroeconomic and domestic climate. As such, our materiality matrix remains unchanged from the previous year.

MATERIALITY MATRIX



Catalysing Better Lives and Livelihoods

- M1 Retirement Income Security
- M2 EPF Coverage and Member Advocacy
- M3 Policy-shaping and Regulatory Engagement
- M4 Financial Literacy
- M5 Fair and Decent Wages
- M6 Higher Value Employment Opportunities
- M7 Greater Social Impact

Driving Climate Action

- M8 Enterprise GHG Emissions
- M9 Responsible Consumption and Waste Management
- M10 Green Coverage

Unlocking Human Capital Potential

- M11 Re-/Up-skilling Employees
- M12 Employee Health and Wellbeing
- M13 Fair and Inclusive Employment Practices

Sustaining Growth and Governance

- M14 Financial Performance
- M15 Sustainable Investment
- M16 Transparency, Business Ethics and Anti-corruption
- M17 Digitalisation, Innovation and Cybersecurity
- M18 Customer Experience and Engagement
- M19 Sustainable Supply Chain Management

MATERIAL MATTERS

CATALYSING BETTER LIVES AND LIVELIHOODS

M1 RETIREMENT INCOME SECURITY

We aim to ensure members have sufficient savings upon retirement and adequate replacement income during their retirement years.

Why It Is Important

Our purpose is to build a better retirement future for Malaysia by ensuring our members, employees, and society at large have sufficient retirement savings and income.

Impact on Our Stakeholders

- Enables our members to enjoy a meaningful retirement and increased quality of life.
- Supports the long-term financial security of our members.

M2 EPF COVERAGE AND MEMBER ADVOCACY

We educate and enable our members to know their rights and be vocal about EPF coverage in the course of their employment.

Why It Is Important

As EPF contributions are mandatory, it is critical that all employers adhere to the law, while employees have access to a source of funds for their retirement.

Impact on Our Stakeholders

- Ensures employers contribute their share of employees' EPF funds on time.
- Reduces stress and dependency on social safety nets for our members' retirement.

M3 POLICY-SHAPING AND REGULATORY ENGAGEMENT

We collaborate with and support other regulatory bodies in shaping policies towards better retirement and supporting members' EPF coverage.

Why It Is Important

Our position, capabilities, and influence on policy-making enable deep collaboration with other government departments to advance our purpose and mission.

Impact on Our Stakeholders

- Enables more effective policies for our members to enjoy a dignified retirement.
- Improves regulatory compliance among our organisation and stakeholders.

M4 FINANCIAL LITERACY

By enhancing awareness of financial and retirement planning, we are able to influence our members to make more active contributions and improve financial decision-making.

Why It Is Important

Financial literacy and knowledge align with our mission of helping members achieve a comfortable retirement income, while also maintaining trust in the EPF by improving society's awareness of our performance relative to other funds.

Impact on Our Stakeholders

- Helps sustain regular contributions to EPF and reduce dependence on EPF withdrawals.
- Increases our members' and society's financial knowledge not just for retirement planning, but also to achieve other financial objectives.

M5 FAIR AND DECENT WAGES

Decent wages allow our members, employees, and society at large to save more for retirement while supporting their current needs, in line with the cost of living.

Why It Is Important

Higher wages are directly linked to greater EPF contributions, which enables us to grow our funds and increase social protection during retirement.

Impact on Our Stakeholders

- Supports long-term financial security and reduces financial stress among members, especially among the B40 group.
- Increases our members' and society's standard of living.

M6 HIGHER VALUE EMPLOYMENT OPPORTUNITIES

Part of our role is to help shape employment policies to create higher value opportunities, which enables individuals to build sustainable livelihoods and save for retirement.

Why It Is Important

Enabling access to quality employment is fundamental to ensuring members' financial security throughout their working lives and into retirement. Facilitating such employment opportunities also helps individuals contribute more effectively to Malaysia's economy and move up the value chain.

Impact on Our Stakeholders

- Improves income and the ability to save more consistently.
- Encourages employers to invest in upskilling and career mobility.

M7 GREATER SOCIAL IMPACT

We aim to provide amenities and services to improve our members' quality of life during their retirement years.

Why It Is Important

Our support for our members continues into retirement, where we provide social benefits such as insurance, reinforcing our role in enabling a meaningful retirement.

Impact on Our Stakeholders

- Improves members' access to non-financial retirement support, such as healthcare, elderly care, financial education etc.
- Supports meaningful retirement, enabling our members to enjoy an elevated quality of life, while also continuing to contribute to the economy if they choose to.

DRIVING CLIMATE ACTION

M8 ENTERPRISE GHG EMISSIONS

We drive environmental sustainability by tracking, controlling, and reducing not just our own greenhouse gas (GHG) emissions, but also those of our investee companies.

Why It Is Important

As the effects of climate change become more evident in extreme weather events, we are committed to reducing our Scope 1, 2 and 3 GHG emissions, while also influencing our investee companies to do the same.

Impact on Our Stakeholders

- Ensures that we future-proof our organisation by embedding climate risks as part of our investment and operational considerations.
- Encourages our investee companies to commit to reducing GHG emissions, in line with the government's objective to transition to a low-carbon economy by 2050.

M9 RESPONSIBLE CONSUMPTION AND WASTE MANAGEMENT

We are committed to minimising over-consumption and reduce waste in our operations, redirecting waste to be recycled where possible.

Why It Is Important

While most of the waste produced by our organisation is non-hazardous office and municipal waste, we commit to responsible consumption to save costs and reduce our environmental footprint.

Impact on Our Stakeholders

- Reduces environmental pollution as a result of waste generation, while also promoting circularity in waste management.
- Increases our operational efficiency, e.g. by adopting paperless systems and digitalisation.

M10 GREEN COVERAGE

Real estate forms a substantial portion of our portfolio. As such, we are committed to improving tree and plant area coverage across our real estate investments.

Why It Is Important

Greening efforts not only improve the environment and increase biodiversity, but also raise a property's marketability, especially in urban areas with high real estate prices. Tree planting also has the potential to sequester and/or offset our GHG emissions.

Impact on Our Stakeholders

- Nurtures green, biodiverse spaces for the community.
- Encourages our investee companies, especially companies with large real estate portfolios to improve greenery coverage.

UNLOCKING HUMAN CAPITAL POTENTIAL

M11 RE-/UP-SKILLING EMPLOYEES

We are dedicated to developing internal capabilities, starting with the basis of our success–our workforce.

Why It Is Important

The quality and capacity of our staff are our most valuable assets, directly impacting our investment performance and operational efficiency. Hence, building skills and institutional competence is critical, especially in today's rapidly evolving technological landscape.

Impact on Our Stakeholders

- Heightens our financial performance, institutional capacity, and organisational resilience.
- Equips our employees with advanced skill sets, enabling competence in emerging technologies.

M12 EMPLOYEE HEALTH AND WELLBEING

Our success is contingent on the health, safety, and wellbeing of our employees, which in turn fosters a resilient and responsible organisation.

Why It Is Important

Aside from being in line with the EPF's importance in maintaining the wellbeing of the workforce, creating an environment where our employees feel safe and healthy is the foundation for realising their full potential and productivity.

Impact on Our Stakeholders

- Enhances employee interactions and service quality for our members.
- Improves employee satisfaction, productivity and talent retention.

M13 FAIR AND INCLUSIVE EMPLOYMENT PRACTICES

We prioritise diversity and equal opportunity in talent attraction and retention, as well as deciding on fair wages and benefits and career progression opportunities.

Why It Is Important

Ensuring fairness and inclusivity in our employment practices allows us to recruit and retain the best talent, while also encouraging innovation through diverse perspectives.

Impact on Our Stakeholders

- Enhances the EPF's reputation as an employer of choice.
- Supports diverse, culturally relevant member experiences and operational developments.

SUSTAINING GROWTH AND GOVERNANCE

M14 FINANCIAL PERFORMANCE

Our ability to maintain a strong investment performance directly impacts our members' funds.

Why It Is Important

Our financial performance is directly linked to our objective of enhancing and safeguarding our members' retirement savings. Additionally, we maintain public trust in the EPF by delivering a strong dividend performance.

Impact on Our Stakeholders

- Increases the funds of our members, supporting them in retirement.
- Encourages sustainable growth of our investee companies.

M15 SUSTAINABLE INVESTMENT

We integrate ESG considerations into our investment decisions, while also encouraging ESG practices in our investee companies.

Why It Is Important

With sustainable investments, we improve our risk-adjusted financial returns while supporting national sustainability objectives.

Impact on Our Stakeholders

- Sustains fund performance, increasing the financial security of our members.
- Drives sustainability via our investment activities, in line with the activities of other pension funds globally.

M16 TRANSPARENCY, BUSINESS ETHICS AND ANTI-CORRUPTION

We uphold transparency and ethics in all our investment activities and operations, with zero tolerance for corruption.

Why It Is Important

As a public body, it is our responsibility to act ethically and transparently. This is a fundamental part of our duty to protect and grow our members' savings, while also upholding trust in both our institution and the government.

Impact on Our Stakeholders

- Ensures our members' funds are managed ethically and responsibly.
- Maintains strong public trust in the EPF, our investees, business partners, and the government.

M17 DIGITALISATION, INNOVATION AND CYBERSECURITY

We strive to improve our organisational efficiency by innovating and adopting the latest digital solutions. This also necessitates strengthening our cybersecurity defences.

Why It Is Important

Digitalisation future-proofs our operations and workforce, allowing for better accessibility, improved products, and more efficient operations. At the same time, increased digitalisation exposes our organisation to cyberattacks. Hence, having a strong cybersecurity posture is important to protect our data and maintain business continuity.

Impact on Our Stakeholders

- Enables efficiencies through new digital services, reduced human errors, and improved access and coverage for members.
- Safeguards our members' personal information against cybersecurity breaches.

M18 CUSTOMER EXPERIENCE AND ENGAGEMENT

We aim to improve the customer experience for our members across all touchpoints.

Why It Is Important

A good customer experience helps increase our coverage, reinforces the confidence of our members, while also indirectly encourages them to take a more active role in managing their retirement savings.

Impact on Our Stakeholders

- Supports better accessibility to increase the EPF's coverage, while helping our members with informed decision-making through personalised advisory services.
- Enhances the EPF's reputation for reliability, efficiency, and trustworthiness.

M19 SUSTAINABLE SUPPLY CHAIN MANAGEMENT

We are committed to sustainability not only in our own operations, but also in our supply chain. This includes ensuring our suppliers' ethical treatment of employees and their commitment to reducing emissions, without compromising their ability to deliver.

Why It Is Important

As a leading institutional investor and public body, we use our influence to ensure that our supply chain is consistent with our ESG principles, mitigating reputational, operational, and environmental risks, while also strengthening long-term supplier performance.

Impact on Our Stakeholders

- Promotes ESG accountability and continuous improvement among our suppliers.
- Reflects our commitment to ESG, contributing to Malaysia's national sustainability objectives.

INVESTMENT REVIEW



RM1,249.71 billion
Assets Under Management

RM782 billion
Domestic Assets

RM467 billion
Foreign Assets

INVESTMENT DIVISION OVERVIEW

The Investment Division plays a pivotal role in ensuring that the EPF meets its strategic investment objectives. These objectives are anchored in the Strategic Asset Allocation (SAA) framework, which is reviewed triennially and designed to optimise long-term returns while maintaining acceptable risk thresholds. Guided by this framework, the investment team allocates members' savings across a diverse range of asset classes, geographical regions, and sectors, thereby mitigating concentration risk and maximising the benefits of diversification.

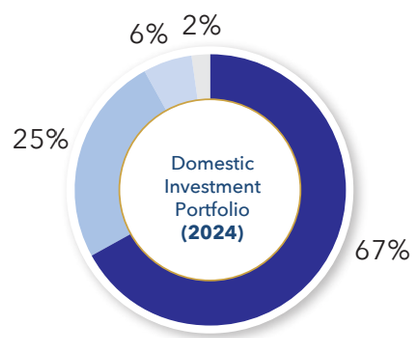
Beginning in 2024, the EPF introduced a strategic split between Simpanan Konvensional and Simpanan Shariah, enabling each portfolio to be managed independently. This structural change allows for tailored investment strategies aligned with the respective risk profiles, mandates, and objectives of both funds.

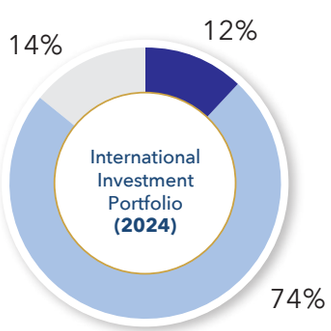
The Investment Division remains committed to its dual mandate: to deliver consistent returns to members through the declaration of a nominal dividend of no less than 2.50% annually, and to ensure a real dividend of at least 2.00% (after adjusting for inflation) on a rolling three-year basis.

OUR DOMESTIC AND INTERNATIONAL INVESTMENT PORTFOLIO

As of 2024, the EPF manages a combined total of RM1,249.71 billion in Assets Under Management (AUM), comprising RM782 billion in domestic assets and RM467 billion in foreign assets. These are strategically diversified across four principal asset classes–equities, fixed income instruments, real estate and infrastructure, and money market instruments–collectively providing a balanced mix of growth, income, stability, and liquidity.

In the domestic portfolio, 25% is allocated to equities, 67% to fixed income instruments, 2% to real estate and infrastructure, and 6% to money market instruments. The foreign asset portfolio is more heavily weighted towards equities, with 74% allocated to equities, 12% to fixed income, and 14% to real estate and infrastructure.





- Fixed Income
- Equity
- Money Market Instrument
- Real Estate & Infrastructure

OVERVIEW OF INVESTMENT LANDSCAPE IN 2024

Global economic growth moderated to 3.3% in 2024, amid the easing of earlier monetary tightening and inflationary pressures. Despite these improvements, growth remained uneven across regions. The United States economy remained resilient, buoyed by a robust labour market and easing inflation, while other major economies contended with heightened risks and challenges stemming from political instability and regional conflicts.

Domestically, Malaysia's economy demonstrated greater resilience, expanding by 5.1%. This growth was supported by strong domestic demand, a rebound in exports, and political stability that continued to attract both domestic and foreign investment.

OVERALL INVESTMENT PERFORMANCE IN 2024

Despite challenges in the investing environment, the EPF achieved a total gross investment income of RM75.18 billion, an increase of 11.56% from RM67.39 billion in 2023. This translated to a realised return on investment (ROI) of 6.66%, reflecting a rolling three-year realised ROI of 6.40%.

In 2024, domestic investments generated RM37.02 billion, or 49.7% of total investment income, while global assets generated RM37.44 billion in income, or 50.3% of the total investment income. A total of RM63.59 billion out of the total investment income of RM74.46 billion was generated for Simpanan Konvensional, and RM10.87 billion for Simpanan Shariah.

Over the year, our investment assets grew by 10.03% from RM1,135.82 billion to RM1,249.71 billion. This increase was driven by portfolio income and a strong 11% YoY growth in contributions. In 2024, the EPF recorded positive contributions of RM108.22 billion, up from RM97.56 billion in 2023.

PERFORMANCE BY ASSET CLASS

The EPF's performance was underpinned by disciplined adherence to the SAA framework, ensuring a balanced portfolio with an optimal mix of risk and returns, while strengthening our resilience to any potential shocks in the financial ecosystem.

Of our total investment income, 67% was from our equity portfolio, which delivered an ROI of 9.90% (113bps higher than in 2023), consisting of both public and private equities. Gross equity income, which reflects earnings before any write-downs, amounted to RM50.51 billion. After accounting for write-downs of RM0.72 billion, net equity income stood at RM49.79 billion. This underscores the strong performance and significant contribution of the asset class to overall investment returns.

Gross public equity generated RM46.84 billion, up from RM34.25 billion in 2023, while private equity income stood at RM3.67 billion. The asset class saw a marked increase in gross investment income of 28%, compared to RM39.41 billion in 2023.

Meanwhile, fixed income instruments generated RM21.91 billion, growing by 11% compared to 2023. This comprised 29% of our total income, with the segment delivering a ROI of 4.27%.

Real estate and infrastructure investments produced RM1.64 billion, representing 2% of overall income. Although this marked a decline from RM6.07 billion in 2023, the asset class continued to yield a stable ROI of 5.13%, underpinned by distributable and realised income.

Money market instruments contributed RM1.12 billion, or 2% of total income, down from RM2.17 billion the previous year. The ROI stood at 1.89%. The decline was primarily attributed to foreign exchange losses and the strengthening of the Malaysian Ringgit (MYR), which reduced the value of reported foreign income upon conversion.

DIVIDENDS

In 2024, after accounting for impairment, investment costs, and statutory adjustments, the EPF declared a total dividend payout of RM73.24 billion, an increase from RM57.81 billion in 2023. Of this, RM63.05 billion was distributed to Simpanan Konvensional members and RM10.19 billion was distributed to Simpanan Shariah members. Notably, income for Simpanan Shariah is generated solely from its dedicated portfolio, whereas Simpanan Konvensional draws returns from both the Shariah and Conventional portfolios.

The declared dividends translate into an effective rate of 6.30% for both funds, compared to 5.50% for Simpanan Konvensional and 5.40% for Simpanan Shariah in the previous year–well above the mandated minimum of 2.50%. On a three-year rolling basis, the real dividend rate continued to exceed the targeted threshold of 2.00%, standing at 6.30% for both portfolios in 2024.

On a three-year rolling basis, the real dividend rate continued to exceed the targeted threshold of **2.00%**, standing at **6.30%** for both portfolio in 2024.

LIQUIDITY MANAGEMENT

Maintaining a strong liquidity position remains a priority for the EPF, ensuring that member withdrawals and other financial obligations are met efficiently. Liquidity management is achieved through continuous monitoring of key ratios, including the Liquidity Coverage Ratio (LCR) and the Net Funding Ratio (NFR), both of which guide investment strategies to maintain sufficient liquidity levels.

The Fund also manages liquidity through careful allocation of cash and money market assets under the Tactical Asset Allocation (TAA) range, ensuring quick access to funds when necessary. Additionally, diversification across mandates, markets, and liquidity profiles enhances flexibility to seize opportunities across various economic cycles.

By the end of FY2024, the EPF maintained a healthy cash position and demonstrated its ability to deliver competitive dividends, even amid an environment marked by volatility and uncertainty.

SUSTAINABLE INVESTMENT

Guided by our commitment to long-term value creation and robust risk management, the EPF continues to advance its sustainable investment agenda through the progressive integration of ESG factors into our investment decision-making and stewardship practices.

Our approach is governed by the EPF Sustainable Investment Policy, which serves as the cornerstone of our ESG integration framework. This policy outlines the overarching principles and methodology for embedding sustainability considerations across investment processes and stakeholder engagement activities.

Complementing this are the Climate Change Issue Policy and the Workers' Wellbeing Issue Policy, which define the EPF's position on systemic issues such as climate change and labour welfare, alongside six Priority Sector Policies for high-impact industries including Oil and Gas, Palm Oil, Power Generation, Mining, Construction, and Banking. These policies collectively articulate our ESG expectations for investee companies and external fund managers.

Sustainable Investment Policies



To strengthen its commitment to responsible investing, the EPF published its inaugural Sustainable Investment Stewardship Policy during the year under review, building on its core stewardship philosophy. This policy sets out the processes and guidelines the EPF follows in exercising its investor rights to promote strong sustainability practices among investee companies and external fund managers (EFMs). It covers key stewardship activities such as monitoring, engagement, and escalation, aligning with both local and global stewardship standards. By leveraging our influence to advance sustainability adoption among investee companies and EFMs, we are upholding our fiduciary duty to maximise portfolio-level risk-adjusted returns and deliver long-term, sustainable value to our members.

Our commitment to sustainable investment is further reinforced by our role as a signatory to the United Nations-supported Principles for Responsible Investment (PRI). The six principles of the PRI guide the integration of ESG considerations into both our investment decisions and stewardship actions.

One of the key mechanisms in our framework for sustainable investment are the Sustainability Reviews, which are conducted for all new investment proposals and presented to the Management Investment Committee and the Investment Panel. These reviews ensure alignment with the EPF's sustainable investment philosophy and policies as well as flag any involvement in material ESG controversies.

In 2024, the EPF continued to embed sustainable investment practices, and this increased emphasis was reflected in our annual PRI Reporting results, where scores across most categories met or exceeded the PRI median. Three modules achieved a 4-star rating versus two modules in 2023. The results demonstrated improvements in our ESG integration and stewardship approaches across both internally and externally managed investments.

The EPF places strong emphasis on active investment stewardship. We engage with investee companies and other stakeholders to influence positive sustainability outcomes, which will consequently strengthen the overall resilience, competitiveness, and global alignment of Malaysia's capital markets. Our stewardship philosophy, as detailed in the Sustainable Investment Policy, centres around various efforts, including proxy voting, active monitoring, direct engagement, and collaborative initiatives.

Engagement remains central to our stewardship efforts. Through ongoing dialogues with key stakeholders, we are able to surface ESG-related concerns, encourage greater accountability, and influence positive change. In 2024, the EPF engaged with over 80 external stakeholders, ranging from public listed companies, external fund managers, credit issuers, ministries, regulators, to peer government-linked investment companies (GLICs). We also extended our outreach through speaking engagements and participation in various ESG platforms and events, including the 22nd Pacific Region Investment Conference and the PRI Digital Forum: Principles to Practice, helping shape the broader sustainability discourse in Malaysia's capital market.

Internally, the EPF continues to strengthen ESG capabilities across the Investment Division. This is undertaken through several capacity-building initiatives such as the e-learning modules hosted on the EPF Learning Xperience Platform, aimed at deepening understanding and embedding best practices around our Sustainable Investment Policies.

ENTERPRISE REVIEW

The EPF remains steadfast in its commitment to operational excellence and sustainable value creation, embedding these principles across all facets of its enterprise. Our efforts, strategies and resources are centred around the following ten (10) core pillars, each integral to building a future-ready, resilient institution capable of meeting the evolving needs of our members and stakeholders.

- **Serving Our Members and Employers**
- **Digitalising EPF**
- **Data Privacy and Cybersecurity**
- **Human Capital Management**
- **Health and Safety**
- **Upholding Sound Governance**
- **Building a Resilient Supply Chain**
- **Engaging Communities**
- **Resilience Against Natural Disasters**
- **Managing Our Environmental Footprint**

Each of these strategic areas is discussed in further detail in the sections that follow, outlining the progress made and the performance achieved during the year under review.

Serving Our Members and Employers

Material Matters: M1 M2 M4 M18



The EPF outreach team provides personalised guidance on using the i-Akaun KWSP application.

MEMBER AND EMPLOYER REGISTRATIONS, CONTRIBUTIONS AND TRANSACTIONS

In 2024, the EPF continued to register strong growth in membership and contributions, underpinned by ongoing recovery in the labour market and positive economic momentum. As at December 2024, a total of 475,752 new members were registered, raising the overall EPF membership to 16.22 million. Of this, a total of 402,024 new members opted for Simpanan Shariah, bringing total participation to 2.19 million.

Out of the total membership, 8.78 million were active members, representing 51% of Malaysia's 17.32 million labour force. The active-to-inactive member ratio stood at 54:46 by year end. This encouraging uplift in active participation was driven by continued efforts to enhance outreach and expand coverage. These initiatives are further detailed in the sections that follow.

8.78 million
active members

475,752
registered new members

Total contributions reached RM108.22 billion in 2024, marking an 11% increase from 2023. This surge in contributions reflected improved economic conditions, rising employment levels, and renewed confidence among members. It also reaffirmed EPF's role in supporting retirement preparedness and financial resilience.

A substantial increase in contributions also came from the informal sector. During the year, 558,269 individuals registered with i-Saraan, a 51% rise compared to 2023. Collectively, i-Saraan contributions grew by RM1.20 billion, an 83% year-on-year increase, signaling greater awareness and proactive financial planning among informal workers. The total contribution for i-Saraan for the year 2024 was RM2.64 billion.

In 2024, there were 18.96 million member transactions performed through i-Akaun (Member) web portal and KWSP i-Akaun mobile app, including registrations, contributions, and withdrawals. The increase in transaction volume was driven by a drastic 874% increase in withdrawals alone compared to the previous year, primarily due to account restructuring activities and the launch of Akaun Fleksibel withdrawal, which accounted for 89% of withdrawal applications made via i-Akaun. Additionally, i-Akaun activations rose by 196%, bolstered by the simplified e-KYC process introduced for membership registration and account activation.

Employer participation also saw a modest but notable improvement. By the end of 2024, there were 71,471 new employer registrations, increasing the pool of active employers to 614,563, a 1.4% year-on-year increase. Our engagement efforts to ensure timely and accurate contributions supported this increase, alongside digital enhancements that further streamlined employer services, strengthening compliance and operational efficiency. A total of 15.89 million employer transactions through i-Akaun (Employer) web portal and e-Caruman mobile app were recorded in 2024.



With continuous effort, the EPF team brings its services closer to the local community, strengthening access and support for members' long-term adequacy.

IMPROVING ADEQUACY, EXPANDING COVERAGE AND ELEVATING EXPERIENCES

In alignment with the EPF's core ACE strategy, which focuses on Adequacy, Coverage, and Experience, the Operations Division remained focused on empowering members with secure retirement outcomes, increasing participation across all employment segments, and enhancing engagement across both physical and digital touchpoints.

A key focus area in 2024 was to improve members' long-term financial adequacy. To this end, we intensified efforts to promote savings accumulation and financial preparedness through targeted initiatives and digital enablement. As of December 2024, 23% (3.06 million) of EPF members had met the Basic Savings threshold of RM240,000 at age 55, reflecting progress from 20% (2.70 million) in the previous year.

In support of voluntary savings, the EPF continued to promote Voluntary Contribution (VC) and Voluntary Excess (VE), encouraging members to contribute beyond mandatory savings to better secure their retirement future. In 2024, VC contributions increased by 63% to RM13.7 billion. Meanwhile, 75,169 employees registered and contributed to VE, compared with 59,000 in 2023.

	2023	2024	% Increase
Voluntary Contribution by Members	RM8.4 billion	**RM13.7 billion**	63%
No. of Employees Registered and Contributed for Voluntary Excess	59,000	**75,169**	27%

To extend coverage, especially among underserved and informal segments, the EPF pursued various registration channels and engagement initiatives. These efforts were instrumental in expanding our active member base. Key registration avenues and outcomes as at December 2024 included:

96,483 members registered via online i-Akaun KWSP application using e-KYC with face recognition and *myKAD* validation

146,423 members registered through Self-Service Terminals (SSTs)

128,213 members were auto-registered using Form A

99,467 registrations were completed via i-Akaun Majikan

5,166 member registered through EPF counter services and postal mail

To further advance adequacy and broaden coverage, the EPF significantly expanded its financial literacy initiatives in 2024. These efforts were aimed at equipping members with the knowledge and tools necessary to secure long-term retirement wellbeing, while concurrently promoting the EPF's products and services.

Initiative	Description
Enhanced Relationship and Advisory (RA) Service	Delivered over 5,020 personalised sessions offering tailored retirement planning advice to members.
Outreach Programmes	Conducted approximately 13,184 programmes nationwide through strategic partnerships and physical outreach points.
Final Year Student Programmes	Held 41 nationwide programmes targeting final year students, engaging over 4,049 participants on retirement planning and EPF services.
Community-Based Marketing Events	Organised 17 events in partnership with stakeholders, reaching 19,000 attendees from informal sectors and underserved communities.

To further expand our reach and improve accessibility, we continued leveraging the Mobile Team, established in 2019, and Mobile KWSP, which began operations in 2023. These initiatives are designed to extend EPF services to individuals in rural and remote areas who may lack access to physical branches or digital platforms. Both programmes play a vital role in raising awareness about EPF products, encouraging member registration, and delivering advisory and basic services on the ground.

In 2024, the EPF carried out outreach efforts through **75** Mobile Teams and deployed **10** Mobile KWSP units nationwide. Over the course of the year, the Mobile Team conducted **13,184** outreach programmes, while the Mobile KWSP vehicles completed **1,816** trips to underserved communities across Malaysia.

Looking ahead, the EPF remains committed to further enhancing both physical and digital accessibility, expanding outreach to informal sector workers, and strengthening the use of financial advisory tools to ensure we remain a cornerstone for every individual's retirement journey in Malaysia.

Enhancing our Products and Services

Programme	Purpose	2024 Results
i-Lindung	Provides affordable insurance and takaful protection	115,293 members enrolled
i-Sayang	Allows husbands to transfer a portion of their EPF contributions to their wives' accounts	102,243 husbands have registered
i-Suri	Offers government-matching contributions for housewives and women in informal sectors	287,746 new registrations
i-Saraan	Supports self-employed and gig workers with voluntary savings incentives	558,269 new participants (51% YoY growth)
Akaun Fleksibel	Allows partial withdrawals for short-term needs while ensuring retirement adequacy	4.12 million members enrolled; RM12.17 billion between May to December 2024 withdrawn

In 2024, the EPF continued to refine and expand its suite of inclusive financial products—namely i-Lindung, i-Sayang, i-Suri, and i-Saraan, with the overarching aim of improving financial protection and broadening social security coverage for underserved segments of the population. These initiatives underscore our commitment to promoting financial inclusivity and supporting the retirement preparedness of informal sector workers, women, and vulnerable communities.

The i-Lindung platform continued to enable access to affordable insurance and takaful protection, allowing members to shield themselves and their families from unforeseen financial burdens. By year-end, 115,293 members had enrolled in i-Lindung, reflecting growing awareness and interest in personal financial protection.

The i-Sayang programme further supported the financial empowerment of women by facilitating EPF contribution transfers from husbands to their wives. This initiative promotes shared retirement planning within households, particularly for homemakers. As at December 2024, 102,243 members were registered under i-Sayang, a testament to increasing awareness around family-focused financial inclusion.

i-Suri continued to play a vital role in supporting housewives and women in the informal sector through government-matching contributions. In 2024, 287,746 new registrations were recorded, highlighting the effectiveness of outreach efforts focused on enhancing financial literacy and access among women.

Meanwhile, i-Saraan encouraged self-employed individuals and gig economy workers to actively save for retirement by offering government incentives and dividends on voluntary contributions. The programme saw 558,269 new participants, a 51% increase from the previous year, reinforcing the EPF's mission to extend social protection beyond the formal workforce.

Complementing these initiatives was the introduction of the Akaun Fleksibel (flexible account) in 2024—an innovative enhancement designed to give members greater control over their savings while safeguarding long-term financial security. Contributions are now distributed across three (3) distinct accounts: Akaun Persaraan (retirement account), Akaun Sejahtera (wellbeing account), and Akaun Fleksibel. This structure improves accessibility and allows members to address short-term financial needs through partial withdrawals from Akaun Fleksibel without compromising their long-term retirement goals.

To streamline the experience, the withdrawal process has been fully integrated into the i-Akaun Members platform, offering secure, seamless digital access. Since its launch, over 4.12 million members have enrolled in the Akaun Fleksibel, with total withdrawals amounting to RM12.17 billion between May to December 2024, underscoring its immediate relevance and utility.

Products/Services	Month	To Support
Jom Tambah Campaign 2024 to Promote Voluntary Contributions (VC, VE, i-Saraan, i-Suri)	January	Coverage & Adequacy
New EPF Website	February	Experience
i-Akaun (Employer): Enhancement to e-CTML	February	Experience
A one-off Government Contribution Incentive of RM500 for 1.4 million members	January	Adequacy
Government Matching Cotribution Incentive for i-Saraan amounting to 15% of the total contributions made in the current year (up to a maximum of RM500), and for i-Suri amounting to 50% for every RM1 (up to a maximum of RM300).	January	Adequacy
Restructuring of Simpanan Shariah and Simpanan Konvensional portfolio	January	Experience
Enhancement to i-Invest to allow multiple portfolio investment	February	Experience
i-Lindung: Purchase of insurance using Akaun Sejahtera	February	Experience
New Functions in i-Akaun (Member Portal and App – withdrawals for age 50, 55, 60 and health)	February	Experience
EPF Account Restructuring	May	Adequacy

WITHDRAWAL FACILITIES

In 2024, EPF withdrawal trends reflected significant shifts in member behaviour, influenced by economic conditions, policy changes, and evolving demographic dynamics. Total withdrawals and refunds rose markedly by 35%, increasing from RM50.57 billion in 2023 to RM68.28 billion in 2024.

A key development driving this increase was the introduction of the Akaun Fleksibel. Launched in 2024, this new account structure allows partial withdrawals for short-term financial needs, providing members with greater flexibility and access to their savings.

Age-based withdrawals also exhibited strong growth, aligning with demographic trends. Age 55 Years Withdrawal and Age 60 Years Withdrawal saw substantial increases, suggesting that a larger cohort of retiree members are accessing their accumulated savings. This underscores the need for sustainable long-term retirement planning to support financial wellbeing in later life.

The table below presents a comparison of the number of transactions and approved amounts for 2023 and 2024 across key withdrawal categories, namely Housing, Health, Death, Leaving Country, Incapacitation, and Education. Overall, withdrawal patterns in 2024 reflect a continued trend of members tapping into their savings for immediate and essential financial priorities, particularly for home financing, education, and death-related withdrawals.

As these behaviours evolve, it becomes increasingly critical to assess the long-term sustainability of such patterns and reinforce the importance of maintaining sufficient savings for retirement. Moving forward, the EPF will continue to monitor economic conditions, regulatory developments, and policy shifts to ensure the fund remains resilient and responsive to members' changing financial needs.

Snapshot Year	2023		2024	
Withdrawal Facility	**Number of Transactions**	**Approved Amount (RM)**	**Number of Transactions**	**Approved Amount (RM)**
Housing	413,848	4.54 bil	**397,696**	**3.89 bil**
Health	8,626	93.32 mil	**8,327**	**83.31 mil**
Death	84,673	3.00 bil	**87,776**	**3.20 bil**
Leaving Country	4,521	583.81 mil	**5,708**	**672.34 mil**
Incapacitation	4,454	423.61 mil	**4,523**	**419.94 mil**
Education	330,442	809.96 mil	**388,246**	**843.99 mil**

COMMUNICATING OUR PRODUCTS AND SERVICES

The EPF adopts a strategic and structured approach to communicating our products and services, ensuring messages are effectively delivered to both new and existing members. Our communication strategy is anchored on the following principles:

- **Clear and Consistent Messaging:** We ensure our messages are straightforward and uniform across all platforms, helping members understand our offerings and value proposition with ease.
- **Personalisation and Targeting:** We leverage a customer-centric approach by understanding our target audience and tailoring our communications to their needs, preferences, and demographics, using data and insights to create relevant, member-focused content.
- **Multi-Channel Engagement:** We reach members through diverse channels–our website, social media, traditional media (TV, radio, print), and face-to-face outreach programmes.
- **Regulatory Compliance:** EPF communications adhere to internal standards and industry regulations, including data privacy laws, advertising guidelines, and ethical marketing practices.

To support the enhancement of our marketing and communication practices, the Marketing Taskforce Committee was established in 2024, chaired by the Chief Operating Officer. The committee comprises representatives from key departments, Product Marketing & Management, Corporate Affairs Department, Physical Channel, Digital Channel, Operations Compliance, Transaction Management and Contribution Management. Through twice-yearly reviews of our integrated marketing performance, the committee oversees marketing strategies and promotional activities, as well as monitors engagement rates and product take-up.

Through the committee, we have strengthened the integration of our marketing approach, ensuring that all communication touchpoints work cohesively to deliver a consistent and coherent message to the target audience across platforms.

To support planning and alignment, a centralised marketing calendar serves as a single point of reference for all stakeholders. It enables effective scheduling and tracking of marketing campaigns, events, outreach programmes, product launches, and content development initiatives. The calendar is prepared and shared with all EPF staff by the first week of each month to promote internal coordination and visibility.

Additionally, Copywriting Guidelines have been introduced to uphold consistency, clarity, and brand alignment across all communications. These guidelines cover tone, style, grammar, and brand voice to ensure that all published content maintains a standardised and professional quality across all channels.

EMPLOYER MANAGEMENT

As part of our mandate, the EPF enforces the EPF Act 1991 to ensure that employers fulfil their statutory obligations towards their employees. This includes making it mandatory for all newly registered companies to enrol all their employees with the EPF. To uphold compliance, random inspections are carried out at corporate offices to verify adherence to the Act–an essential measure to safeguard the financial wellbeing of our members.

The enforcement of the Act, alongside the implementation of travel bans for defaulters, plays a critical role in recovering outstanding EPF contributions and ensuring accountability across the employer landscape.

Employer Statistics

Category	2023	2024	Difference
Total number of registered active employers	606,187	**614,563**	+8,376
Number of employers that failed to contribute	14,861	**12,505**	-2,356
Amount collected from defaulting employers	RM3.40 bil	**RM3.46 bil**	+RM0.06 bil
Number of company directors/ owners banned from leaving the country due to arrears	1,389	**1,953**	+564
Amount collected from this ban	RM26.07 mil	**RM32.48 mil**	+RM6.41 mil
Criminal lawsuits taken against errant employers	3,367	**2,983**	-384
Civil lawsuits taken against errant employers	2,456	**10,040**	+7,584

CUSTOMER SATISFACTION

To gauge the effectiveness of our customer service delivery, we conduct satisfaction surveys among members and employers throughout the year. Our 2024 results were highly encouraging, with the EPF achieving a 93% customer satisfaction score.

Recognising the importance of open and accessible communication, the EPF offers multiple engagement channels to facilitate interactions with both members and employers. These include the EPF Contact Management Centre, which comprises the ELYA chatbot, phone services, email support, and social media platforms. Physical EPF counters and outreach programmes further extend our accessibility and service coverage.

We place a high priority on resolving grievances effectively. Members with grievances can contact the EPF through several touchpoints, including email enquiries, the call centre at 03-89226000, or the whistleblowing hotline at 03-61226122.

All feedback whether in the form of comments, complaints, suggestions, or compliments is systematically captured and compiled into a weekly Voice of Customer Report, which is shared with internal stakeholders. In addition, a Half-Yearly Customer Experience Report is presented at the *Mesyuarat Maklum Balas Pelanggan*, chaired by the Chief Operating Officer. This report consolidates key findings, including customer feedback, customer insights, and proposed service improvements.

DIGITALISING EPF

Material Matters: M17 M18

The EPF's digital transformation journey continues to be driven by the ambition to become a digitally empowered, insight-led organisation. In 2024, we refreshed the Digitise EPF 2025 roadmap to reflect a more robust and strategic direction – one that supports our expanded mandate while meeting and exceeding stakeholder expectations.

The enhanced roadmap enables us to streamline operations, deliver exceptional customer experiences, foster innovation, and enhance internal agility and competitiveness. At its core, it reaffirms our commitment to modernising the EPF into a tech-powered institution capable of adapting to evolving needs with speed and precision.

The revised roadmap is anchored on six strategic pillars, each supported by targeted approaches and initiatives, as outlined in the sections below.

PILLAR 1 SUSTAINABLE DELIVERY EXECUTION

This pillar focuses on establishing a dynamic and resilient transformation framework that enables the EPF to respond to rapid changes in customer needs. By adopting agile-at-scale practices and integrating enterprise-wide transformation capabilities, we continue to drive synergy across the EPF and accelerate delivery of enhanced products and services. We have advanced our digital infrastructure through the launch and upgrade of several internal systems.

Key highlights for 2024 include:

- Nationwide rollout of debit card terminals to support contribution payments during outreach
- Launch of Member Interactive Portal for Housing and Education withdrawals
- Separation of Shariah and Conventional Account for Investment Phase 1 (Skim Syariah & Skim Konvensional)
- Introduction of i-Invest 2.0 and i-Lindung 2.0
- Launch of the Employee Interactive Portal
- Rollout of Akaun Fleksibel, including the implementation of new digital systems

PILLAR 2 DIGITAL-DRIVEN ORGANISATION

To build a digitally driven organisation, we are strategically developing enterprise-wide capabilities in innovation and data analytics. Adopting the "Cultivating from Idea to Innovation at Scale" concept, we continue to strengthen our internal innovation ecosystem through the EPF Innovation Framework, Design Thinking workshops, Digital Factory, and other related initiatives. These initiatives aim to embed innovation as a core organisational competency, encouraging teams across departments to experiment, iterate, and implement forward-thinking solutions that support the EPF's strategic objectives.

To further cultivate a culture of innovation, we organise internal hackathons that challenge employees to address complex, organisation-wide problems. These events foster cross-functional collaboration and have led to transformative improvements in productivity and operations, reinforcing the EPF's position as a future-ready, innovation-led institution.

PILLAR 3 OPERATIONS & SERVICE EXCELLENCE

We continue to cultivate a customer-centric culture by delivering high-quality digital services underpinned by continuous improvement. Central to this effort is the annual Digital Experience Survey, which was recently enhanced to include additional metrics aligned with the latest digital initiatives implemented internally. Insights gathered from the survey are used to drive data-informed improvements across the organisation.

To bridge the gap between information technology (IT) and end-users, we are refining our Digital Engagement Programme by introducing dedicated dialogue sessions aimed at proactively addressing feedback gleaned from the survey. At the same time, the Digital Ambassador Training programme equips selected staff to serve as first-line support, ensuring proactive guidance and effective communication that creates a seamless digital experience for all employees.

Governance and compliance remain a top priority. In 2024, we successfully completed the SIRIM First Surveillance Audit for ISO/IEC 20000-1:2018 with zero findings. This achievement reflects our ongoing commitment to upholding best practices in IT service management and operational excellence.

PILLAR 4 ROBUST TECHNOLOGY PLATFORMS

This pillar centres on building a resilient and modernised IT infrastructure that delivers zero downtime, enhanced security, and built-in redundancy.

In 2024, a key achievement was the implementation of Software-Defined Wide Area Network (SD-WAN) across 69 EPF branches. This rollout eliminated single points of failure, improved bandwidth capacity, and significantly enhanced connectivity. The improved infrastructure also enables branches to adopt cloud-based solutions with reliable high-speed internet access.

To further support operational efficiency, a modernised digital workplace was introduced, featuring upgraded applications designed to streamline workflows and improve overall productivity. In parallel, we strengthened identity and access management while improving the efficiency of user authentication processes across the EPF.

Building on the successful data centre migration in 2023, we are now re-architecting our technology infrastructure to enhance its reliability, scalability, and agility. This includes the ongoing transition to an active-active, component-based Disaster Recovery (DR) framework, designed to ensure business continuity and resilience in an increasingly complex digital environment.

PILLAR 5 RESILIENT CYBERSECURITY

The EPF is firmly committed to establishing a resilient cybersecurity posture via a Zero Trust framework, which is crucial for preventing breaches and ensuring continuous operational continuity. This commitment is actively supported by our ongoing five-year Digital Security Programme (2022–2026), driving significant improvements across governance, compliance, and overall cybersecurity maturity.

As part of these efforts, we have implemented a comprehensive cybersecurity literacy programme that incorporates targeted training, simulated social engineering campaigns, and engages employees through initiatives such as quizzes conducted during Cybersecurity Month and awareness campaigns, substantially enhancing employee awareness.

PILLAR 6 FUTURE-READY TALENT & INNOVATION CULTURE

Developing digital competencies and nurturing a culture of innovation remain central to the EPF's digital transformation journey. In 2024, the EPF continued to strengthen its digital capabilities through the i-FIT Programme, equipping digital technology staff with essential competencies to build a digitally proficient workforce.

Key initiatives introduced under the programme included:

- **i-FIT Talk Series:** Engaging sessions featuring internal and external experts sharing insights on digital trends and best practices
- **Level-Up Programme:** A structured learning pathway designed to deepen both technical and functional expertise
- **Dynamic Learning Communication:** Bite-sized learning modules and quizzes delivered via multiple platforms to reinforce digital literacy

By embedding Agile principles in the EPF's digital delivery, we foster a mindset of iterative development, adaptability, and cross-functional collaboration in project execution. Agile frameworks guide our approach, enabling responsiveness to change, faster time-to-value, and continuous improvement in implementing and scaling solutions.

To cultivate a culture of innovation, we actively promote awareness of emerging technologies and trends through regional engagement sessions, Communities of Practice (CoP), and Brown Bag sessions. Additionally, we host internal hackathons that drive transformative improvements in productivity and operations, challenging employees to solve complex, enterprise-wide challenges.

DATA GOVERNANCE & CYBERSECURITY

Material Matters: M17 M18

Ensuring Responsible Management of Data

The EPF is committed to upholding the highest standards in data governance. Our Data Governance Policy provides a comprehensive framework for managing data across its entire lifecycle–from creation to disposal–ensuring integrity, confidentiality, and compliance throughout the organisation.

Supporting this policy are several key guidelines and frameworks that reinforce responsible data handling and risk mitigation:

- The Information Classification, Labelling, and Handling Guidelines ensure that information is classified and handled based on its sensitivity level, providing clarity on access and treatment protocols.
- The Data Loss Prevention (DLP) Framework reinforces accountabilities within the data governance structure and protects sensitive information from unauthorised access or leakage.
- The Policy on Handling Disclosure of Information to Third Parties outlines clear criteria and procedures for managing third-party requests for member or employer information to ensure all disclosures are made in compliance with regulatory requirements.
- Jadual Pelupusan Rekod Urusan Fungsian KWSP 2022 governs record retention and disposal practices in compliance with the National Archives Act, improving the efficiency of storage and overall information management.

Preserving a Robust Cybersecurity Posture

The EPF continues to enhance its Zero Trust Security Model to safeguard digital assets and maintain operational resilience. We actively subscribe to global threat intelligence services and conduct continuous threat analysis to stay informed of emerging risks and industry trends. Organisation-wide cybersecurity awareness programmes and simulated social engineering campaigns are conducted regularly to strengthen employee understanding and vigilance.

To measure and manage cybersecurity risk exposure, Key Risk Indicators (KRIs) are used to assess the effectiveness of controls and ensure consistent implementation. In addition, our Zero Trust Cybersecurity Maturity is periodically evaluated through independent assessments to identify improvement areas.

Key Data Governance Initiatives in 2024 included:

- Implementation of Microsoft Information Protection (MIP) to ensure staff appropriately label documents and emails according to classification and sensitivity levels.
- Enhanced engagement and training efforts to improve awareness and understanding of information labelling protocols across the organisation.
- Deployment of Microsoft Data Loss Prevention (DLP) solutions to safeguard information shared through Microsoft Teams, SharePoint, OneDrive, and Outlook

HUMAN CAPITAL MANAGEMENT

Material Matters: M11 M12 M13

At the EPF, our people are our most valuable asset, driving operational excellence, sustaining financial performance, and shaping the members' experience. Their contributions are instrumental in achieving our corporate objectives and ensuring the organisation's long-term resilience and continued relevance. In line with this, we remain committed to attracting top talent and nurturing their growth to support the EPF's evolving needs and future ambitions.

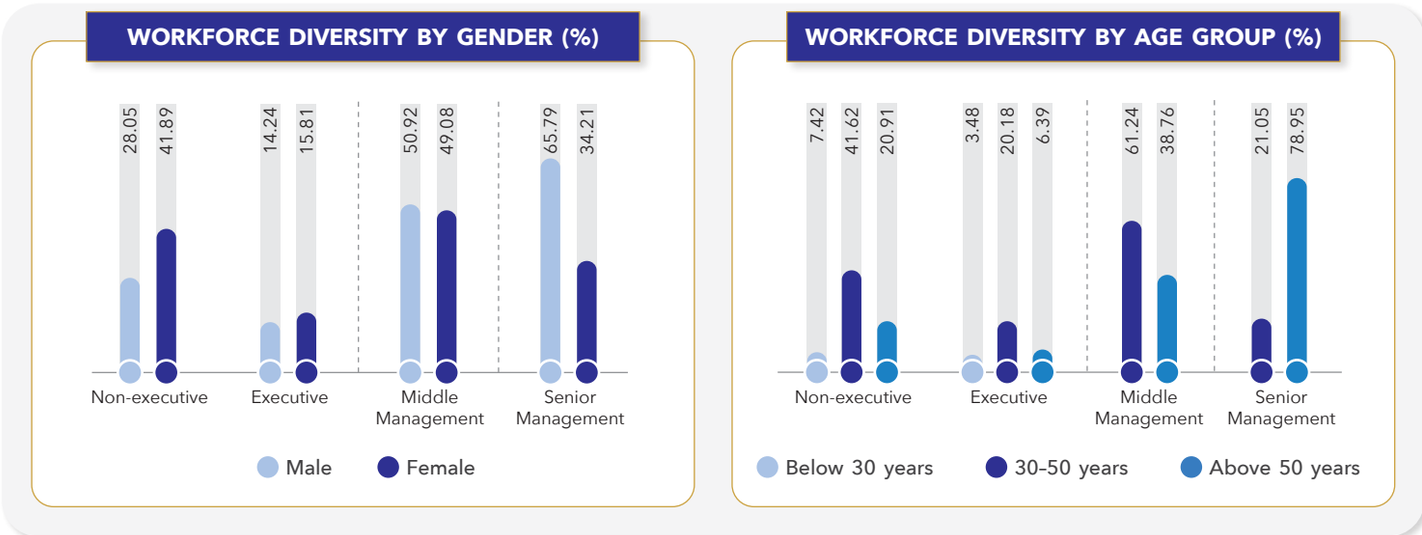
Employee Diversity and Inclusivity

We strongly believe that diversity fosters broader perspectives, drives better decision-making, and enhances innovation. Accordingly, the EPF champions an inclusive and equitable workplace, where recruitment, development, and career progression are based solely on merit, regardless of gender, ethnicity, religion, age, or other personal factors.

During the year, we welcomed 439 new hires, of whom 56% were female and 77% were aged below 30, reflecting our efforts to build a future-ready workforce.

All EPF employees are Malaysian nationals, reaffirming our commitment to local talent development. By cultivating a 100% Malaysian workforce, we contribute meaningfully to national talent upliftment and the strengthening of the country's human capital base.

Every employee is provided with equal access to development and advancement opportunities. Annual performance reviews and career development assessments are conducted to evaluate progress, identify high-potential individuals, and support accelerated career progression. To foster a high-performance culture, annual bonuses are directly tied to the achievement of individual key performance indicators (KPIs), to better align personal goals with organisational outcomes.



Capability Building

At the EPF, we view capability building as a strategic investment to ensure our employees are equipped with the skills and knowledge required to drive performance and deliver value to our stakeholders. Through structured training and development, we enhance both individual competencies and overall organisational effectiveness.

Tailored learning plans are developed for employees to address identified competency gaps and support the achievement of their learning key performance indicators (Learning KPIs) as follows:

Enterprise Programmes:

Covers competencies such as communication, leadership, management, organisational development, EPF DNA, innovation, financial literacy, social protection, digital literacy, and data literacy.

EPFTuned Programmes:

Comprises custom-made digital learning modules that are tuned to EPF's needs.

Functional Programmes:

Includes in-house and external training for technical and functional competencies.

On-Demand Learning Programmes:

Includes programmes such as Retention of Critical Knowledge, Knowledge Fair, and Financial Literacy Week to promote continuous learning and knowledge sharing.

In 2024, the EPF invested a total of RM10,823,908 in capability-building programmes and initiatives, comprising RM7,781,411 for training and RM3,042,497 for travel and transportation (T&T) costs. Across the organisation, a total of 351,818 training hours were recorded, with 99.48% of employees successfully completing their learning plans.

Average Training Hours by Employee Category (2024)

Employee Category	Average Training Hours*	Average Training Days*
Non-Executive	**60 hours**	**9.9 days**
Executive	**80 hours**	**13.3 days**
Middle Management	**82 hours**	**13.7 days**
Senior Management	**60 hours**	**10 days**

* *per employee*

Employee Wellbeing

The EPF places strong emphasis on employee wellbeing, recognising that various physical, mental and social factors are essential to job satisfaction, productivity, and organisational performance. We are committed to fostering a workplace environment where employees feel supported, engaged, and empowered.

To promote social connectivity and camaraderie, we continued to organise a wide range of employee engagement activities. In 2024 alone, a total of 73 activities were conducted across the organisation. We also placed considerable focus on mental health support, an area that has remained a priority since the pandemic, with regular virtual engagements being organised on key wellbeing topics. In 2024, we introduced two targeted initiatives aimed at checking employees' mental health:

- **DASS-21 (Depression Anxiety Stress Scale Test)** – A screening tool used to assess levels of depression, anxiety, and stress among EPF employees.
- **Pittsburgh Sleep Quality Index (PSQI)** – A tool used to evaluate the sleep quality of EPF employees, acknowledging the critical link between rest and mental wellbeing.

These efforts are closely aligned with our Employee Wellbeing Index (EWI), an internal barometer that gauges staff wellness across the organisation.

In 2024, the EWI was expanded to cover all employees across the enterprise and introduced a new sustainability-related category to reflect evolving workplace priorities.

An impressive 97.5% of staff achieved the set EWI targets, highlighting the growing awareness among employees of the importance of taking ownership of their wellbeing, and contributing to a healthier, more engaged workforce.

Our approach to wellbeing also includes modernising work practices. The MyFLEX programme, which was introduced even as early as 2017, continues to be a key enabler of work-life balance in 2024. A total of 79% of employees participated in MyFLEX, underscoring its strong acceptance and the EPF's commitment to flexible and adaptive work arrangements. At EPF Headquarters, MyFLEX has been fully implemented across all departments, except those with fixed shift requirements. At our branches, flexible arrangements are customised to suit operational needs to ensure service continuity.

The MyFLEX framework offers five flexible options designed to accommodate various job roles and personal needs:

- **MyFLEX-Time:** Four-time bands available for all staff to choose from.
- **MyFLEX-Hours:** Flexible clock-in time of up to 9:00 AM, available to all staff except those in branch operations.
- **MyFLEX-Day:** Flexible weekend rest-day options for specific roles, such as in the Digital Technology Division (DTD).
- **MyFLEX-Week:** Flexible weekly working hours (minimum of 4 hours per day, maximum of 10 hours), empowering employees to manage their 40-hour working week independently.
- **MyFLEX-Place:** Flexibility in both working hours and location, available to suitable roles such as Enforcement Officers.

Fair Wages and Benefits

The EPF continues to strengthen its position as an employer of choice by offering an attractive compensation package. Employee salaries are set above the government-mandated minimum wage, ensuring a compensation structure that is both fair and competitive across all levels of the organisation.

In addition to competitive wages and salaries, the EPF also provides a comprehensive suite of benefits, including annual bonuses, social security contributions, and medical benefits that extend to eligible family members.

To meet the diverse personal and family needs of its workforce, the EPF offers various types of leave. These include annual leave, medical leave, maternity and paternity leave, compassionate leave, and pilgrimage leave.



Total number of male employees that took **paternity leave**



Total number of female employees that took **maternity leave**

For retirees, we offer post-retirement medical coverage, gratuity payments, and cash payments in lieu of unutilised annual leave. These benefits are to assist our retirees in ensuring their sustained financial stability and continued wellbeing, enabling a comfortable transition into their post-employment lives.

Employee Rights

The EPF is committed to upholding and protecting the rights of all employees as part of our broader mission to ensure their wellbeing. We foster a workplace that is inclusive, respectful, and free from discrimination based on ethnicity, gender, age, or any other personal characteristics. One key principle of the EPF's commitment to employee rights is its support for freedom of association. This aligns with global best practices in labour rights, reinforcing the EPF's dedication to fairness and ethical work standards.

Employees are represented by the following unions based on their location and employment category:

Kesatuan Kakitangan Lembaga KWSP (KKLKWSP):

Represents non-executive employees in Peninsular Malaysia

Kesatuan Anggota Lembaga KWSP Sarawak (Kesatuan Sarawak):

Represents non-executive employees in Sarawak

Kesatuan Sekerja Anggota KWSP Sabah (Kesatuan Sabah):

Represents non-executive employees in Sabah

Persatuan Pegawai Kanan KWSP (PPKKWSP):

Represents executive employees across the EPF

The EPF maintains regular and constructive engagement with all union and association representatives, fostering open communication and ensuring that employee concerns are addressed promptly and collaboratively.

HEALTH AND SAFETY

Material Matters: M12

At the EPF, the safety and health of both our employees and members remain a core priority. We are committed to creating a safe, healthy, and secure work environment by identifying, managing, and mitigating workplace hazards while ensuring consistent compliance with statutory requirements and internal safety standards.

Protecting Our Employees

As a symbol of management commitment to safeguarding the occupational safety, health, and working environment, the EPF continues the ISO 45001:2018 and ISO 14001:2015 certification at KWSP Kuching that has been successfully certified in 2024 while maintaining the certification in KWSP Kwasa Damansara. The effort is extended to Menara KWSP as a whole, where the certification is expected to be acquired in 2026.

Departments and branches are assigned an OSH Coordinator to monitor compliance and coordinate OSHE related matters, supported by oversight from the Department of Occupational Safety & Health (DOSH). Our risk management approach includes established protocols such as Hazard Identification, Risk Assessment & Risk Control (HIRARC), Environmental Aspect & Impact Assessment (EAIA), and Risk & Opportunities (R&O) documentation. These are reviewed annually to ensure continuous improvement and effectiveness in mitigating occupational risks.

We also promote proactive reporting through a dedicated QR code, enabling employees to instantly report incidents, near misses, or unsafe acts and conditions. All reported work-related incidents are reviewed by the Safety and Health Committee, and corrective action plans are developed to prevent recurrence.

In 2024, there were 19 recorded cases of work-related ill health (compared to 16 in 2023), resulting in a Total Case Incident Rate (TCIR) of 0.367. There were no fatalities or high-consequence incidents reported during the year.

Employee Safety Training in 2024

To reinforce our safety culture, we conducted the following OSH-related training and awareness programmes for employees:

- Competency Training – Basic Occupational First Aid, Cardiopulmonary Resuscitation (CPR) and Automated External Defibrillator (AED)
- Awareness of OSH Management System (ISO 45001) and Environmental Management System (ISO 14001)
- Emergency Preparedness and Response Plan
- Risk Assessment Training
- AED and CPR Briefing
- OSH Coordinator Training
- OSHE EPFTuned Programme

Supporting Ergonomic Wellbeing

Musculoskeletal disorders (MSD) such as slipped discs, back pain, and carpal tunnel syndrome remain the primary health issues reported, particularly among employees in prolonged sitting roles. To address this, Ergonomic Risk Assessment are conducted periodically, with Ergoworks Sdn Bhd carrying out our 2024 assessment. Based on recommendations, ergonomic chairs were provided to affected employees to reduce discomfort and support long-term wellness.

Safeguarding Member and Employer Health & Safety

We prioritise the safety of members and employers during in-person visits by implementing comprehensive safety measures. HIRARC assessments are regularly conducted at branch offices as a preventive measure, and procedures such as visitor registration are enforced by designated OSH Coordinators. All front-line and security personnel are certified and trained according to human rights standards and operational protocols, ensuring the safety and dignity of all visitors.

UPHOLDING SOUND GOVERNANCE

Material Matters: M16

As a custodian of Malaysians' retirement savings, the EPF places a premium on integrity, transparency, and ethical conduct. Upholding strong governance and communication through clear and effective channels is central to maintaining stakeholder trust and delivering on our fiduciary responsibilities. Our governance framework is continuously reviewed and enhanced to align with best practices and evolving regulatory expectations.

Promoting Ethical Business Conduct

The EPF maintains a zero-tolerance stance against unethical behaviour and corruption, which is reflected in our Anti-Corruption Policy, Integrity and Anti-Corruption Plan, and Sponsorship and Donation Policy. These policies serve as clear guidelines to ensure proper conduct in sponsorship, donations, and overall ethical practices, while preventing any form of anti-competitive behaviour.

To embed a culture of integrity throughout the organisation, these policies have been communicated to 100% of employees and governance body members. Information is delivered in an accessible and timely manner to ensure that all individuals understand their responsibilities and are equipped to comply with the EPF's ethical standards and principles.

In 2024, anti-corruption training was provided to 5,483 individuals, representing 96.24% of our total workforce. Integrity engagements conducted throughout the year included:

- Integrity Dimension Programme – Series 1
- Integrity Dimension Programme – Series 2
- Integrity Dimension Programme – Series 3
- Integrity Video Competition
- GLIC (Government-Linked Investment Companies) Integrity Event
- EPF Integrity Day
- Ethics & Integrity LX Course
- Northern Region Integrity Carnival
- Sabah Region Integrity Carnival
- Sarawak Region Integrity Carnival

Managing Corruption Risks

To strengthen safeguards against corruption, the EPF has been implementing a Corruption Risk Management (CRM) system since 2019, integrated within the MyRisks platform. Initially targeted at high-risk departments, CRM adoption has been steadily expanded, now implemented in 27 departments across 6 regions and 69 branches as of 2024. We are on track to extend this system to all 32 departments by 2025, marking full organisational coverage.

As part of our efforts to foster a culture of integrity, all suppliers are required to sign an Integrity Pact with the EPF. In addition, stakeholders are encouraged to report any unethical or corrupt practices through our established whistleblowing channels:

speakup@epf.gov.my

+603 6122 6122

http://enquiry.kwsp.gov.my

Integrity and Governance Department, Menara KWSP, No. 1, Persiaran Kwasa Utama, Kwasa Damansara, 40150 Shah Alam, Selangor

All reports are treated with strict confidentiality, and verified cases are escalated to the Malaysian Anti-Corruption Commission. In 2024, there were zero confirmed incidents of corruption.

The EPF's Whistleblowing Channel 2024 Data

Reports received via written communication (email and letters)	**748**
Reports received via Hotline	**227**
Reports received via Website	**655**
Reports received via Walk-In	**0**
Number of legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the EPF has been identified as a participant	**0**

BUILDING A RESILIENT SUPPLY CHAIN

Material Matters: M16

Our supply chain strategy is rooted in resilience, responsibility, and long-term value creation. By embedding ethical practices, environmental and social considerations, and performance accountability into our procurement processes, we aim to build a robust ecosystem that supports our operational needs while reinforcing stakeholder trust.

Promoting Ethical Conduct and Responsibility

The EPF Procurement Policy 2015 (2024 Amendment) provides a guiding framework for all procurement activities, underpinned by the following five (5) key principles:

- Accountability
- Transparency
- Value for Money
- Open Competition
- Fairness & Integrity

As part of our procurement process, all eligible suppliers undergo technical and commercial assessments prior to appointment. Post-appointment evaluations are also conducted to ensure continued compliance with contractual obligations and service-level agreements.

While assessments typically focus on technical and contractual criteria, the EPF may also incorporate environmental and social considerations depending on business needs. These may include aspects such as carbon emissions, energy efficiency ratings, and social compliance elements like the prohibition of child and forced labour.

The frequency of post-appointment evaluations varies based on contractual terms, ranging from monthly to quarterly or annually, to ensure ongoing performance and accountability.

All new suppliers must register via our SAP Ariba platform, where they are required to submit a self-declaration and commit to the EPF Supplier's Code of Conduct (SCOC), which outlines expectations on Environmental, Social and Governance (ESG) practices.

Local Procurement Spend

In 2024, the EPF continued to prioritise local economic development by supporting domestic suppliers. Of the total procurement awards issued during the year, 97% were awarded to Malaysian companies. In terms of value, this amounted to RM266.15 million, representing 75% of our total procurement expenditure.

As at 31 December 2024, the EPF has a total pool of 5,263 registered suppliers, which have been assessed for environmental and socioeconomic impacts.

Percentage of procurement contracts awarded to Malaysian companies	**97%**
Percentage of total procurement expenditure spent on Malaysian companies	**75%**
Total value of goods and services procured from Malaysian companies	**RM266,149,053**

ENGAGING COMMUNITIES

Material Matters: M1 M2 M4 M7

The EPF is entrusted with addressing old-age income vulnerability as part of its founding mandate, in line with the International Labour Organisation's (ILO) Convention No. 102 on Social Security (Minimum Standards) Convention, 1952. As one of the nine social security branches outlined in the Convention, the EPF continues to play a pivotal role in strengthening Malaysia's social protection system, particularly in the areas of pensions and retirement security.

Promoting Social Protection

The EPF remains an active member of key national and international social protection bodies, including the Malaysian Social Protection Council (MySPC), the International Social Security Association (ISSA) and the ASEAN Social Security Association (ASSA).

In the MySPC, the EPF plays a strategic role in national-level policymaking. Our Chief Executive Officer (CEO) serves as a member of the Council's Jawatankuasa Kerja Insurans Sosial (JKSI), chaired by the Secretary General of Treasury, Ministry of Finance. During the year, the EPF tabled a circulation paper to announce our hosting of the International Social Wellbeing Conference to the Council.

At the international level, the EPF continued to provide thought leadership through its participation in the International Social Security Association (ISSA). The CEO serves as Chair of the Technical Commission (TC) on Organisation, Management and Innovation, while the Chief Operating Officer (COO) holds the role of Vice-Chair for the TC on Contribution Collection and Compliance. Meanwhile, our Chief Digital Technology Officer (CDTO) is the Vice-Chair for the TC on Information and Communication Technology, and the Head of JPS holds the role of Vice-Chair for the TC on Organisation, Management and Innovation.

Regionally, the EPF concluded its Chairmanship of the ASEAN Social Security Association (ASSA) for the 2023/2024 term, with the CEO formally handing over the role to the President and General Manager of the Government Social Insurance System of the Philippines during the 41st ASSA Board Meeting.

In expanding the reach of social protection, the EPF established new partnerships in 2024 to support wider coverage for informal sector workers. This included signing Memorandum of Understanding (MoUs) with six (6) platform providers to promote EPF participation among gig workers. Another key milestone was the MoU with FINAS to include EPF contributions in standard contracts, boosting inclusion among creative industry professionals.

Further supporting capacity development in the social protection space, the EPF collaborated with the World Bank and the International Training Centre of the International Labour Organisation (ITCILO) to organise training programmes for social protection practitioners. These sessions focused on strengthening institutional knowledge in pension management and social protection policy, reinforcing EPF's role as a leader in shaping sustainable retirement systems.

Empowering Financial Literacy

The EPF remains committed to promoting financial literacy nationwide as a vital pillar of long-term retirement security. In 2024, we strengthened our efforts through collaborations with key institutions to deliver targeted programmes designed to equip Malaysians with the knowledge and tools to make informed financial decisions across different life stages.

As a member of the Financial Education Network (FEN)–an inter-agency platform comprising of institutions and agencies dedicated to improving the financial literacy of Malaysians–we actively contribute to national initiatives through our role in the Research Subcommittee. Under this mandate, EPF co-hosts the annual National Financial Literacy Symposium (NFLS) and took the lead in 2024 by hosting the launch of Financial Literacy Month (FLM), which is held every October. During FLM 2024, EPF also participated in the nationwide FEN Roadshow, while our EPF Learning Campus (ELC) organised the Financial Literacy Week (FLW) 2024. Additionally, we amplified financial education efforts through our social media platforms and the "Simpan Baik-baik" campaign to help Malaysians adopt smarter saving and financial management habits.

A key highlight for the year was the publication of the Belanjawanku Guide 2024/2025, developed in partnership with the Social Wellbeing Research Centre (SWRC). This annually updated expenditure guide provides estimated costs of goods and services for various household profiles, along with recommended savings levels to help members plan their finances more effectively. Another significant milestone was the launch of the Retirement Income Adequacy (RIA) Framework–a three-tier structure that helps members determine their savings targets based on their preferred retirement lifestyles and aspirations.

Other initiatives included the release of MyMoneyMatters 2.0, a comprehensive financial education guide for the public, as well as a joint collaboration with Bank Negara Malaysia on the National Financial Literacy Survey. Simultaneously, we continued to roll out awareness and education programmes at our branches nationwide.

These efforts are further complemented by the personalised advisory services provided through Relationship and Advisory (RA) service and our mobile outreach teams. Together, these initiatives ensure that all members–regardless of their background or location–have access to reliable, professional financial advice tailored to their unique life circumstances.

During the year, a total of 14,383 awareness and education activities were undertaken across the EPF's branches nationwide.

RESILIENCE AGAINST NATURAL DISASTERS

Material Matters: M17 M18

The growing frequency and severity of natural disasters in recent years have introduced new complexities to the EPF's nationwide operations. To address these risks, we have strengthened our organisational preparedness through the implementation of a comprehensive Business Continuity Management (BCM) framework.

Safeguarding Resilience Through Effective Business Continuity Management

The BCM framework is designed to ensure operational resilience in the face of both natural and man-made disruptions. It incorporates key components such as business impact analysis, risk assessments, and the identification and implementation of continuity strategies to safeguard the delivery of critical services.

Regular reviews and crisis simulation exercises are conducted annually to test the effectiveness of our plans and refine coordination protocols. These simulations not only evaluate organisational readiness but also strengthen communication and decision-making across departments during high-pressure scenarios.

MANAGING OUR ENVIRONMENTAL FOOTPRINT

Material Matters: M8 M9

In response to the growing urgency of climate change and rising public expectations around environmental responsibility, the EPF is committed to managing its environmental impact and embedding sustainability into its operations. Our ambition is to become a sustainably run organisation that sets an exemplary standard for environmental stewardship within the public sector.

Energy Usage and Efficiency

The EPF's primary sources of energy include electricity supplied by Tenaga Nasional, diesel for back-up generators, and solar energy, which has been installed at selected branches. Our journey towards energy efficiency began in 2013 with an internal awareness campaign aimed at encouraging staff to conserve energy in day-to-day operations.

In 2019, we advanced our efforts by applying for the Low Carbon Building (LCB) Voluntary Certification from the Sustainable Energy Development Authority (SEDA) under the Ministry of Natural Resources, Environment and Climate Change. This initiative remains ongoing as part of our broader push to decarbonise our infrastructure.

To institutionalise responsible energy use, we set an internal target in 2022 for all buildings to achieve a Building Energy Index (BEI) of below 220 kWh/m²/year, in alignment with the MS 1525:2019 benchmark for all buildings and branches. This target places us ahead of the national average for office buildings, which stands at 250 kWh/m²/year, and reinforces our aspiration to be among the most energy-efficient organisations in Malaysia.

A key enabler of this goal is the implementation of the Asset Life Cycle Management (ALCM) system, which assesses the performance of mechanical and engineering (M&E) components across our buildings. The ALCM allows us to identify underperforming systems and prioritise upgrades for greater energy efficiency.

In 2024, our energy-saving initiatives included:

- Installation of solar panel rooftop at KWSP Kuantan, KWSP Kota Kinabalu, KWSP Seberang Jaya and KWSP Kluang
- Installation of LED lighting in newly constructed and upgraded branches
- Replacement of aging split-unit air conditioners with inverter models at branch locations
- Installation of high energy-efficiency motors and pumps in place of outdated M&E components within buildings
- Replacement of chillers at several branches, including three units at KWSP Johor Bahru, two at KWSP Ipoh, two at KWSP Georgetown and three at KWSP Seberang Jaya
- Replacement of an energy-efficient lift at KWSP Ipoh and the ongoing installation of efficiency lifts at KWSP Kuching and EPF Learning Campus

Through these ongoing efforts, the EPF continues to take meaningful steps towards reducing its carbon footprint and operating in an environmentally responsible manner.

Water and Effluents

The EPF recognises the growing importance of water conservation amid increasing concerns over water supply sustainability. In response, we have implemented measures to manage water usage responsibly across our operations, while ensuring that all effluent discharge complies with regulatory standards set by the Ministry of Environment.

Water consumption across EPF buildings is primarily for sanitary use, such as toilets and cleaning, as well as for mechanical and engineering systems including heating, ventilation, and air conditioning (HVAC). We track our water usage through monthly water bills submitted by each branch. Any irregularities or signs of excessive consumption are flagged for investigation, with the designated person in charge required to provide justification and take corrective measures if necessary.

Waste Management

The EPF remains committed to responsible waste management as part of our broader environmental sustainability goals. Our focus is on reducing the volume of waste sent to landfills by minimising material use, promoting recycling, and fostering behavioural change across the organisation. Ultimately, our long-term aspiration is to achieve zero waste to landfill.

We have implemented several initiatives to support this commitment. OKI toner drums and cartridges are disposed of through certified third-party vendors who hold the necessary approvals and operate in compliance with Department of Environment (DOE) regulations.

Material conservation also remains a key focus, particularly in transitioning to paperless operations through the adoption of digital solutions. A major enabler has been the implementation of the Enterprise Content Management (ECM) system, which facilitates data storage and retrieval through digital platforms. In parallel, we continue to roll out internal awareness programmes to reinforce responsible consumption and waste reduction practices among employees.

In support of our goal to achieve ISO 14001:2015 Environmental Management System (EMS) certification, we are strengthening our procedures for tracking and monitoring waste generation across all branches. Currently, each branch submits biannual waste management reports to the Property Management Department. These reports enable us to assess performance and pinpoint areas for improvement as we work towards aligning our waste practices with internationally recognised environmental standards.

ENVIRONMENTAL IMPACT MANAGEMENT

Energy Usage and Efficiency	Water and Effluent Usage	Waste Management
Commitment		
Increase energy efficiency through green technology and responsible energy management	Water conservation and effluent discharge control	Align waste management practices with environmental standards
Goal		
Reduce carbon footprint and operate responsibly towards the environment	Use water efficiently and prudently in compliance with DOE standards	Zero waste to landfill and ISO 14001:2015 certification

EPF GHG EMISSIONS DATA

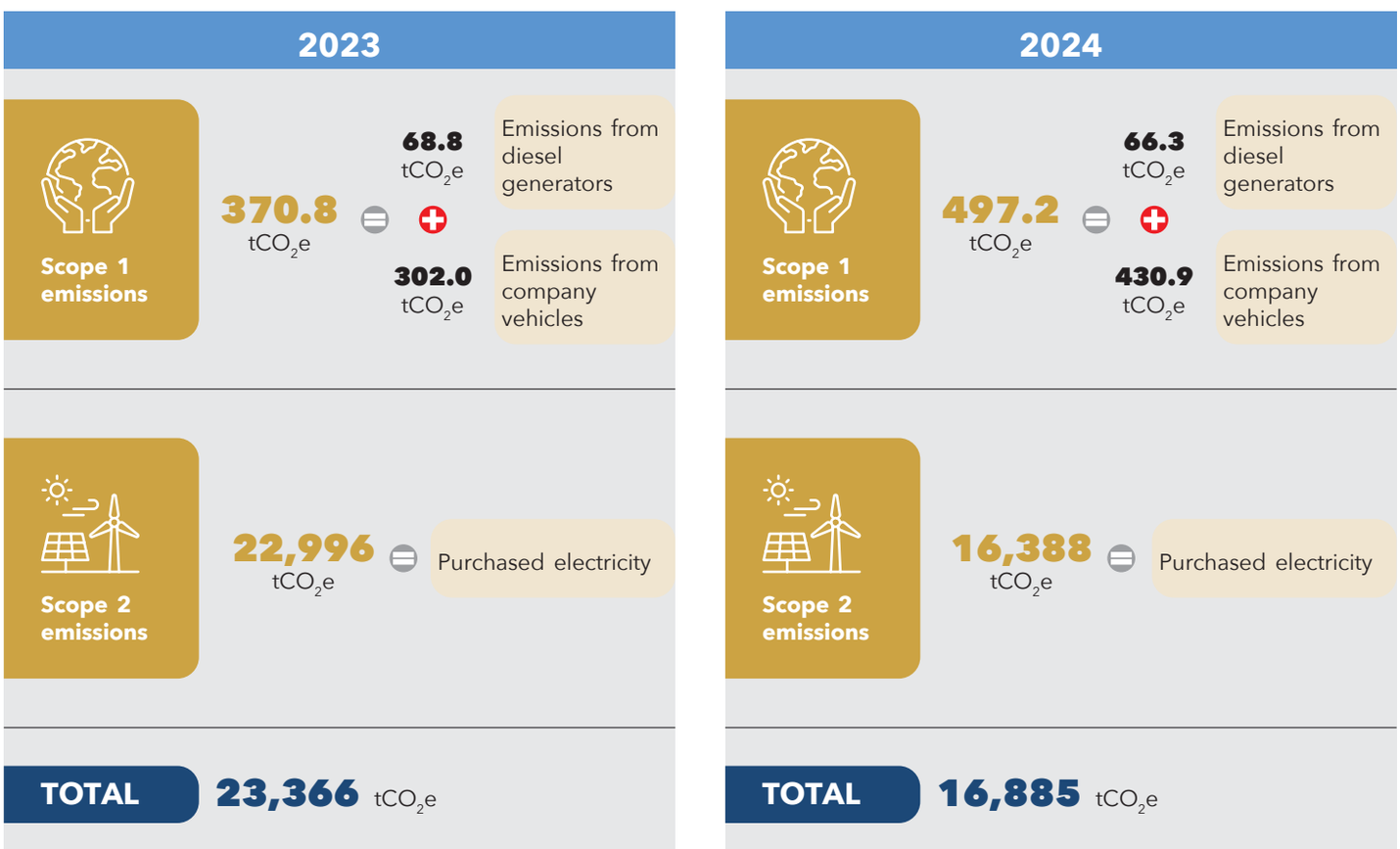
As we deepen our commitment to embedding sustainability in our activities, the EPF recognises the importance of leading by example. Recording and monitoring greenhouse gas (GHG) emissions is fundamental to understanding environmental impact, managing climate-related risks, and making informed decisions. It is also instrumental in crafting effective reduction strategies for carbon emissions in both our investment portfolio and our own operations.

In 2023, the EPF's operational GHG emissions (Scope 1 and 2) amounted to 23,366 tCO_2e. This figure serves as the baseline for our future emissions reduction efforts. In 2024, our operational GHG emissions were recorded at 16,885 tCO_2e, representing a reduction of 6,481 tCO_2e, or approximately 28% compared to the 2023 baseline.

Of the total operational* emissions in 2024, Scope 1 emissions accounted for approximately 3%, while Scope 2 emissions accounted for approximately 97%. The composition of Scope 1 emissions includes contributions from diesel generators and company vehicles, whereas Scope 2 emissions were predominantly attributed to purchased electricity.

Recognising that vast majority of its GHG emissions stem from its investment activities, The EPF is advancing a data-driven, strategic approach to align its portfolio with a net-zero future. In 2024, we embarked on an exercise to measure and baseline our financed emissions. Going into 2025, the EPF endeavours to define interim targets to guide our decarbonisation efforts and establish bespoke decarbonisation framework and roadmap to support climate integration across asset classes and sectors.

ENTERPRISE EMISSIONS



EPF GHG EMISSIONS DATA

The EPF's financed carbon emissions in 2023 amounted to ~37 Mn tCO_2e, with an emission intensity of 50tCO_2e/RM Mn and an overall PCAF score of between 2 to 3. Notable sectors contributing substantially to the EPF's financed emissions are emissions intensive sectors such as utilities, plantations, and oil and gas.

Excluding sovereign bonds, cash and cash equivalents, we have baselined approximately 100% of the EPF's AUM, covering all investee companies and investment entities' Scope 1 and 2 emissions across all asset classes. The baseline excludes sovereign bonds and cash as sovereign bond accounting methodologies are still evolving while cash lies outside the scope of financed emissions. Scope 3 of investees are also excluded as current data quality is not robust, particularly in the domestic and regional markets.

The EPF's financed emissions are calculated in alignment with the global gold standard for carbon accounting, the Partnership for Carbon Accounting Financials (PCAF) methodology.

FINANCED EMISSIONS

Reporting
EPF's portfolio carbon footprint
2023 GHG emissions



Scope 3[1] – portfolio: 37 Mn tCO_2e

Investment intensity: 50 tCO_2e / RM Mn

% of AUM baselined[2]: ~100%

1. Scope 3 Category 15 Financed emissions; refers to scope 1 & 2 emissions of investee companies only
2. Note: Baseline excludes sovereign bonds and cash & cash equivalents

BUSINESS OUTLOOK

In 2025, the global economy is projected to grow at a moderate pace of 2.8%[1], reflecting persistent uncertainties stemming from trade tensions and geopolitical risks, which may impact overall economic stability. Accordingly, Malaysia's economic growth in 2025 is anticipated to be slightly lower than the earlier forecast of between 4.5% and 5.5%[2], driven by resilient domestic demand and strategic investment activities.

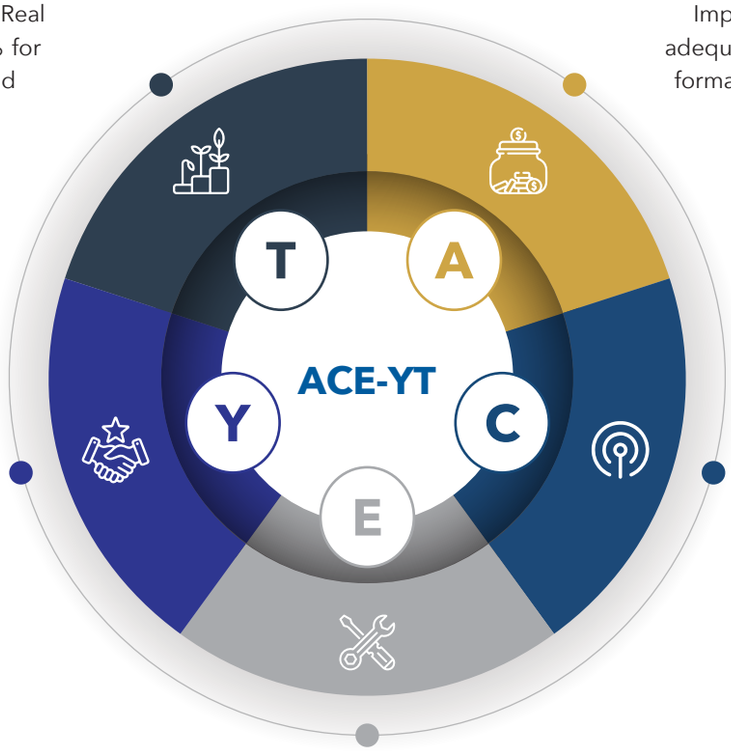
For the EPF, this economic landscape underscores the importance of prudent investment strategies and agile policy responses to safeguard members' savings and deliver sustainable returns amid evolving global and domestic conditions.

Guided by our commitment to build a better retirement future for Malaysia, the EPF remains focused on delivering measurable progress across five (5) strategic focus areas: Adequacy, Coverage, Experience, Yield, and Trust (ACE-YT). These pillars serve as Broad Targets to ensure that we stay aligned with the evolving needs of our members while driving long-term impact and institutional resiliency.

Sources:
1. *IMF*
2. *Belanjawan 2025 Malaysia MADANI – Economic Outlook*

YIELD
Delivering a Blended Rolling Real Dividend Rate of above 2.0% for Simpanan Konvensional and Simpanan Shariah

SAVINGS ADEQUACY
Improving members' savings adequacy with over 50% of active formal sector members meeting Basic Savings by age



TRUST
Attaining a Trust Score exceeding 75%, indicating strong stakeholder confidence in the EPF's direction, governance, and long-term sustainability

MEMBER'S COVERAGE
Expanding membership to cover more than 60% of the workforce, including both formal and informal sectors, to support inclusive and comprehensive social protection

EXPERIENCE
Achieving a Net Promoter Score (NPS) +50%, reflecting continued efforts to enhance member satisfaction and service excellence

Targets here refer to Broad Targets for 2030.

FIVE-YEAR FINANCIAL HIGHLIGHTS

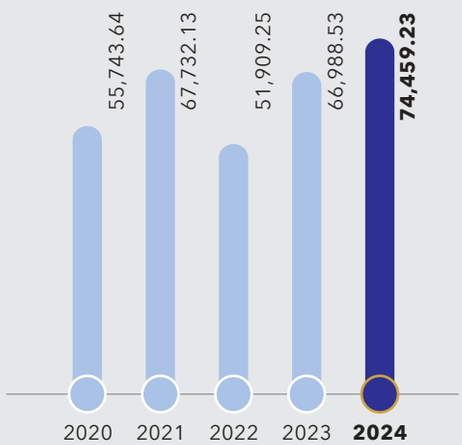
	2024 (RM Million)	2023 (RM Million)	2022 (RM Million)	2021 (RM Million)	2020 (RM Million)
FINANCIAL RESULTS SNAPSHOT					
Gross Investment Income*	**74,459.23**	66,988.53	51,909.25	67,732.13	55,743.64
Net Investment Income*	**72,771.80**	65,187.98	50,256.75	65,904.65	53,955.24
Other Income*****	**169.56**	191.41	154.65	134.60	127.56
Total Income****	**72,941.36**	65,379.39	50,411.39	66,039.25	54,082.80
Total Expenditures**	**1,989.86**	1,899.66	1,680.12	1,611.42	1,498.99
Net Income	**70,951.50**	63,479.73	48,731.28	64,427.83	52,583.81
Dividend Credited To Member's Account	**73,233.37**	57,806.50	51,138.26	56,725.71	47,642.29
SUMMARISED FINANCIAL POSITION					
Total Net Assets Attributable to Members***	**1,246,064.06**	1,136,397.89	1,002,312.15	1,008,351.95	999,997.99
Total Assets	**1,252,691.55**	1,141,898.34	1,008,585.36	1,012,032.60	1,003,372.15
Total Liabilities	**6,627.50**	5,500.44	6,273.22	3,680.65	3,374.17

	2024 (%)	2023 (%)	2022 (%)	2021 (%)	2020 (%)
KEY FINANCIAL RATIOS					
Return on Investment	**6.66**	6.36	6.20	6.50	6.13
Total Expenditures** Over Total Income****	**2.73**	2.91	3.33	2.44	2.77
Total Expenditures** Over Total Assets	**0.16**	0.17	0.17	0.16	0.15
Investments' Growth	**10.00**	13.28	-0.70	0.96	8.15
Annual Dividend Rate Simpanan Konvensional	**6.30**	5.50	5.35	6.10	5.20
Annual Dividend Rate Simpanan Shariah	**6.30**	5.40	4.75	5.65	4.90

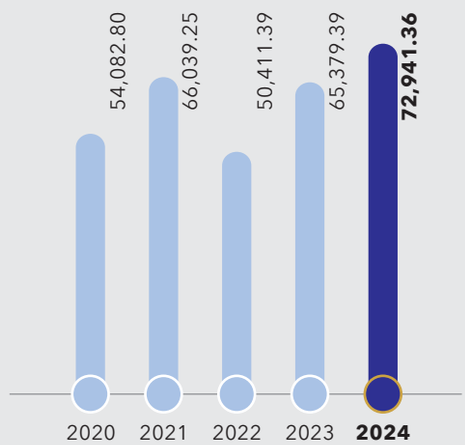
* *Gross Investment Income and Net Investment Income after taking into account Cost Write Down on Listed Equities.*
** *Comprised of Operating Expenditures and Statutory Charges.*
*** *Comprised of Contributions Account, Cumulative Surplus and Financial Asset at Fair Value through Other Comprehensive Income Reserve.*
**** *Total Income includes Net Impairment on Financial Assets and Investment in Subsidiaries and Associates.*
***** *Other Income includes Shariah Non-Compliant Income Recognised in Cumulative Surplus.*

FIVE-YEAR FINANCIAL HIGHLIGHTS

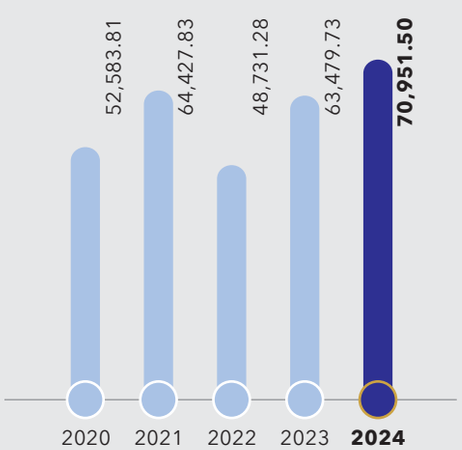
Gross Investment Income
(RM Million)



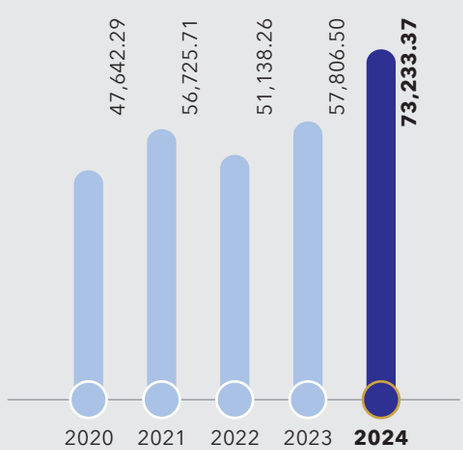
Total Income
(RM Million)



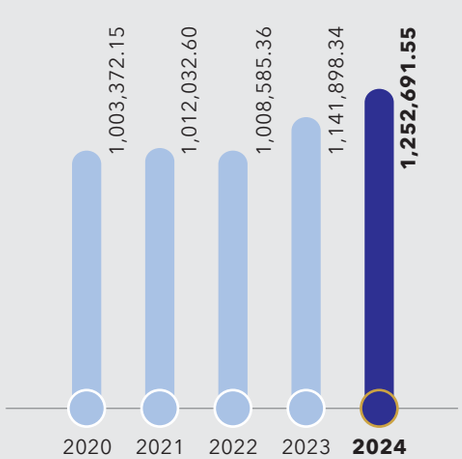
Net Income
(RM Million)



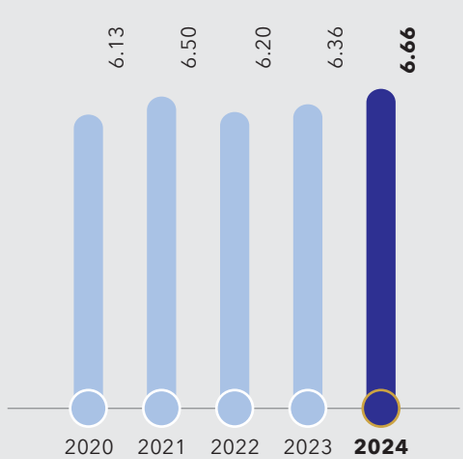
Dividend Credited To Member's Account
(RM Million)



Total Assets
(RM Million)

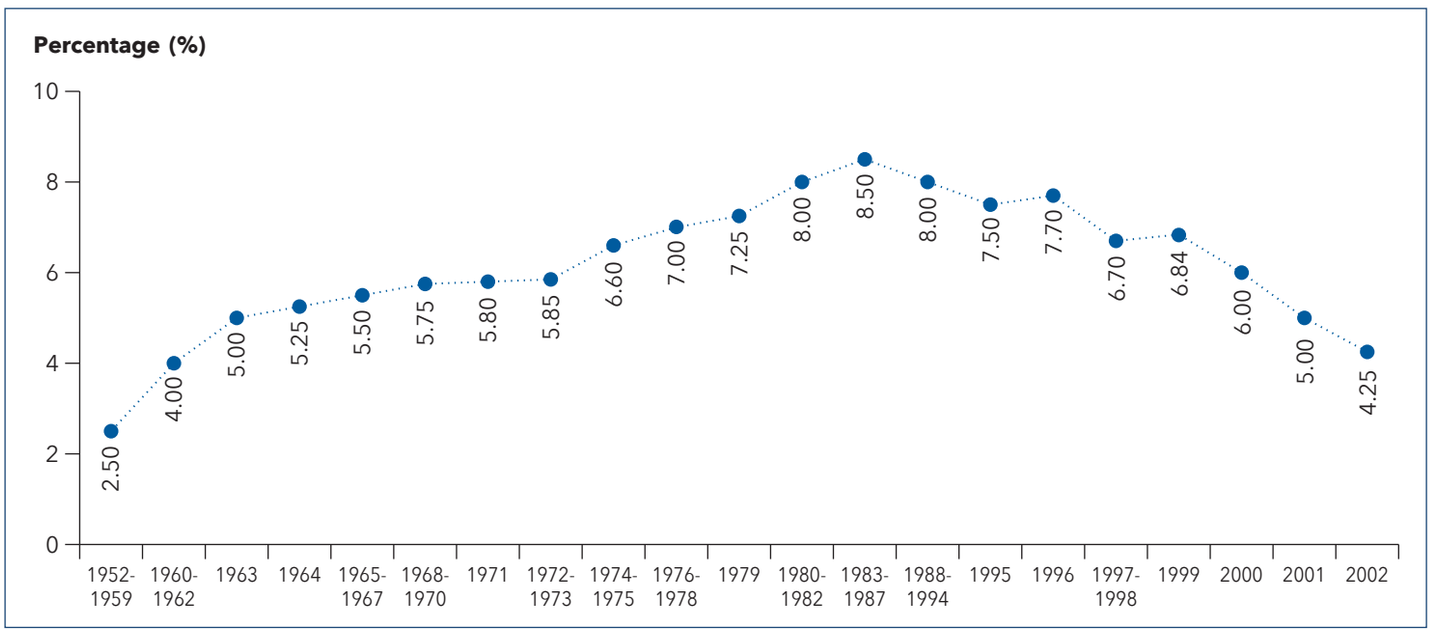


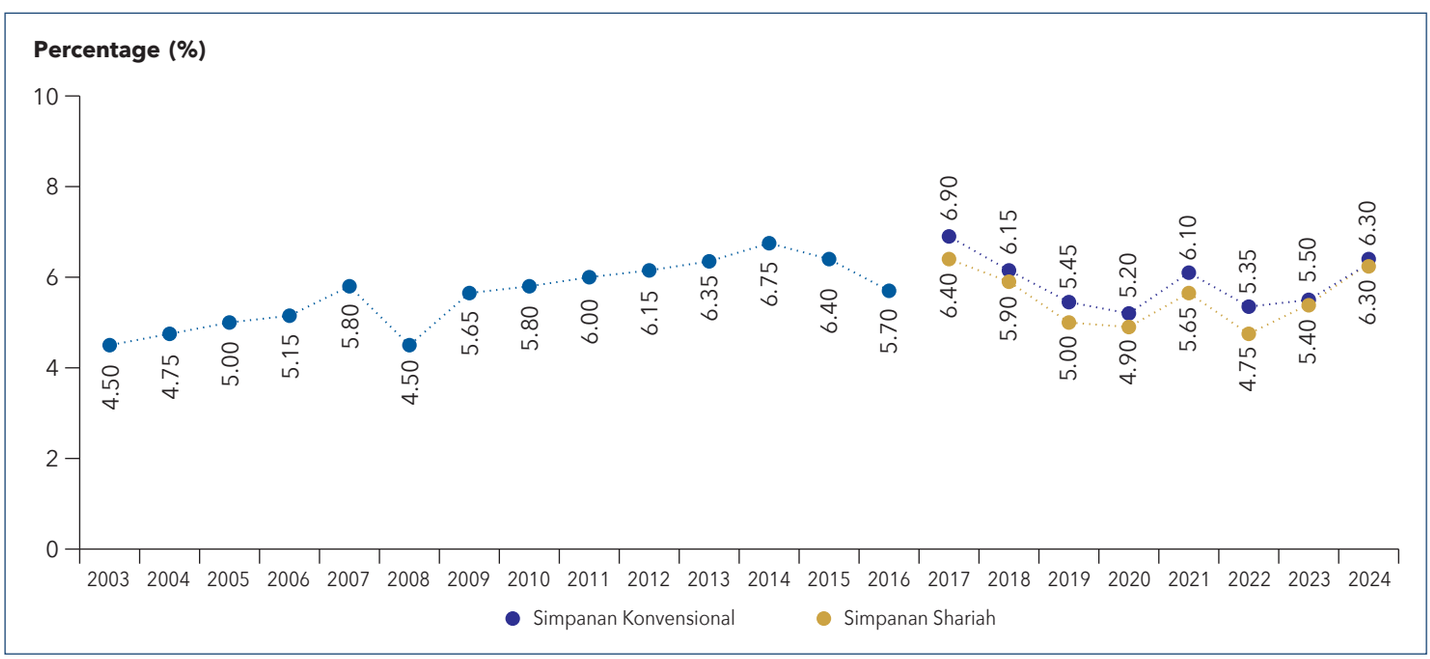
Return on Investment
(%)



PERFORMANCE INDICATORS

DIVIDEND RATES





LIST OF EQUITY INVESTMENTS FOR THE TOP 30 COMPANIES LISTED ON BURSA MALAYSIA

AS AT 31 DECEMBER 2024

NO.	COUNTER	% HOLDINGS
1	Malaysia Building Society Berhad	**56.55%**
2	RHB Bank Berhad	**39.20%**
3	Malaysian Resources Corp Berhad	**36.21%**
4	Axis Real Estate Investment Trust	**19.02%**
5	CTOS Digital Berhad	**18.86%**
6	Axiata Group Berhad	**18.37%**
7	Syarikat Takaful Malaysia Keluarga Berhad	**18.37%**
8	Tenaga Nasional Berhad	**18.27%**
9	Yinson Holdings Berhad	**17.50%**
10	Bank Islam Malaysia Berhad	**17.33%**
11	Sime Darby Berhad	**16.62%**
12	CIMB Group Holdings Berhad	**16.52%**
13	SD Guthrie Berhad	**16.35%**
14	Dialog Group Berhad	**16.22%**
15	Sunway Real Estate Investment Trust	**16.15%**
16	Telekom Malaysia Berhad	**16.10%**
17	Kuala Lumpur Kepong Berhad	**15.75%**
18	Capitaland Malaysia Trust	**15.18%**
19	Public Bank Berhad	**14.94%**
20	IJM Corporation Berhad	**14.22%**
21	Bermaz Auto Berhad	**13.98%**
22	IOI Corporation Berhad	**13.55%**
23	AMMB Holdings Berhad	**13.38%**
24	TIME dotCom Berhad	**13.30%**
25	Genting Plantations Berhad	**13.29%**
26	Al-'Aqar Healthcare REIT	**13.08%**
27	Malayan Banking Berhad	**13.08%**
28	PPB Group Berhad	**13.02%**
29	MISC Berhad	**12.65%**
30	Nestle Malaysia Berhad	**12.60%**

PERFORMANCE INDICATORS

WITHDRAWAL BY SCHEMES

YEAR	2024		2023	
WITHDRAWAL SCHEMES	**NUMBER**	**AMOUNT (RM)**	**NUMBER**	**AMOUNT (RM)**
55 Years	**948,873**	**20,238,682,564**	943,376	19,459,405,284
50 Years	**137,890**	**3,851,113,094**	127,107	4,184,409,113
Incapacitation	**4,409**	**419,933,569**	4,431	424,538,405
Leaving Country	**5,613**	**673,643,084**	4,482	583,438,495
Buy/Build First House	**73,894**	**1,360,265,533**	75,357	1,535,642,744
Buy/Build Second House	**3,392**	**122,321,110**	4,067	163,328,964
Housing Loan Monthly Installment	**2,034,101**	**2,006,635,701**	1,801,468	1,726,386,423
Reduction/Redemption of Housing Loan	**51,665**	**592,973,704**	57,848	786,271,846
Health	**7,589**	**83,397,269**	8,046	93,539,429
Death	**85,532**	**3,243,030,617**	85,731	3,050,681,920
Periodical Payment	**158**	**290,833**	163	326,323
Members' Investment Scheme	**436,374**	**8,074,280,085**	357,099	5,163,240,314
Pensionable Employees and Optional Retirement	**65,699**	**1,564,330,980**	64,230	1,466,360,415
Education	**87,213**	**842,754,235**	117,131	807,432,399
Monthly Payment	**57**	**67,009**	60	67,605
Saving Exceeding RM1 Million	**87,605**	**2,922,698,915**	63,273	2,393,745,730
Hajj	**1,422**	**3,958,637**	710	1,984,085
60 Years	**756,951**	**9,982,498,746**	635,991	8,691,550,514
PRIMA Housing	**36**	**7,715**	36	8,651
Account 2 Support Facility (AGE 50)	**4,740**	**76,662,053**	5,495	2,309,400
Account 2 Support Facility (AGE 55)	**675**	**12,926,662**	6,440	3,857,300
i-Lestari Facilities	**-**	**-**	-	-
i-Sinar Facilities	**-**	**-**	-	-
i-Citra Facilities	**-**	**-**	-	-
Member Protection Plan	**40,838**	**24,636,718**	75,100	16,365,275
Pengeluaran Khas Facilities	**-**	**-**	-	-
Akaun Fleksibel	**11,028,457**	**12,168,666,604**	-	-
TOTAL	**15,863,183**	**68,265,775,436**	4,437,641	50,554,890,633
Annual Dividend*	**10,261**	**136,158,772**	8,570	121,872,686
Death and Incapacitation Benefits				
(i) Death Benefits	**27,006**	**67,515,000**	26,745	66,862,500
(ii) Incapacitation Benefits	**802**	**4,010,000**	853	4,265,000
TOTAL (i and ii)	**27,808**	**71,525,000**	27,598	71,127,500

** Withdrawal on Annual Dividend for 2024 was adjusted as current year dividend expenses.*

WITHDRAWAL BY SCHEMES (CONT'D.)

YEAR	2022		2021		2020	
WITHDRAWAL SCHEMES	**NUMBER**	**AMOUNT (RM)**	**NUMBER**	**AMOUNT (RM)**	**NUMBER**	**AMOUNT (RM)**
55 Years	582,693	17,597,277,668	477,412	16,588,246,998	425,466	15,582,812,067
50 Years	113,601	4,251,040,958	113,932	4,233,372,414	140,339	4,406,028,593
Incapacitation	3,127	306,709,609	2,438	248,435,346	3,715	312,852,388
Leaving Country	5,606	731,893,022	2,189	395,432,504	2,516	298,544,851
Buy/Build First House	60,367	1,605,082,860	69,672	1,758,958,499	77,476	1,779,132,436
Buy/Build Second House	3,537	165,538,203	3,735	157,648,015	3,706	150,236,915
Housing Loan Monthly Installment	1,082,069	1,085,290,088	1,306,133	1,273,837,757	1,934,956	1,829,954,489
Reduction/Redemption of Housing Loan	31,995	608,571,219	24,564	519,715,566	46,839	736,103,722
Health	6,092	87,626,215	6,956	101,870,667	7,388	79,308,233
Death	91,414	3,166,318,390	65,280	2,462,513,423	61,392	1,928,253,887
Periodical Payment	181	375,188	271	467,996	478	715,169
Members' Investment Scheme	377,819	5,396,900,246	484,823	7,974,313,833	563,488	7,248,263,535
Pensionable Employees and Optional Retirement	66,368	1,413,825,672	60,247	1,493,090,729	63,157	2,122,814,777
Education	60,162	495,044,437	60,145	515,180,400	136,629	679,755,980
Monthly Payment	70	102,491	72	106,538	72	110,392
Saving Exceeding RM1 Million	44,647	1,961,669,011	33,076	1,683,458,706	24,372	1,778,049,534
Hajj	145	397,504	2	6,000	478	1,319,456
60 Years	430,310	7,439,886,034	278,753	5,433,205,970	261,929	4,803,201,871
PRIMA Housing	36	10,625	36	11,520	36	11,520
Account 2 Support Facility (AGE 50)	–	–	–	–	–	–
Account 2 Support Facility (AGE 55)	–	–	–	–	–	–
i-Lestari Facilities	35	6,020	10,762,265	6,260,838,206	25,556,630	14,546,881,726
i-Sinar Facilities	116	91,901	30,154,634	58,689,535,377	–	–
i-Citra Facilities	134,280	136,051,406	21,218,337	21,288,698,530	–	–
Member Protection Plan	82,760	8,891,897	155	20,712	–	–
Pengeluaran Khas Facilities	6,011,141	44,566,762,305	–	–	–	–
Akaun Fleksibel	–	–	–	–	–	–
TOTAL	9,188,571	91,025,362,968	65,125,127	131,078,965,705	29,311,062	58,284,351,540
Annual Dividend*	6,990	122,094,422	5,292	77,703,948	3,888	60,860,161
Death and Incapacitation Benefits						
(i) Death Benefits	28,243	70,607,500	25,001	62,502,450	20,310	50,775,050
(ii) Incapacitation Benefits	671	3,355,000	528	2,640,000	646	3,230,000
TOTAL (i and ii)	28,914	73,962,500	25,529	65,142,450	20,956	54,005,050

** Withdrawal on Annual Dividend for 2024 was adjusted as current year dividend expenses.*

ACTIVE MEMBERS' PROFILE BY SAVINGS RANGE AND GENDER

AS AT 31 DECEMBER 2024

SAVINGS RANGE (RM)	NUMBER OF MALES	NUMBER OF FEMALES	TOTAL	SAVINGS (RM)
<1-1,000	190,059	189,236	379,295	165,757,956
1,001-2,000	142,432	144,239	286,671	425,796,696
2,001-3,000	119,660	112,409	232,069	577,078,886
3,001-4,000	111,030	99,347	210,377	735,935,623
4,001-5,000	99,137	84,585	183,722	825,753,765
5,001-6,000	94,333	79,644	173,977	955,939,810
6,001-7,000	90,793	77,281	168,074	1,092,020,420
7,001-8,000	90,349	76,485	166,834	1,251,501,556
8,001-9,000	91,137	77,713	168,850	1,435,391,320
9,001-10,000	93,706	78,929	172,635	1,641,022,919
10,001-15,000	477,899	392,583	870,482	10,784,867,785
15,001-20,000	326,202	263,554	589,756	10,219,716,869
20,001-25,000	221,740	187,348	409,088	9,147,995,040
25,001-30,000	168,373	147,693	316,066	8,663,399,648
30,001-35,000	138,187	122,071	260,258	8,438,992,038
35,001-40,000	117,952	103,568	221,520	8,293,158,045
40,001-45,000	103,930	90,767	194,697	8,263,001,022
45,001-50,000	93,906	81,488	175,394	8,325,301,500
50,001-55,000	87,401	74,585	161,986	8,496,797,657
55,001-60,000	80,269	67,773	148,042	8,507,548,828
60,001-65,000	75,387	63,821	139,208	8,696,392,529
65,001-70,000	70,086	58,996	129,082	8,709,265,200
70,001-75,000	66,298	55,761	122,059	8,844,227,656
75,001-80,000	62,350	51,628	113,978	8,829,736,436
80,001-85,000	59,335	48,851	108,186	8,922,336,148
85,001-90,000	55,227	45,971	101,198	8,852,131,273
90,001-95,000	53,223	43,526	96,749	8,946,153,661
95,001-100,000	50,768	42,206	92,974	9,071,094,445
100,001-150,000	388,860	315,147	704,007	86,434,503,046
150,001-200,000	242,345	196,125	438,470	75,941,463,809
200,001-250,000	161,055	134,927	295,982	66,051,438,737
250,001-300,000	106,839	94,055	200,894	54,918,837,026
300,001-350,000	75,141	67,553	142,694	46,172,281,049
350,001-400,000	54,439	50,662	105,101	39,276,067,586
400,001-450,000	42,211	39,188	81,399	34,505,377,184
450,001-500,000	32,701	30,014	62,715	29,725,876,711
500,001-600,000	47,953	43,067	91,020	49,702,203,958
600,001-700,000	32,990	27,997	60,987	39,425,952,131
700,001-800,000	23,714	18,994	42,708	31,898,700,178
800,001-900,000	17,740	13,533	31,273	26,495,306,345
900,001-1,000,000	14,004	9,948	23,952	22,724,101,761
>1,000,000	69,343	39,358	108,701	190,047,357,986
TOTAL	**4,740,504**	**4,042,626**	**8,783,130**	**962,437,782,238**

Source: EPF BI System
Note: Total Savings Amount not inclusive 2024 annual dividend

CONTRIBUTION RATES

YEAR	EMPLOYEE	EMPLOYER	TOTAL
1952 – June 1975	5%	5%	10%
July 1975 – November 1980	6%	7%	13%
December 1980 – December 1992	9%	11%	20%
January 1993 – December 1995	10%	12%	22%
January 1996 – March 2001	11%	12%	23%
April 2001 – March 2002	9%	12%	21%
April 2002 – May 2003	11%	12%	23%
June 2003 – May 2004	9%	12%	21%
June 2004 – December 2008	11%	12%	23%
January 2009 – December 2010	8%	12%	20%
January 2011 – December 2011	11%	12%	23%
January 2012 – February 2016			
Salary RM5,000 and less	11%	13%	24%
Salary more than RM5,000	11%	12%	23%
March 2016 – December 2017			
Members Below Age 60			
Salary RM5,000 and less	8%	13%	21%
Salary more than RM5,000	8%	12%	20%
Members Age 60 Until Age 75			
Salary RM5,000 and less	4%	6.5%	10.5%
Salary more than RM5,000	4%	6%	10%
January 2018 – December 2018			
Members Below Age 60			
Salary RM5,000 and less	11%	13%	24%
Salary more than RM5,000	11%	12%	23%
Members Age 60 Until Age 75			
Salary RM5,000 and less	5.5%	6.5%	12%
Salary more than RM5,000	5.5%	6%	11.5%
January 2019 – March 2020			
Members Below Age 60			
Salary RM5,000 and less	11%	13%	24%
Salary more than RM5,000	11%	12%	23%
Members Age 60 Until Age 75			
Salary RM5,000 and less	–	4%	4%
Salary more than RM5,000	–	4%	4%

CONTRIBUTION RATES (CONT'D.)

YEAR	EMPLOYEE	EMPLOYER	TOTAL
April 2020 - December 2020			
Members Below Age 60			
Salary RM5,000 and less	7%	13%	20%
Salary more than RM5,000	7%	12%	19%
Members Age 60 Until Age 75			
Salary RM5,000 and less	-	4%	4%
Salary more than RM5,000	-	4%	4%
January 2021 - June 2022			
Members Below Age 60			
Salary RM5,000 and less	9%	13%	22%
Salary more than RM5,000	9%	12%	21%
Members Age 60 Until Age 75			
Salary RM5,000 and less	-	4%	4%
Salary more than RM5,000	-	4%	4%
July 2022 - December 2024			
Members Below Age 60			
Salary RM5,000 and less	11%	13%	24%
Salary more than RM5,000	11%	12%	23%
Members Age 60 Until Age 75			
Salary RM5,000 and less	-	4%	4%
Salary more than RM5,000	-	4%	4%

ACTIVE MEMBERS'S PROFILE BY AGE GROUP AND GENDER

AS AT 31 DECEMBER 2024

AGE GROUP (YEAR)	NUMBER OF MALE	NUMBER OF FEMALE	TOTAL MEMBER	TOTAL MEMBER (%)	TOTAL CUM MEMBER (%)	TOTAL SAVINGS (RM)	TOTAL SAVINGS (%)	TOTAL CUM SAVINGS (%)
<16	2,176	1,963	4,139	0.05	0.05	13,170,591	0.00	0.00
16-25	923,767	803,150	1,726,917	19.66	19.71	16,447,278,321	1.71	1.71
26-30	842,190	777,925	1,620,115	18.45	38.15	45,611,114,767	4.74	6.45
31-35	711,237	599,318	1,310,555	14.92	53.08	80,224,050,744	8.34	14.78
36-40	606,050	497,566	1,103,616	12.57	65.64	124,692,926,950	12.96	27.74
41-45	481,927	403,323	885,250	10.08	75.72	154,194,132,599	16.02	43.76
46-50	399,461	346,322	745,783	8.49	84.21	179,367,762,081	18.64	62.40
51-55	327,640	278,528	606,168	6.90	91.11	168,119,361,692	17.47	79.87
56-60	237,234	184,528	421,762	4.80	95.91	100,288,701,879	10.42	90.29
61-65	120,526	90,487	211,013	2.40	98.32	52,114,329,589	5.41	95.70
66-70	61,795	42,995	104,790	1.19	99.51	28,005,797,082	2.91	98.61
71-75	25,415	16,100	41,515	0.47	99.98	12,562,343,449	1.31	99.92
>75	1,084	423	1,507	0.02	100.00	796,812,492	0.08	100.00
Grand Total	**4,740,502**	**4,042,628**	**8,783,130**	**100.00**		**962,437,782,238**	**100.00**	

Source: EPF BI system
Note: Total Savings Amount not inclusive 2024 annual dividend

ACTIVE MEMBERS' MEDIAN SAVINGS AT AGE 54 BY GENDER

AS AT 31 DECEMBER 2024

YEAR	MALE			FEMALE		
	NUMBER OF MEMBERS	TOTAL SAVINGS (RM)	MEDIAN SAVINGS (RM)	NUMBER OF MEMBERS	TOTAL SAVINGS (RM)	MEDIAN SAVINGS (RM)
2020	55,545	15,283,185,821	167,760	41,913.00	8,295,983,325.69	102,216
2021	54,495	15,506,653,450	166,949	43,699.00	8,711,471,483.84	99,210
2022	59,560	16,934,779,822	165,796	50,650.00	10,189,209,400.39	89,337
2023	59,861	18,130,975,639	176,727	47,450.00	11,480,938,804.02	122,810
2024	62,519	20,536,643,962	192,119	52,765.00	13,679,785,869.00	134,977

MEMBERS' MEDIAN SAVINGS AT AGE 54

AS AT 31 DECEMBER 2024

YEAR	ACTIVE MEMBERS			INACTIVE MEMBERS		
	NUMBER OF MEMBERS	TOTAL SAVINGS (RM)	MEDIAN SAVINGS (RM)	NUMBER OF MEMBERS	TOTAL SAVINGS (RM)	MEDIAN SAVINGS (RM)
2020	97,458	23,579,169,147	140,625	156,841.00	8,530,230,424.41	16,233
2021	98,194	24,218,124,934	138,536	158,191.00	8,582,348,365.67	13,711
2022	110,210	27,123,989,222	132,826	164,505.00	8,597,318,191.73	10,501
2023	107,311	29,611,914,443	154,366	164,938.00	8,668,069,175.56	9,770
2024	115,284	34,216,429,831	168,172	156,183.00	9,118,871,024.18	12,157

Source: EPF BI system
Extracted at: 6 June 2025

STATEMENT ON CORPORATE GOVERNANCE



FOUNDATION OF TRUST

At the EPF, we believe strong corporate governance is the foundation of trust. Guided by effective leadership and sound management, we strive to uphold integrity, accountability, and transparency in everything we do.

COMMITMENT TO GOVERNANCE AND RESPONSIBILITY

As Malaysia's largest retirement fund, with assets totalling RM1,249.71 billion, we are committed to maintaining high standards of governance while embracing responsible investment practices. By integrating ESG principles into our investment strategies, we aim to deliver lasting value for our members and society.

CORRUPTION RISK MANAGEMENT

Since 2019, the EPF has developed and implemented a Corruption Risk Management (CRM) mechanism through the MyRisks system. This initiative forms a key component of the EPF's Integrity and Anti-Corruption Plan. In 2024, a CRM Scorecard was introduced for 27 departments, six (6) regional offices, and all 69 EPF branches. The 27 departments are as follows:

1. Treasury
2. Equity
3. Capital Market
4. Real Estate Investment
5. Private Equity & Infrastructure
6. External Fund Managers
7. Product Management & Marketing
8. Physical Channel
9. Digital Channel
10. Policy & Strategy
11. Property Management
12. Procurement Management
13. Investment Services
14. Digital Infrastructure
15. Digital Core Solutions
16. Digital Enterprise Solutions
17. Digital Security
18. People Matters
19. EPF Learning Campus
20. Transaction Management
21. Centre of Excellence
22. Corporate Affairs
23. Contribution Management
24. Finance
25. Investment Strategy & Analytics
26. Strategic Investment & Research
27. Legal

As part of its ongoing commitment to upholding the highest standards of integrity, the EPF has introduced the Integrity Performance Index (IPI) as a key initiative in its Corruption Risk Management (CRM) efforts. The IPI is structured around three (3) core pillars: control, commitment, and perception. These elements collectively serve as indicators of the EPF's resolve and proactive stance in fostering a culture of integrity across the organisation. Looking ahead, the EPF is dedicated to the continuous enhancement of the IPI scope by integrating additional metrics and feedback mechanisms. This evolution will ensure the index remains dynamic, reflective of best practices, and aligned with the EPF's unwavering pursuit of transparency and ethical governance.

INTEGRITY COMMUNICATION AND OUTREACH PROGRAMME

In 2024, the EPF significantly expanded its communication and awareness initiatives on integrity and anti-corruption, reaching staff through both physical engagements and digital platforms. These efforts aimed to cultivate a strong culture of ethical conduct across the organisation. Key programmes implemented during the year included:

i. Integrity Carnival Programme held across three (3) EPF regions in collaboration with the Malaysian Anti-Corruption Commission (MACC):
   - Northern Region – Alor Setar;
   - Sabah Region – Kota Kinabalu;
   - Sarawak Region – Kuching;

ii. Integrity Culture Programmes:
   - EPF Management Conference 2024 – Integrity Talk for Top Management;
   - Integrity Dimension Talk – A series of three sessions featuring external speakers from diverse backgrounds sharing personal insights on integrity;

iii. Physical Outreach Programmes conducted at 21 EPF branches;

iv. Seven (7) Onboarding Courses on integrity for new staff;

v. EPF Integrity Day Celebration;

vi. Hosting of the Government-Linked Investment Companies Integrity Event (GIE 2024) at Sime Darby Convention Centre;

vii. Corruption-Free Pledge Ceremony;

viii. Five (5) Training Courses on cultivating integrity in the workplace;

ix. Six (6) Knowledge Sharing Sessions with various departments;

x. Integrity Awareness Email Series;

xi. EPF Integrity Month Celebration; and

xii. Integrity Survey focusing on ethical conduct and integrity governance.

To ensure continuous improvement, the EPF systematically collects feedback from participants for each programme. The insights gained are used to refine and tailor future initiatives, ensuring they remain effective, relevant, and aligned with the evolving needs of staff. This iterative approach underscores the EPF's commitment to maintaining high standards of integrity and organisational excellence.

EPF INTEGRITY AND ANTI-CORRUPTION PLAN

In support of the Government's vision for a corruption-free nation, the National Anti-Corruption Plan (NACP) 2019-2023 was launched with the aspiration of making "Malaysia Known for Integrity and Not Corruption." In alignment with this national agenda, all ministries, departments, agencies, and organisations were mandated to develop their own Organisational Anti-Corruption Plan (OACP).

Guided by the NACP, the Integrity & Governance Department developed the EPF Integrity and Anti-Corruption Plan, which comprehensively addresses matters relating to governance, integrity, and anti-corruption within the organisation. This strategic plan was formally approved by the EPF Board on 29 April 2020. Throughout 2024, the implementation of the 46 initiatives outlined in the Plan was actively monitored and evaluated. These initiatives are designed to safeguard the EPF from corruption, embezzlement, and abuse of power, while reinforcing a culture of ethical conduct and accountability.

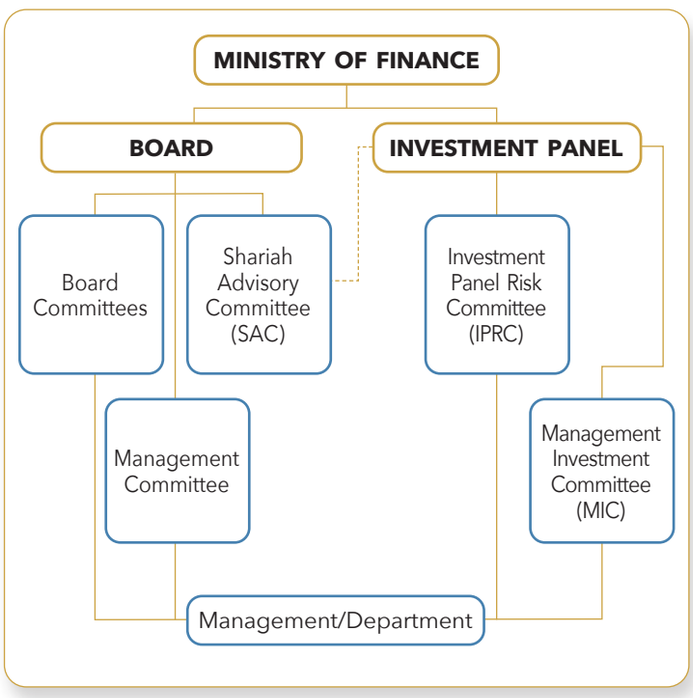
The EPF remains steadfast in its commitment to upholding integrity and good governance. The continuous monitoring and refinement of the Integrity and Anti-Corruption Plan reflect the organisation's proactive approach to risk management and its alignment with national anti-corruption objectives.

CERTIFIED INTEGRITY OFFICER

In 2024, six (6) officers from the Integrity & Governance Department successfully completed the Certified Integrity Officer (CeIO) certification course. This initiative was undertaken in compliance with the directive from the Malaysian Anti-Corruption Commission (MACC), which mandates that all Organisational Integrity Units be staffed with certified officers.

The CeIO certification has equipped these officers with advanced competencies in integrity management, including risk assessment, ethical governance, and anti-corruption strategies. With this specialised training, the officers are now better positioned to lead integrity initiatives, provide expert guidance, and ensure the effective implementation of integrity frameworks across the EPF.

EPF GOVERNANCE STRUCTURE



BOARD AND INVESTMENT PANEL APPOINTMENT PROCESS

Members of the Board and Investment Panel, as well as the Chief Executive Officer, are appointed by the Minister of Finance. The Minister appoints only individuals with proven records of integrity, capabilities, and reliability to carry out their responsibilities effectively. Each appointment of a Board or Investment Panel member is for a term of two (2) years, while the Chief Executive Officer is appointed for a term of three (3) years.

BOARD AND INVESTMENT PANEL COMPOSITION

The EPF Act 1991 stipulates that the membership of the Board shall not exceed 22 members, including the Chairman and Chief Executive Officer (Ex-Officio). In 2024, the Board consisted of 13 members representing various stakeholders, including government representatives, with the Deputy Chairman appointed from the Ministry of Finance, along with representatives of employers, employees, and professionals.

In 2024, the members of the Investment Panel comprised of six (6) individuals, including the Chairman of the Investment Panel, a representative from the Ministry of Finance as the Deputy Chairman, and professional representatives. The Chief Executive Officer serves as an ex-officio member of the Board as well as the Investment Panel.

Members of the EPF Board and Investment Panel are skilled individuals from various backgrounds, with diverse competencies and extensive experience.

BOARD AND INVESTMENT PANEL DUTIES AND RESPONSIBILITIES

The Board assumes a broad range of responsibilities such as overseeing the implementation of policies governing the EPF operations, identifying areas of risk and taking appropriate risk management measures, as well as reviewing the adequacy and integrity of the EPF's internal control systems.

In discharging its duties, the Board relies on the integrity, competence and due diligence of Senior Management in carrying out the running of the organisation, including, key operational initiatives, financial plans, annual budgets, financial performance reviews, risk management, and corporate governance. The advice of external auditors and advisors is also available to the Board.

The EPF Act 1991 provides for the establishment of an Investment Panel responsible for matters pertaining to investments of the Fund, including making decisions on the EPF's investment activities. The Investment Panel is also responsible for reviewing guidelines, risk policies and asset allocation in relation to investments.

Chairman of the Board, Chairman of the Investment Panel and Chief Executive Officer

The roles and responsibilities of the Chairman of the Board, Chairman of the Investment Panel, and Chief Executive Officer are clearly delineated in line with best practices to ensure a proper balance of power, better monitoring and oversight of management, as well as strengthened accountability and independence.

The Chairman of the Board leads and ensures effective and comprehensive deliberation on matters brought before the Board, while the Chairman of the Investment Panel leads deliberations related to investment planning and strategy.

The CEO's primary role is to effectively manage the EPF operations and investments in alignment with its strategy and policies while also providing oversight, guidance, advice, and leadership to the Senior Management.

Board and Investment Panel Effectiveness Evaluation (BEE/IPEE)

The EPF conducts a Board and Investment Panel Effectiveness Evaluation (BEE/IPEE) to assess the performance of the Board, its respective committees, the Investment Panel and its committees as well as the Chairman. This assessment is conducted by an appointed independent consultant.

Diversity of Board and Investment Panel

In line with good governance practices, the EPF promotes diversity in the Board and Investment Panel, recognising that having a diverse Board/Investment Panel, coupled with broad set of competencies, is crucial to addressing challenges and complexities the EPF may face. Members of the Board and Investment Panel are drawn from various industry backgrounds, ensuring a wide range of opinions and perspectives during discussions to achieve the organisation's goals.

BOARD AND INVESTMENT PANEL ATTENDANCE

A total of 14 Board meetings and 19 Investment Panel meetings were held in 2024. Details of members' attendance at these meetings are as follows:

Board Members	Board	Board Audit Committee	Board Risk Management and Sustainability Committee	Finance and Development Committee	Strategy Committee	Nomination and Remuneration Committee	Board Disciplinary Committee	Board Disciplinary Appeal Committee	Procurement Board
Tan Sri Ahmad Badri Mohd Zahir *(Service completed on 31/8/2024)*	8/8	-	-	3/3	-	-	-	-	-
Tan Sri Dato' Seri Mohd Zuki Ali *(Appointed on 1/9/2024)*	6/6	-	-	1/1	-	-	-	-	-
Dato' Zamzuri Abdul Aziz	11/14	6/12	-	-	2/7	-	-	-	-
Tan Sri Wan Ahmad Dahlan Haji Abdul Aziz *(Appointed on 15/2/2024)*	8/12	-	-	-	-	-	-	-	2/6
Datuk Seri Panglima Sr. Hj. Safar Untong	13/14	10/12	6/6	-	-	-	-	-	-
Datuk Amar Hj. Mohamad Abu Bakar Marzuki	9/14	-	1/3	-	-	1/4	-	-	-
Datuk Dr. Syed Hussain Syed Husman	13/14	-	-	-	7/7	11/11	-	-	-
Datuk Dr. Ting Ding Ing (Philip)	14/14	-	-	-	6/7	11/11	-	-	7/7
Datuk Harun Haji Ismail	11/14	-	4/6	3/4	-	-	-	-	7/7
Dato' Dr. Hj. Adnan Mat	14/14	12/12	-	-	7/7	11/11	-	-	-
Kamarul Baharin Mansor *(Service completed on 14/9/2024)*	8/8	-	5/5	-	-	-	-	-	-
Zainal Abidin Mohd Kassim	14/14	12/12	-	-	7/7	11/11	-	-	-
Khalid Haji Sufat	14/14	12/12	5/6	4/4	-	-	-	-	-
Prof. Tan Sri Dr. Jemilah Mahmood	9/14	-	-	-	-	10/11	-	-	1/1
Encik Ahmad Zulqarnain Onn *(Appointed on 19/2/2024)*	11/12	-	4/5	4/4	6/6	-	-	-	6/6
Encik Sazaliza Zainuddin *(Acting Chief Executive Officer until 18/2/2024)*	2/2	-	-	-	-	-	-	-	-

Investment Panel Members	Investment Panel	Investment Panel Risk Committee
	Attendance	Attendance
Tan Sri Mohammed Azlan Hashim	19/19	-
Dr. Mastura Abdul Karim	14/19	-
Dato' Wan Kamaruzaman Wan Ahmad	19/19	5/5
Tan Sri Dr. Wee Hoe Soon @ Gooi Hoe Soon	17/19	5/5
Raja Noorma Othman	19/19	5/5
En. Ahmad Zulqarnain Onn *(Appointed on 19/2/2024)*	15/17	4/5
En. Sazaliza Zainuddin *(Acting Chief Executive Officer until 18/2/2024)*	2/2	-

BOARD AND INVESTMENT PANEL MEMBERS' REMUNERATION

The Board and Investment Panel members are paid a Fixed Monthly Allowance and a Meeting Attendance Allowance for each meeting attended. The remuneration details for the year 2024 are as follows:

Fixed Monthly Allowance and Meeting Attendance Allowance of Board and Investment Panel Members

Allowance	Board (RM)	Investment Panel (RM)	Board/Investment Panel/ Board Audit Committee/Board Risk Management & Sustainability Committee/ Investment Panel Risk Committee/ Board Disciplinary Appeal Committee (RM)	Other Board Committees (RM)
Fixed Monthly Allowance	5,000.00	5,000.00	-	-
Chairman of Meeting	-	-	2,000.00	1,500.00
Meeting Attendance Allowance Including Alternate Members	-	-	1,500.00	1,300.00

In 2024, the total payment of Fixed Monthly Allowance and Meeting Attendance Allowance for Board and Investment Panel was RM1.93 million.

Senior Management Emoluments

Position	Emolument (RM)
Chief Executive Officer and C-Suites	10.02 mil

QUALITY AND DELIVERY OF INFORMATION TO THE BOARD AND INVESTMENT PANEL

To facilitate members of the Board and Investment Panel stay informed about the latest developments in the EPF's operational and financial performance, as well as key issues, challenges, and opportunities, the EPF Management continuously provides them with operational and investment reports, along with financial statements in a timely manner.

BOARD AND INVESTMENT PANEL COMMITTEES

The Board and Investment Panel have established several committees to regulate specific matters related to the organisation's operations. Each committee carries out its responsibilities according to the terms of reference that have been set.

Board Committee	Composition	Function
Board Audit Committee	Five (5) Members, including Chairman	• Assists the Board in evaluating the effectiveness of internal controls, risk management (except in investment-related activities) and the EPF governance process. • Supervises the financial reporting process and the quality of the EPF's annual and quarterly financial statements reporting. • Considers the appropriateness of the EPF's accounting policies and any changes thereto. • Deliberate on internal auditor's and external auditor's reports, as well as to supervise matters related to the internal audit function and the audit plan for the current year. • Maintains a professional and formal relationship with the external auditor and held one (1) meeting with the external auditor in 2024 without the presence of Management. • A total of 12 meetings were held in 2024.

BOARD AND INVESTMENT PANEL COMMITTEES (CONT.D')

Board Committee	Composition	Function
Board Risk Management and Sustainability Committee (BRMSC)	Five (5) Members, including Chairman	• Responsible for assisting the Board in overseeing all operational risk management activities, excluding those related to investment. • Responsible for reviewing and assessing strategic initiatives presented to the EPF Board and providing risk assessments in regard to these initiatives. • Oversees the implementation of the EPF Enterprise Sustainability Plan as well as monitors the implementation of sustainability policies and strategies approved by the Board. • Oversees the Corruption Risk Management (CRM) and supports the Board in monitoring the Integrity and Anti-Corruption Plan. • A total of 11 meetings were held in 2024.
Investment Panel Risk Committee (IPRC)	Four (4) Members, including Chairman	• Supervises investment risk including recommending appropriate risk levels, approving investment risk measurement policies, limits and methodologies, as well as providing strategic direction on risk management practices within the investment function. • A total of five (5) meetings were held in 2024.
Finance and Development Committee	Five (5) Members, including Chairman	• Responsible for approving additional budget requests not exceeding 5% of the total annual budget approved by the Board. • Assists the Board in approving matters related to financial effects such as writing off losses (excluding those related to investments). • Assists the Board in approving the implementation of invocation under Section 50 (3) of the EPF Act 1991 and crediting the employees' contribution amount into their EPF accounts, which was deducted from wages but not remitted by the employer, along with any dividends. • A total of four (4) meetings were held in 2024.
EPF Strategy Committee	Six (6) Members, including Chairman	• Reviews and recommends proposed amendments and policy changes related to the EPF Scheme for the Board's Approval. • Reviews and endorses policy proposals and changes for the Board's approval. • Monitors organisational performance and achievement of strategic initiatives in line with the EPF's strategic direction. • A total of seven (7) meetings were held in 2024.
Nomination and Remuneration Committee	Five (5) Members, including Chairman	• Responsible for assisting the Board in considering and approving or certifying matters related to appointments, staffing, and organisational structure including terms and conditions of service, remuneration and a comprehensive reward framework aligned with performance and strategic objectives. • Ensures effective succession planning for key positions including Chief Executive Officer, Heads of Divisions and Departments, in line with the organisation's evolving needs. • A total of 11 meetings were held in 2024.
Board Disciplinary Committee	Five (5) Members, including Chairman	• Conducts disciplinary proceedings and imposing appropriate disciplinary actions, penalties or sanctions on the EPF employees in accordance with the EPF Rules and Regulations (Conduct and Discipline) 1993. • A total of two (2) meetings were held in 2024.
Board Disciplinary Appeal Committee	Seven (7) Members, including Chairman	• Reviews any appeals by employees regarding decisions made by the Disciplinary Committee. • A total of one (1) meeting was held in 2024.
Procurement Board	Four (4) Members, including Chairman	• Deliberates and approves procurement of works, services and goods in accordance with the EPF's Procurement Policy. • A total of seven (7) meetings were held in 2024.

MANAGEMENT COMMITTEES

In addition to the main Board and Investment Panel Committees, other management committees have been established and report directly to the Chief Executive Officer or relevant members of Senior Management.

Management Committee	Key Function
Management Investment Committee (MIC)	• Recommends investment activities in line with guidelines, controls risk policies, and oversees asset allocation for the Investment Panel. • Responsible for monitoring the implementation of investment decisions approved by the Investment Panel. • Approves specific investment proposals and matters related to investment operations based on the delegation of authority and mandate given by the Investment Panel. • Comprises the Heads of Investment Departments, Chief Investment Officer, Chief Financial Officer and is chaired by the Chief Executive Officer. • A total of 48 meetings were held in 2024.
Management Procurement Committee (Strategic)	• Deliberates and approves procurement of works, services, and supplies that involve complex procurement that brings long-term benefits, in line with limits of authority as set out in the EPF's Procurement Policy. • Comprises the Senior Management, with the Chief Executive Officer serving as the Chair of the meeting. • A total of 17 meetings were held in 2024.
Management Procurement Committee (Non-Strategic)	• Deliberates and approves procurement of works, services, and supply of goods related to daily affairs and operations, in line with limits of authority as set out in the EPF's Procurement Policy. • Comprises the Senior Management with the Chief Financial Officer serving as the Chair of the meeting. • A total of 14 meetings were held in 2024.
Management Disciplinary Committee	• Conducts disciplinary proceedings for minor offences committed by the employees at manager level and below, and imposes the appropriate disciplinary actions, penalties or sanctions (except for dismissal and reduction in rank) in accordance with the EPF Rules and Regulations (Conduct and Discipline) 1993. • A total of (1) one meeting was held in 2024.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is committed to providing a clear, balanced, and comprehensive assessment of the EPF's financial performance and outlook through the annual financial statements. In addition, transparent and timely updates on financial performance and prospects are communicated to stakeholders via quarterly results announcements.

Please refer to page 146 in this Integrated Annual Report.

Risk Management and Internal Control

The Board and Management remain committed to upholding robust internal control systems, policies, and procedures to safeguard the interests of stakeholders and protect the EPF's assets.

Please refer to page 111 in this Integrated Annual Report for the Statement on Risk Management and Internal Control.

Corporate Responsibility

The EPF believes that there should be a balance between value creation and corporate responsibility.

COMMUNICATION WITH INTERESTED PARTIES

The EPF recognises that effective communication with stakeholders is a crucial aspect of its corporate governance framework and is committed to transparency. To this end, the EPF publishes a quarterly report on its investment activities, which includes details on asset allocation, income by asset class, and the total fund size. The report also discloses the top 30 equity investment companies, ensuring stakeholders are well-informed about the EPF's investments in publicly listed companies in Malaysia.

The EPF continues to actively engage with its investee companies. In 2024, management conducted 69 visits to companies, comprising 47 local visits and 22 overseas visits. In addition, the EPF participated in 86 Annual General Meetings (AGMs) and 13 Extraordinary General Meetings (EGMs) of its investee companies, exercising its shareholder voting rights.

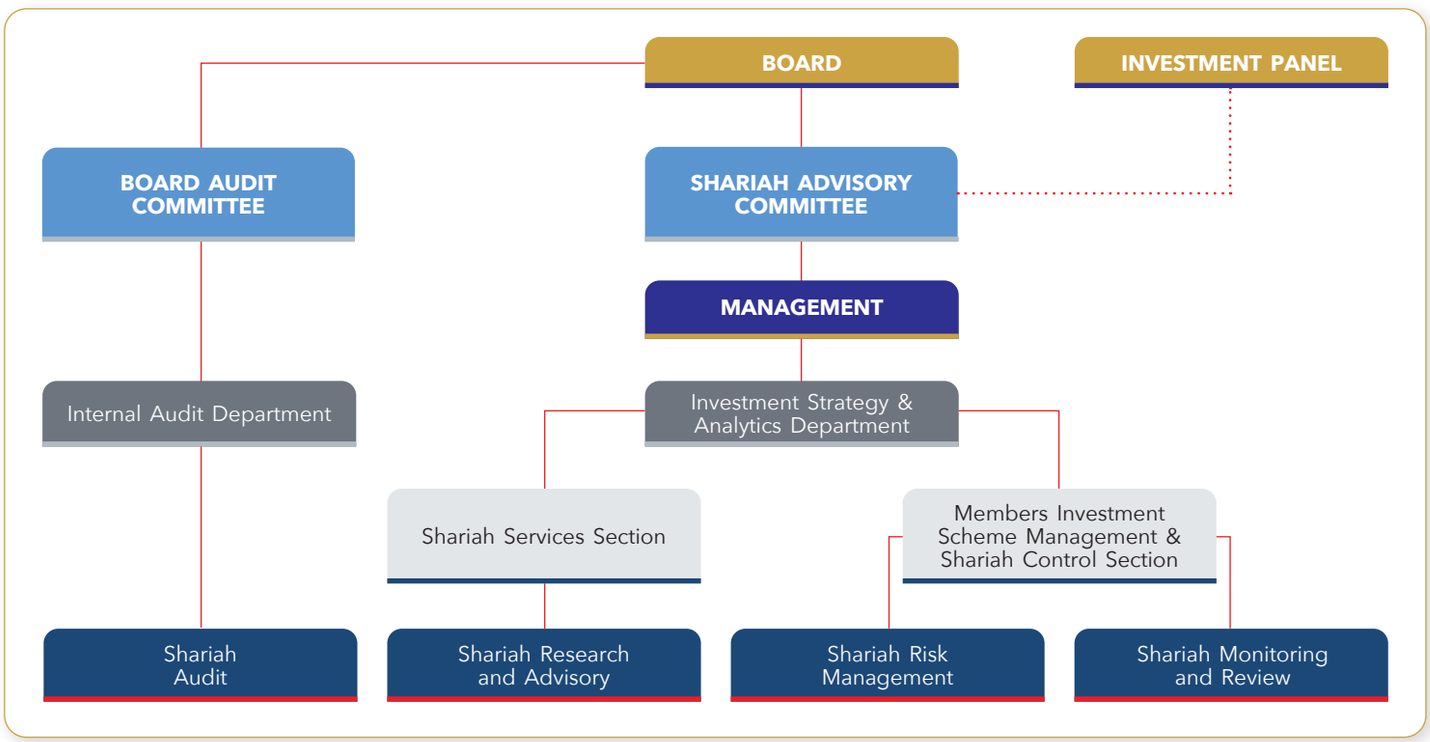
To further strengthen its regulatory role in investments, the EPF has appointed representatives to the boards of directors of both listed and unlisted companies. As of 31 December 2024, the EPF had board representation in 18 listed companies and 13 unlisted companies.

STATEMENT ON SHARIAH GOVERNANCE FOR THE EPF SIMPANAN SHARIAH

Simpanan Shariah is a savings option for members that is managed and invested by the EPF in accordance with Shariah principles. A Shariah governance framework has been established to ensure that all aspects of operations and investments of Simpanan Shariah are managed in accordance with Shariah principles as required under Section 43A of the EPF Act 1991.

SHARIAH GOVERNANCE STRUCTURE

The Shariah governance structure under the framework is described below:



Component	Function in respect of Simpanan Shariah
Board	• Establishes the Shariah Advisory Committee (SAC) as the authority for ascertaining Shariah matters, for the purpose of advising the Board and Investment Panel to ensure that the management of Simpanan Shariah complies with Shariah principles. • Refers to the SAC on any matters relating to Shariah that in ascertaining the Shariah principles. The advice given by the SAC relating to Shariah shall be binding on the Board. • Establishes a Shariah compliance framework.
Investment Panel	• Refers to the SAC on any investment matter relating to Shariah and that requires the ascertainment of Shariah principles. The advice given by the SAC shall be binding on the Investment Panel.
Shariah Advisory Committee	• Ascertains the application of Shariah principles on any matters relating to Simpanan Shariah. • Advises the Board and Investment Panel on any Shariah-related matters and the application of Shariah principles related to Simpanan Shariah. • Verifies and approves any Shariah compliance report in relation to the management of Simpanan Shariah for the EPF Integrated Annual Report.

STATEMENT ON SHARIAH GOVERNANCE FOR THE EPF SIMPANAN SHARIAH

Component	Function in respect of Simpanan Shariah
Management	• Ensures that the operations and investments of Simpanan Shariah adhere strictly to the Shariah principles by referring to the SAC for advice on all Shariah-related matters and implementing all SAC rulings.
Shariah compliance framework	There are four (4) functions established by the Board under the framework: I. Shariah research and advisory is responsible for conducting Shariah research and providing Shariah advice. II. Shariah monitoring and review is responsible for Shariah compliance monitoring and review for the purpose of continuous assessment on the degree of Shariah compliance. III. Shariah risk management is responsible for the management of Shariah non-compliance risk for the purpose of mitigating any possible Shariah non-compliance. IV. Shariah audit is responsible for Shariah auditing for the purpose of independent assessment of the adequacy and effectiveness of internal controls, risk management systems, governance processes and independent assurance on the compliance of Shariah policies and guidelines endorsed by the SAC.

APPOINTMENT OF SAC MEMBERS

The Board appoints no fewer than three (3) persons as SAC members who are qualified in Shariah, or who have knowledge or experience in Shariah, banking, finance, law or related disciplines. The Board also stipulates that the SAC members must have a minimum of five (5) years' experience in Islamic finance, and that at least two-thirds of its members must hold a degree in Shariah, which includes Islamic Commercial Law (Fiqh Muamalat) or Principles of Islamic Jurisprudence (Usul Fiqh).

In 2024, the Board reappointed three (3) members, who are distinguished Shariah scholars in the field of Islamic finance and banking, both domestically and internationally. Each appointment for members of the SAC is for two (2) years.

SAC MEETING ATTENDANCE

A total of 15 SAC meetings, including three (3) special meetings, were held in 2024. Details of SAC members' attendance are as follows:

SAC Members	Meeting Attendance
Datuk Prof. Dr. Mohamad Akram Laldin (Chairman) *(Reappointment on 1 June 2024)*	14/15
Prof. Dato' Dr. Aznan Hasan (Deputy Chairman)	15/15
Prof. Dr. Engku Rabiah Adawiah Engku Ali *(Reappointment on 1 June 2024)*	14/15
Dr. Zaharuddin Abdul Rahman *(Reappointment on 1 June 2024)*	15/15
Prof. Madya Dr. Kamaruzaman Noordin	15/15
Prof. Dr. Ashraf Md. Hashim	14/15
Prof. Dr. Amir Shaharuddin	14/15

The EPF Management has appointed the EPF Legal Department as the SAC Secretariat.

SAC REMUNERATION

The SAC members are paid a Fixed Monthly Allowance and a Meeting Attendance Allowance for each meeting attended throughout 2024 as follows:

(a) Fixed Monthly Allowance: RM5,000.00; and

(b) Meeting Attendance Allowance: RM1,500.00.

ACCESS TO INFORMATION AND DOCUMENTATIONS

To assist the SAC in fulfilling its functions, the EPF Management provides the SAC with access to all necessary information and documents. The SAC shall safeguard the confidentiality of such information and documents.

SAC EFFECTIVENESS ASSESSMENT

The EPF conducts the SAC Effectiveness Assessment to evaluate the performance of the SAC. This assessment is conducted once in every two (2) years by an appointed independent body.

SAC ENGAGEMENT WITH THE BOARD, INVESTMENT PANEL AND MANAGEMENT

The SAC is involved in various discussions with the Board, Investment Panel and Management on matters related to the EPF. The SAC is also involved in programmes, conferences, and courses with the Board and Investment Panel. Some of these engagements include:

(a) EPF Strategy Meeting (ESM) 2024;

(b) Engagement Session between the EPF Chairman and the EPF Shariah Advisory Committee;

(c) International Social Wellbeing Conference (ISWC) 2024;

(d) Government Linked Investment Companies Integrity Event (GIE 2024);

(e) DTX Summit 2024;

(f) Shariah Private Equity & Infrastructure Workshop;

(g) EPF Sustainability Day 2024;

(h) The Bolts Session 2024 (1) - Executive Insights: Charting The Path With Data And Artificial Intelligence;

(i) Bespoke Programme - Achieving Boardroom Excellence: Redefining Directorship for The Modern Era Learning Outcomes;

(j) Special Briefing on EPF Dividend Announcement;

(k) EPF Management Iftar and Tarawih Event 2024; and

(l) EPF Management Hari Raya Aidilfitri Celebration at the Headquarters.

OTHER ENGAGEMENTS

The following are other engagements in 2024 with agencies under the Ministry of Finance and religious authorities:

(a) Muzakarah Sekretariat Syariah Government Linked Investment Companies (GLIC) 2024;

(b) Mesyuarat Panel Pakar Syariah Jabatan Kemajuan Islam Malaysia (JAKIM) and Jawatankuasa Muzakarah Majlis Kebangsaan Bagi Hal Ehwal Agama Islam (Muzakarah MKI); and

(c) Series of engagements with religious authorities and Agensi Mengurus Zakat (AMZ).

SAC REPORT

For each financial year, the SAC produces a report in relation to the management of the Simpanan Shariah to be published in the EPF Annual Report.

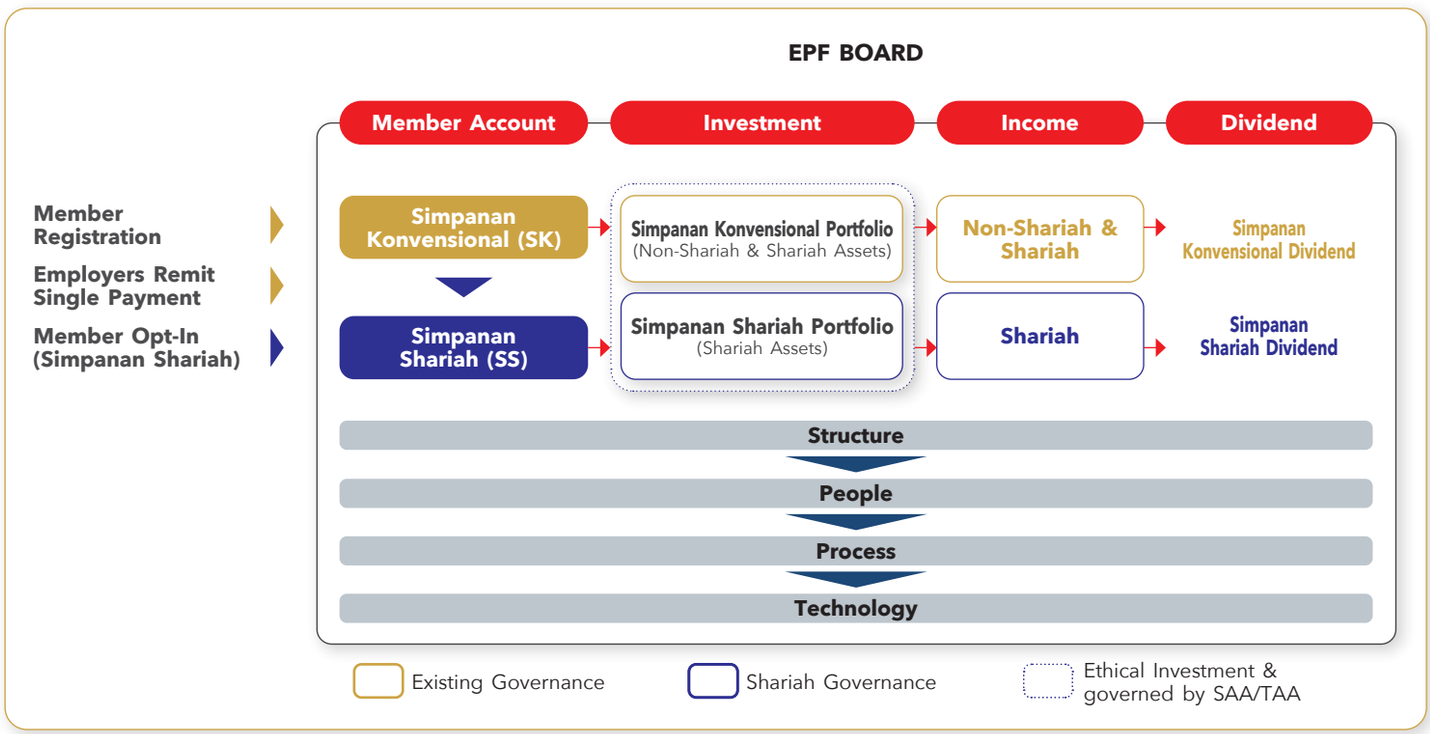
SHARIAH POLICIES FOR SIMPANAN SHARIAH

Effective January 2024, the Shariah-compliant EPF investments, which were previously managed under shariah portfolio for both the Simpanan Konvensional portfolio and Simpanan Shariah portfolios, have been separated for management under respective Simpanan Shariah portfolio and Simpanan Konvensional portfolio, which is aimed for the long-term optimisation of returns through the adoption of separate Strategic Asset Allocations tailored to the specific objectives of each portfolio.

STATEMENT ON SHARIAH GOVERNANCE FOR THE EPF SIMPANAN SHARIAH

The Simpanan Shariah portfolio is managed based on a Shariah governance framework, strengthened by detailed policies and procedures to ensure that every Shariah-compliant transaction complies with Shariah requirements. The SAC has formulated Shariah policies for Simpanan Shariah with respect to its operations, investments, finances, and treatment of Shariah non-compliant income, among others, as follows:

Operating Model of Simpanan Shariah



Simpanan Shariah adopts a portfolio-based management model as follows:

(a) Simpanan Shariah and Simpanan Konvensional co-exist under one (1) fund and are managed by the Board;

(b) EPF members opting for Simpanan Shariah are bound by the Wakalah contract, where members agree to appoint the Board as representative and trustee to manage and invest all credit (savings) in members' accounts in accordance with the Shariah principles;

(c) In addition to the EPF's corporate governance, Simpanan Shariah is also subject to the Shariah governance framework and Shariah policies related to operations and investments as determined by the SAC from time to time;

(d) The EPF's investment assets are segregated into two (2) portfolios, namely the Simpanan Shariah portfolio, which only invests in Shariah-compliant assets, and the Simpanan Konvensional portfolio, which invests in both Shariah-compliant and Shariah non-compliant investments; and

(e) Simpanan Shariah leverages existing structures and resources, with some enhancements made to the legal framework of the EPF, operational processes, and IT systems to meet the Shariah requirements prescribed by the SAC.

As at 31 December 2024, Simpanan Shariah members (whose option have become effective) are 1,788,305. This represents 11% of the total EPF members, as compared to 9.5% for the year 2023. Of the total Simpanan Shariah members, 99% are Muslim members.

Total Simpanan Shariah Members (SS) From Year 2022-2024

Financial Year	Total Members		% SS Members
	EPF	SS	
2022	15,716,213	1,254,302	8.0%
2023	16,072,945	1,522,414	9.5%
2024	16,223,368	1,788,305	11.0%

In 2024, a total of 402,024 members newly opted for Simpanan Shariah. Their options will become effective on 1 January 2025 except for those made on or after 25 December 2024, which will only be effective on 1 April 2025.

Shariah-Compliant Investment

In addition to ethical investment practices that prohibit investing in sectors that manufacture and promote alcohol, gambling, adult entertainment, and military weapons, among others, all of the EPF's investment assets will undergo a Shariah screening process based on the Shariah criteria and guidelines set by the SAC. This process aims to eliminate Shariah non-compliant elements such as interest/usury (riba), uncertainty in contract (gharar), gambling (maysir), and other prohibited elements such as non-halal goods and services.

The Shariah policies on compliance and monitoring aspects of the EPF's Shariah investments have also been set out by the SAC, and the policies are reviewed and updated from time to time.

Throughout 2024, the SAC approved a series of Shariah investment guidelines aimed at further strengthening the strategic direction of the Simpanan Shariah portfolio, both domestically and globally. For investment in private equity and infrastructure market, SAC approved the use of a Commodity Murabahah structure via a special purpose vehicle (SPV). This structure aims to expand global investment opportunities for the Simpanan Shariah portfolio, particularly in regions where Shariah governance frameworks are not well established.

In tandem with the global development of investments under the Simpanan Shariah, the SAC has stipulated that Islamic financial institutions must be involved in obtaining spot foreign exchange quotations. In addition, preference should be given to Islamic financial institutions if the foreign exchange rates offered are equivalent to conventional financial institutions. This is part of an effort to support the Islamic finance industry in providing a comprehensive Shariah-compliant financial services ecosystem.

As part of ongoing commitment to strengthen Shariah-compliant investments across various asset classes, SAC has also adopted the decision of the Shariah Advisory Council (SAC) of Securities Commission Malaysia (SC) on the Islamic Real Estate Investment Trust (iREIT) Guidelines, for the Shariah-compliant real estate investments managed under Simpanan Shariah portfolio.

As of 31 December 2024, 13% or RM167.41 billion of the EPF's investment assets were managed under the Simpanan Shariah portfolio.

Periodical Shariah Screening

The EPF's investments in both listed and private equities, real estates, and infrastructure are subject to periodic Shariah screening to review the Shariah status of such investments.

For listed equities, Shariah classification will be reviewed periodically based on Shariah screening conducted by the SAC of SC for the domestic market and the relevant Shariah index providers subscribed by the EPF for global markets. Any global market equities that are not screened by Shariah index providers, will be subjected to internal Shariah screening and endorsed by the SAC.

Shariah screening for investments in private equities, real estates and infrastructure, will be conducted internally on an annual basis based on the Shariah screening criteria and guidelines set by the SAC.

Based on the result of the Shariah screening endorsed by the SAC, any of the investments in the Shariah portfolio that fail the Shariah screening, are reclassified as Shariah non-compliant investments. Any earnings exceeding the established shariah benchmark will be treated as Shariah non-compliant income and will be managed according to the approved policy for managing and handling Shariah non-compliant income.

For Shariah mandates managed by internal fund managers and external fund managers, any Shariah-compliant instruments reclassified as Shariah non-compliant will be disposed of in accordance with the guidelines set by the SAC of SC.

Treatment of Shariah Non-Compliant Income

Any income generated from the operation and investment transactions related to Simpanan Shariah that the SAC determines as the Shariah non-compliant income shall be utilised by the Board for allowable expenses as advised by the SAC in accordance with Rule 10 of the EPF (Simpanan Shariah Account) Rules 2016.

Shariah non-compliant income may be derived from the late payment charges that are in excess of actual losses and costs, reclassification of Shariah-compliant investments to Shariah non-compliant, distributions arising from the Shariah non-compliant activities of the investee companies that exceed the Shariah benchmark, Shariah non-compliant transactions and any other Shariah non-compliant income as determined by the SAC from time to time.

STATEMENT ON SHARIAH GOVERNANCE FOR THE EPF SIMPANAN SHARIAH

As for the 2024 financial year, the Shariah non-compliant income was derived mainly from late payment charges imposed on employers for late contribution payments, and the gains received from the disposal of reclassified listed equities from Shariah-compliant equities to Shariah non-compliant.

With regards to Simpanan Shariah, the SAC allows the imposition of late payment charges and/or dividends on employers and other parties for late payment of contributions and/or any financial obligations due and payable to the EPF, to safeguard the interests of members.

These charges can be used for compensation (ta'widh) to cover actual losses and costs as approved by the SAC, while any amount in excess of the ta'widh rate is considered Shariah non-compliant income.

Any transactions suspected to be Shariah non-compliant will be reported to the SAC to determine the Shariah status of the transactions, including any income derived therefrom.

The SAC has resolved that the Shariah non-compliant income can only be utilised for allowable expenses through charitable activities, such as the payment of statutory charges (death benefits, incapacitation benefits, and invocation costs), corporate social responsibility programmes expenditure allocated to the Simpanan Shariah and any excess of Shariah non-compliant income (if any) may be utilised for operating expenditure and indirect investment expenditure.

For the financial year ended 31 December 2024, the Shariah non-compliant income was RM11.58 million, of which was utilised for members' welfare through the payment of statutory charges with the remainder utilised for operational expenditure.

Dividend

The dividend policy for Simpanan Shariah is presented to the SAC for deliberation and Shariah endorsement. The annual dividend of Simpanan Shariah is based on the actual performance of the EPF's Shariah-compliant investments under the Simpanan Shariah portfolio, which is derived from the net investment income after taking into account the net impairment on financial assets, cost write-downs on listed equities, gain or losses due to foreign exchange rate movements, as well as investment and operating expenses allocated for the Simpanan Shariah portfolio.

The increase in the dividend rate for Simpanan Shariah compared to 2023 was driven by the recovery of domestic and global markets, resilient economic growth, and sound portfolio management. Additionally, the complete separation of the Simpanan Shariah portfolio has ensured that investment returns are optimised through a dedicated strategy and enhanced asset diversification across asset classes, markets, and global currencies.

The Simpanan Shariah dividend declared by the Board for the financial year ended 31 December 2024 was 6.30%.

SHARIAH MATTERS RELATED TO MUSLIM MEMBERS

Zakat on EPF Savings

The responsibility to pay zakat on EPF savings is upon Muslim members who have fulfilled the obligatory zakat requirements.

- Savings that have been perfectly owned (milkut taam) which can be withdrawn and used without any restrictions (haq tasarruf kaamil) are subject to Zakat Mal Mustafad if they reach the minimum amount (nisab) without waiting for the zakat period (haul).
- Even if haul is not required, it is reasonable for members who face difficulties or financial uncertainty to wait for the period of zakat payment (haul) before paying zakat if nisab is reached.
- Savings that have been withdrawn for the purpose of meeting basic needs (hajah asliyah) such as shelter, food and drink, health, education, and transportation or paying debts for themselves or their dependents can be deducted from savings that are subject to zakat.
- In the event that the member has made several withdrawals within a specific period, the amount of zakat is determined by taking into account all withdrawals made within a year of the member's zakat period (haul).



If the member has fully owned his/her savings but only made a partial withdrawal or no withdrawal at all, the balance of savings that may be withdrawn will be subject to the zakat savings rulings and calculation set by the state zakat authority, provided they have reached the haul and nisab, after taking into account all other savings of the members.

Types of withdrawals subject to zakat are:

(a) Age 50 Years Withdrawal;
(b) Age 55 Years Withdrawal;
(c) Age 60 Years Withdrawal;
(d) Leaving Country Withdrawal;
(e) Pensionable Employees Withdrawal and Optional Retirement Withdrawal;
(f) Withdrawal of Savings of More Than RM1 Million;
(g) Withdrawal of Flexible Account; and
(h) Other withdrawals that are not expended for the purpose of basic needs or survival of members and their dependents.

Nomination

A nomination is a written declaration made by a member in the EPF Form 4 to elect or nominate an individual(s) or Amanah Raya Berhad as a nominee.

For Muslim members, the nominee acts as a wasi (administrator) to distribute the member's savings upon the member's death to the rightful beneficiaries in accordance with Islamic Law.

"The 49th Muzakarah of the Committee of the National Council for Islamic Religious Affairs Malaysia (Muzakarah MKI), held on 19 September 2000, discussed the EPF savings, SOCSO, and other similar funds upon the death of a Muslim member.

The Muzakarah resolved that:

(a) EPF and cash savings are inheritance that must be distributed according to faraid rulings; and

(b) The EPF nominee is the executor or administrator of the estate. The nominee must distribute the EPF money according to faraid rulings."

Muslim members are advised to appoint a qualified individual from legal and syarak perspectives as a nominee to assume the role of estate administrator (wasi) for Death Withdrawal application and distribute the member's savings upon the member's death based on faraid.

If the nominee is unable to fulfil their responsibilities as an executor, either because:

(a) The nominee is under the age of 18 at the time the Death Withdrawal application is submitted; or

(b) No Death Withdrawal application is submitted by the nominee within one (1) year from the date of the member's death, the nomination will be voided to allow the eligible heirs to apply for the Death Withdrawal without a nomination.

Dividend Purification

Muslim members who have opted for Simpanan Shariah, are exempted from the requirement to purify EPF dividends received prior to the financial year 2016, before Simpanan Shariah was introduced. Any Simpanan Konvensional dividend credited to a member's account after switching to Simpanan Shariah (as the Simpanan Shariah account had not yet been in force) is also exempted from purification, as the member has no control over the effective date of the Simpanan Shariah account.

The Special Muzakarah of the Committee of the National Council for Islamic Religious Affairs Malaysia, held on 18 August 2015, also resolved that EPF is not obliged to purify dividends on EPF savings for all members who opted for Simpanan Shariah.

However, Muslim members who converted their account to Simpanan Shariah after 2017 are advised to purify their Simpanan Konvensional dividends as per the resolution of the 87th Muzakarah of the Committee of the National Council for Islamic Religious Affairs Malaysia, held on 23-25 June 2009.

"In Islam, property acquired by means that are not Shariah compliant, such as usury, ambiguous transactions, gambling, fraud, robbery, plunder, corruption, etc. is illegal and cannot be used for personal gain and benefit. It must be cleansed through the following methods:

(a) Channelled to Baitulmal for the general public interest of Muslims, such as funding the construction or maintenance of bridges, roads, toilets, etc.; or

(b) Given to the poor."

Dividend purification can be done either by using EPF savings that are eligible for withdrawal (if any) or by using other financial resources owned by the member.

The decision to purify the dividend is at the discretion of individual members themselves. Members are advised to seek the views of the Islamic Religious Council in their respective states.

The purification rate for Simpanan Konvensional dividend in the year 2024 is 61% of the total dividends credited to the member's account.

SHARIAH ADVISORY COMMITTEE REPORT

**"In the name of Allah, the most Beneficent, the most Merciful.
All praise be to Allah and peace be upon the Prophet Muhammad, his family, his Companions, and those who followed them."**

We, members of the SAC of the EPF, have reviewed the operations and investment of the EPF in relation to the EPF's Simpanan Shariah for the year ended 31 December 2024, to form an opinion as to whether the Simpanan Shariah has complied with the Shariah principles and rulings of the SAC on all Shariah-related matters. The EPF hereby submit our report for the financial year ended 31 December 2024:

a. The SAC has advised the Board and Investment Panel on all Shariah-related matters presented to us by the EPF Management through its Shariah decisions made by the SAC in relation to the operations and investment of Simpanan Shariah to ensure compliance with Shariah principles as well as the relevant local and global Shariah resolutions and standards recognised by the SAC.

b. The EPF Management is responsible for ensuring that Simpanan Shariah is managed in accordance with the Shariah principles by referring to the SAC for advice on any Shariah-related matters and implementing all Shariah rulings and policies set by the SAC. The EPF Management has also engaged the SAC in obtaining opinion, advice and feedback on the enhancements to the Simpanan Shariah's product features including immediate registration for new members and the implementation of a monthly effective date for existing members who opt for the Simpanan Shariah, Shariah guidelines on private market investments as well as proposed implementation of zakat payments for Muslim members under Simpanan Shariah.

c. In advising the EPF on Shariah-related matters, the SAC has obtained all information and explanation from the EPF Management that the SAC considered necessary to form any Shariah rulings.

d. The SAC has been supported by the Shariah Research and Advisory, Shariah Risk Management as well as Shariah Compliance Review and Monitoring functions which are responsible for providing operational support to ensure the effective functioning of the SAC. In addition, the Internal Audit Department evaluated the adequacy and effective of the internal control framework and provide independent assurance on compliance with the Shariah policies and procedures advised by the SAC, as per Audit Plan approved by the Board Audit Committee.

The SAC held 15 meetings for the financial year ended 31 December 2024 to discuss the following:

a. Issues related to the post-implementation of the separation between Simpanan Shariah and Simpanan Konvensional including enhancement on related matters;

b. Proposed enhancements to the Simpanan Shariah, including registration for new members and the implementation of a monthly effective date for Simpanan Shariah;

c. Proposed implementation of zakat payment for Muslim members under the Simpanan Shariah;

d. Shariah screening and issues, including Shariah parameters and guidelines relating to proposals on Shariah-compliant investment and the existing investment of the EPF, including relevant documents;

e. Shariah guidelines on FX Spot transactions with banking institutions licensed under the Central Bank of Malaysia, as well as custodian banks;

f. Updates on the Shariah compliance policies and guidelines, relating to the investment of the Simpanan Shariah, including financial reporting; and

g. Periodic reports on:
   - Reclassification of the Shariah status of the EPF's investments;
   - Shariah non-compliant income;
   - Disposal of equity following its reclassification as Shariah non-compliant;
   - Subscription of Islamic banking products;
   - Investment performance of Simpanan Shariah portfolio; and
   - Members' registration for Simpanan Shariah.

h. In the financial year 2024, the SAC approved the Shariah risk management process, which emphasises the methodology and parameters for assessing Shariah risks in order to mitigate the risk of non-compliance, particularly with regard to proposed investments both domestically and internationally.

i The SAC also received and deliberated on the Shariah review reports presented by the Shariah compliance review and monitoring function on a quarterly basis as per the Shariah Review Annual Plan for 2024 approved by the SAC. This was done for the purpose of continuous assessment of the degree of Shariah compliance involving operations and investment activities under Simpanan Shariah. Among the Shariah reviews conducted during the financial year ended 31 December 2024 are as follows:

Investment Division

(i) Shariah visit to global real estate investments;
(ii) Shariah visits to Unit Trust Management Company under EPF Members Investment Scheme (EPF MIS);
(iii) Islamic Securities Selling and Buying - Negotiated Transaction (ISSBNT); and
(iv) Shariah status tagging for fixed income, equities and private market assets.

Operations Division

(i) Registration and revocation of Simpanan Shariah;
(ii) Operations of Simpanan Shariah at EPF branches; and
(iii) Products, services and facilities of Simpanan Shariah.

Quarterly Shariah Investment Monitoring

(i) Notification of sukuk subscriptions under the Simpanan Shariah portfolio;
(ii) Shariah compliance report by external fund managers for Simpanan Shariah portfolio; and
(iii) Review on Shariah screening for private market investments.

j The Internal Audit Department has reviewed the operation and investment activities in relation to Simpanan Shariah. The audit outcomes have been communicated to the EPF Management and reported to the Board Audit Committee. The implementation of action plans to close the internal control gaps identified and agreed by the Management are being monitored by the Internal Audit Department periodically to ensure they are timely and effectively addressed. The SAC has been informed about the audit observations identified and the status of actions taken.

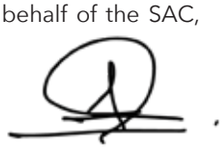
k The SAC acknowledges that appropriate efforts have been taken to rectify the gaps identified, and management actions are taken to prevent similar gaps from recurring.

l The SAC is of the view that:

- The contracts, transactions and dealings entered into by the EPF in relation to Simpanan Shariah throughout the financial year ended 31 December 2024, and reviewed by the SAC, are in compliance with the Shariah principles;
- The allocation of profits and losses relating to Simpanan Shariah as disclosed in Note 32.3 to the Financial Statements, conforms to the basis that the SAC had endorsed in accordance with Shariah principles; and
- All incomes earned by Simpanan Shariah from Shariah non-compliant sources amounting to RM11.58 million have been utilised to fund charitable activities such as payment of death benefits, incapacitation benefits, invocation costs totalling RM10.13 million with the balance of RM1.45 million utilised against operating expenditures.

We, members of the SAC, hereby confirm that the EPF's Simpanan Shariah for the financial year ended 31 December 2024 has been managed in conformity with the Shariah principles.

On behalf of the SAC,



Name: **DATUK PROF. DR. MOHAMAD AKRAM BIN LALDIN**
Position: CHAIRMAN OF THE SAC
Date: 6 June 2025

On behalf of the SAC,



Name: **PROF. DATO' DR. AZNAN BIN HASAN**
Position: DEPUTY CHAIRMAN OF THE SAC
Date: 6 June 2025

RISK MANAGEMENT

OVERVIEW

The Risk Management Department (RMD) in the EPF provides oversight of risk management through the establishment of risk frameworks, policies and processes, with independent assessment to monitor all risks and support the EPF in meeting its strategic and business objectives. In ensuring resiliency and effectiveness in managing all internal and external risks, RMD recognises the need to continue to operationalise the risk management frameworks developed in order to ensure the methodology and controls are in place to provide the needed assurance.

In 2024, RMD continued to focus on value creation by providing advisory and assurance through active engagement with business in driving control executions to manage impacts to the business. At the same time, ensuring capability building in RMD for strengthening the competencies in a broader capacity for growth, innovation and resilience.

Key Risk Management Initiatives Implemented in 2024

In 2024, RMD has undertaken several key initiatives to further strengthen risk management practices:

a. Enhanced Business Continuity Management (BCM) process to ensure operational resilience;

b. Optimised Technology Risk Management Framework (TRMF) by conducting a comprehensive review to improve existing documentation, governance, and risk mitigation;

c. Enhanced Risk Reporting to better identify emerging risks and accelerate data-driven decision-making;

d. Reviewed investment risk policies to align with the splitting of SS-SK to enhance strategic risk oversight across asset classes;

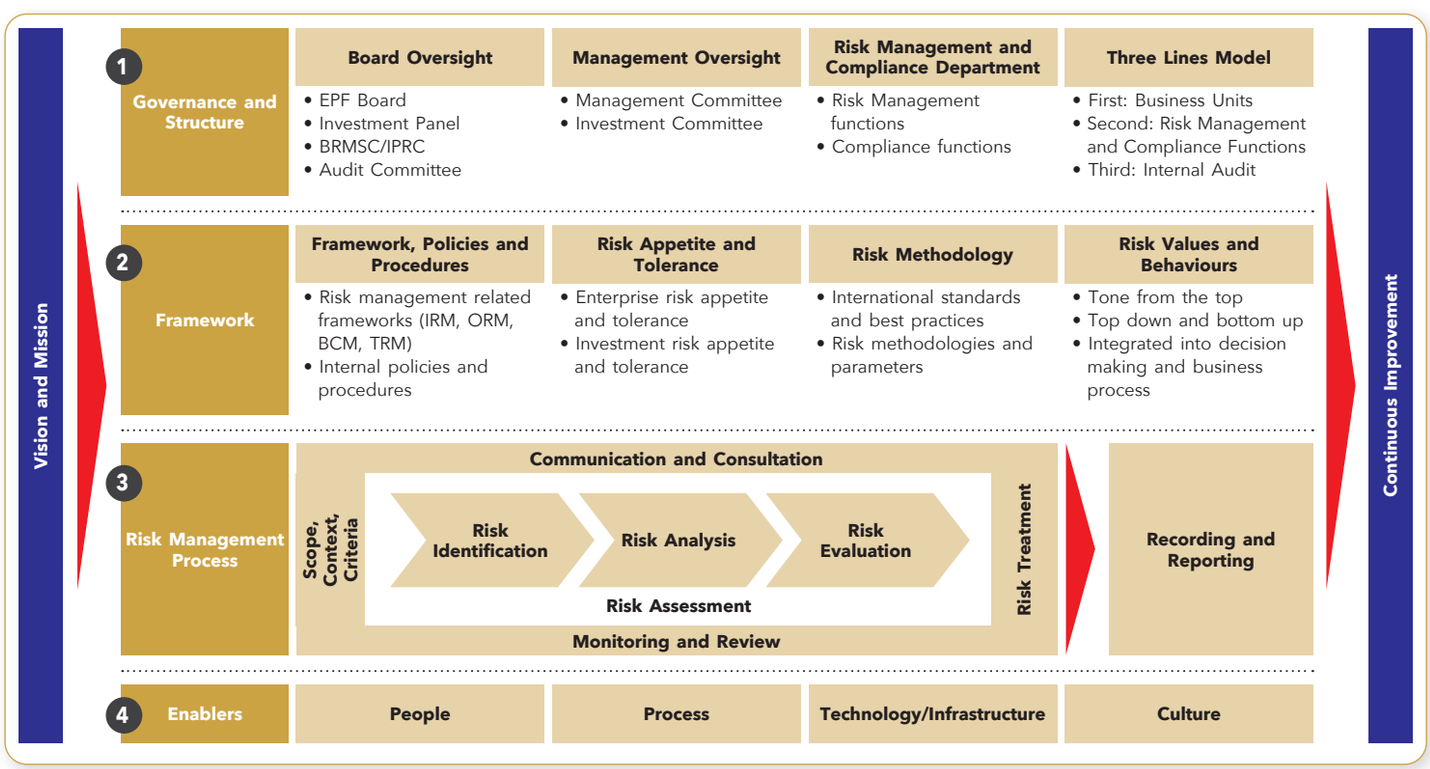
e. Integrated supply chain analysis to gauge possible impact on the EPF's investment portfolios for risk mitigation planning; and

f. Operationalised Model Risk Management to enhance risk oversight and predictive capabilities.

These initiatives reflect RMD's commitment to continuously improve the risk management practices in the EPF to remain resilient and capable of navigating the evolving risk landscape.

ENTERPRISE RISK MANAGEMENT (ERM)

The EPF adopts ERM as a standardised approach to effectively manage risks. This approach continues to guide the EPF in ensuring that risk management is integrated into all operational and decision-making processes across departments and divisions. The key components of the Enterprise Risk Management approach are represented in the diagram below:



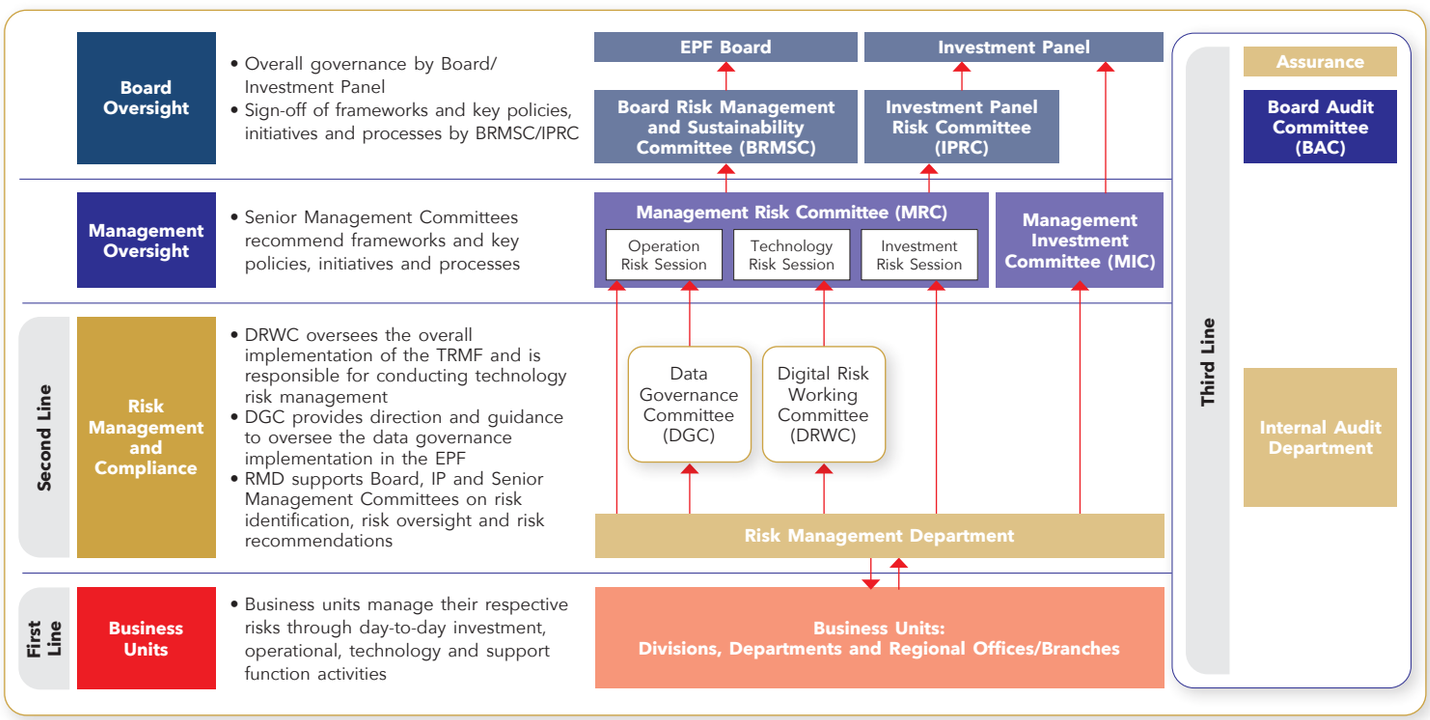
GOVERNANCE AND STRUCTURE

EPF Governance Structure

The EPF believes that a strong governance structure is important to ensure effective and consistent implementation of risk management throughout its entire organisation. In achieving that, the EPF's risk governance places accountability and ownership based on the Three Lines Model in ensuring appropriate levels of independence and segregation of duties between the three (3) lines.

The first line lies with the Business Units i.e. Divisions, Departments and Regional Offices/Branches. They are responsible for maintaining effective internal controls and executing risk controls in day-to-day investment and operational activities. The second line, which is the Risk Management Department, supports the Board and Senior Management on risk identification, risk oversight and risk recommendations. The Internal Audit Department as the third line provides assurance that risks and controls are effectively managed.

The EPF Risk Governance Structure is illustrated as below:





RISK MANAGEMENT

EPF Risk Management Structure

The EPF's risk management structure establishes clear lines of responsibility and accountability for managing risks. It defines the key roles and responsibilities in risk management and control across the organisation.

The EPF Board and Investment Panel oversee the organisation's overall risk management framework. They are supported by the Board Risk Management and Sustainability Committee (BRMSC) and the Investment Performance and Risk Committee (IPRC), which are responsible for overseeing operational, investment, and technology risk management activities. These committees also provide recommendations on the organisation's risk appetite and allocation of the risk budget.

EPF Board

The EPF Board is responsible for the organisation's overall risk management, except for activities related to investment decisions.

Investment Panel (IP)

The IP is responsible for overseeing risk management pertaining to the EPF's investment decision-making, and defines the level of risks that the EPF is willing to tolerate through its Risk Appetite Statements, which form the basis of fund allocation for investment.

Board Risk Management and Sustainability Committee and Investment Panel Risk Committee

BOARD RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE (BRMSC)

The BRMSC is responsible for assisting the Board in overseeing operational and technology risk management as well as sustainability, and ensuring that the risk management process is in place and functioning effectively.

INVESTMENT PANEL RISK COMMITTEE (IPRC)

The IPRC is responsible for assisting the IP in overseeing investment risk. This includes recommending the risk appetite and appropriate allocation of risk budget. The IPRC is delegated with the responsibility to review and approve appropriate risk measurements, policies, processes, and limits to ensure their continued effectiveness.

Dedicated Committees

MANAGEMENT RISK COMMITTEE (MRC)

The MRC oversees, implements, and executes the EPF's operational, investment and technology risk management (which includes strategies, culture, structure, people, and processes) to ensure that the risk management frameworks related to operational, investment and technology are implemented effectively throughout the organisation.

MANAGEMENT INVESTMENT COMMITTEE (MIC)

The MIC is responsible for evaluating and recommending investment proposals to the IP. It also evaluates and recommends investment strategies and performance of external fund managers.

Working Committee and Business Units

Working Committee

DIGITAL RISK WORKING COMMITTEE (DRWC)

The DRWC oversees the overall implementation of the Technology Risk Management Framework (TRMF) within the technology risk scope, as well as being responsible for conducting technology risk management in all relevant projects or initiatives.

Business Units

DIVISIONS, DEPARTMENTS AND REGIONAL OFFICES/BRANCHES

All divisions, departments, and regional offices/branches are responsible for managing risks in their respective functions on a day-to-day basis, as well as escalating any significant or potential risks to the MRC. Among the roles and responsibilities are:

(a) Identify, assess, and manage risks;
(b) Constantly review their risk profiles to ensure relevancy and appropriateness;
(c) Update the risk status and level of risk management and controls;
(d) Develop and implement action plans to manage risks; and
(e) Adhere to risk management practices and guidelines.

FRAMEWORK

Risk Related Frameworks

i) Operational Risk Management (ORM) Framework

Through the ORM framework, with the adoption of the MS ISO 31000:2018 Risk Management – Principles and Guidelines, and robust processes, the EPF is able to manage its risks effectively by minimising the impact to an acceptable level.

ORM supports and enhances activities in all of its operational areas as ORM is an integral part of the EPF's decision-making process and corporate culture.

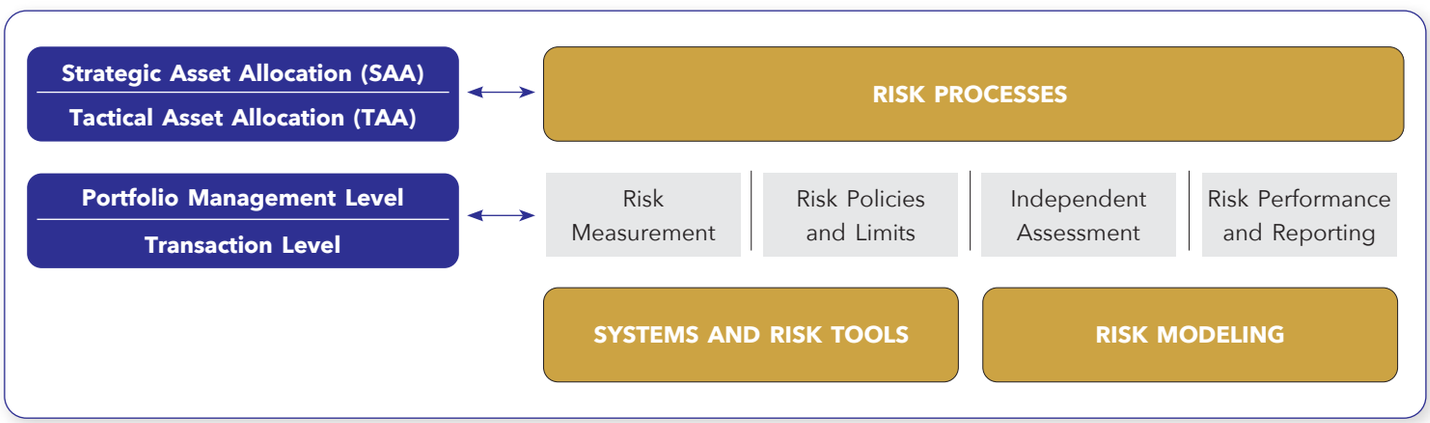
This framework is regularly reviewed to ensure its continuous application and relevance.

ii) Investment Risk Management (IRM) Framework

The Investment Risk Management Framework governs the EPF's investment processes and ensures that effective risk management controls and procedures are in place with regard to investment decision-making.

This framework provides an approach to managing and anticipating both existing and potential risks arising from the EPF's investment portfolio enabling the EPF to have a structured process to measure, assess, monitor, and manage its portfolio risks. This ensures that the EPF optimises its returns on risk-taking activities within the risk appetite level as approved by the Board.

The Investment Risk Management Framework is illustrated as below:





RISK MANAGEMENT

MARKET RISK

Market risk is the risk of loss from changes in the value of portfolios and financial instruments due to movements in interest rates, foreign exchange and equity prices.

The objective of market risk management in the EPF is to ensure that the risk exposures undertaken by the EPF are within its risk appetite. This is achieved through the annual review of various policies and limits, periodic reports to monitor market risk at portfolio level for each asset class and independent validation performed on the underlying risk methodology:

(a) Name, ownership, country and sector concentration limits – to ensure appropriate diversification of risk exposures;

(b) Value-at-Risk (VaR) – a statistical measure of the potential losses that could occur as a result of movements in market rates and prices over a specified time horizon within a given confidence level;

(c) Duration – to manage the sensitivity of the price of a fixed income investment arising from interest rate movement;

(d) Tracking error – a standard deviation of a portfolio's excess returns relative to a benchmark in measuring and benchmarking the performance of a portfolio;

(e) Backtesting – a validation process performed to check the accuracy of the risk methodology used in computing VaR for both fixed income and equity portfolios; and

(f) Stress testing – an exercise conducted to capture the potential market risk exposure of 'what-if' scenarios. It incorporates factors such as correlation, volatility and returns at different levels.

CREDIT RISK

Credit risk arises when a counterparty's or an obligor's failure to meet its payment obligations results in a loss. The EPF's credit risk exposure correlates directly with its investment activities across the fixed income, private equity, real estate, and infrastructure asset classes.

The EPF's credit risk management involves detailed credit analysis, in-depth risk assessment methodology and prudent underwriting standards. Furthermore, The EPF consistently and continuously reviews and updates its risk assessment methodologies and credit underwriting standards to ensure consistency with industry and market best practices as well as to remain on par with other institutional peers.

At the portfolio level, the following credit risk management have been implemented to manage credit risk:

(a) Credit risk limits and Management Action Triggers (MATs) which incorporate minimum broad credit criteria for investment, including name concentration and thresholds for counterparty exposures;

(b) Credit Value-at-Risk (CVaR), used to measure the credit risk of the relevant portfolios; and

(c) Strong credit awareness and culture across investment personnel in the EPF through active engagement with the investment personnel at all levels.

At the transaction level, the following credit risk management have been implemented to manage credit risk:

(a) Independent risk assessment is conducted for every new investment proposal presented to the Management Investment Committee and Investment Panel for decision-making;

(b) Close monitoring of changes to existing investments via assessments on an ad-hoc as well as periodic basis; and

(c) Credit rating tools are used to measure the creditworthiness or Probability of Default (PD) of the obligors as follows:

  (i) Corporate rating templates which provides internal risk ratings for corporate obligors; and

  (ii) Financial institution rating templates which provides internal risk ratings for financial institutions.

LIQUIDITY RISK

Liquidity risk relates to the inability of the EPF to meet its financial commitments and obligations when they fall due. The EPF's liquidity risk is limited, as all contributions are mandated by the EPF Act 1991 through the deduction of salaries while members are allowed to make withdrawals under the pre-retirement and retirement schemes. The EPF manages its liquidity requirements through:

(a) Monitoring its daily cash flow and projecting monthly cash flow on a rolling 12-month basis;

(b) Allocating three percent (3%) of its asset value for short-term instruments in the form of cash and placements in financial institutions to meet members' withdrawals and other financial commitments and obligations; and

(c) Establishing Liquidity Coverage Ratio (LCR) and Net Funding Ratio (NFR) to monitor and manage the liquidity levels in the EPF on a monthly basis incorporating the prevailing market conditions.

Over the medium and long-term, the EPF is able to meet its liquidity requirements through its holdings of liquid investments such as publicly traded equities and fixed-income securities. The diversification of the maturity profile of the EPF's fixed income asset is also monitored on a monthly basis. The EPF's financial liabilities are categorised into relevant maturity groupings based on the remaining period at the Statement of Financial Position date to the contractual maturity dates.

iii) Business Continuity Management (BCM) Framework

Business Continuity Management (BCM) is an integral part of the EPF's approach to effectively manage risks. BCM ensures that the processes and protocols in the EPF continue operating in the face of specific, immediate disruptions.

Through the BCM framework with the adoption of the ISO 22301:2019 standard and integrated resilience, the EPF is able to manage its enterprise-wide resiliency.

To protect the EPF during disruptions and to build a culture of preparedness, these are the approaches the EPF undertakes:

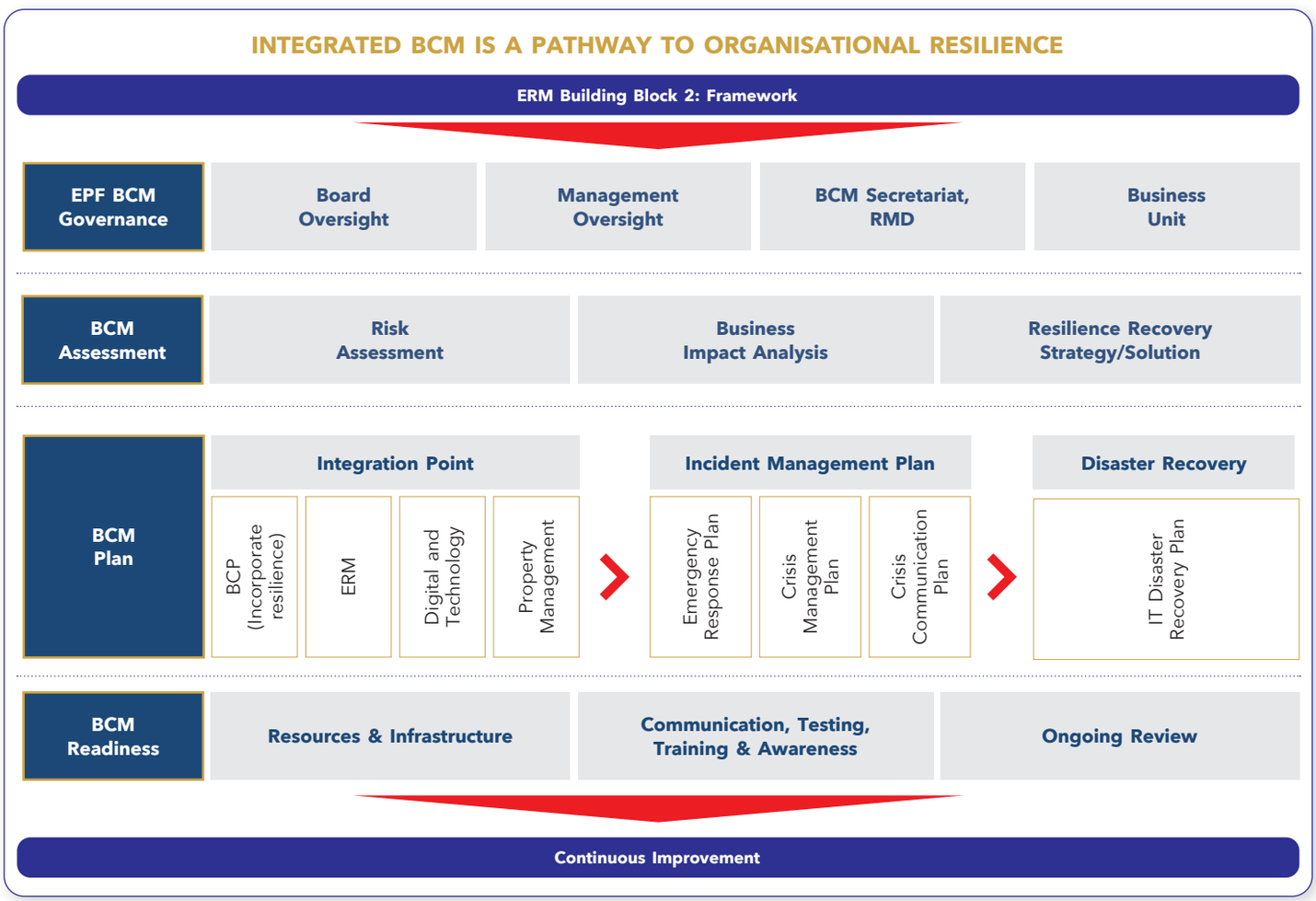
(i) A resilient approach to build a safe and enduring business;

(ii) Integration of BCM with key business processes;

(iii) Risk assessment and mitigation with location analytics; and

(iv) Specific disaster thresholds for disaster preparedness and response to a variety of contexts.

The diagram below shows the components of the EPF's BCM Framework:

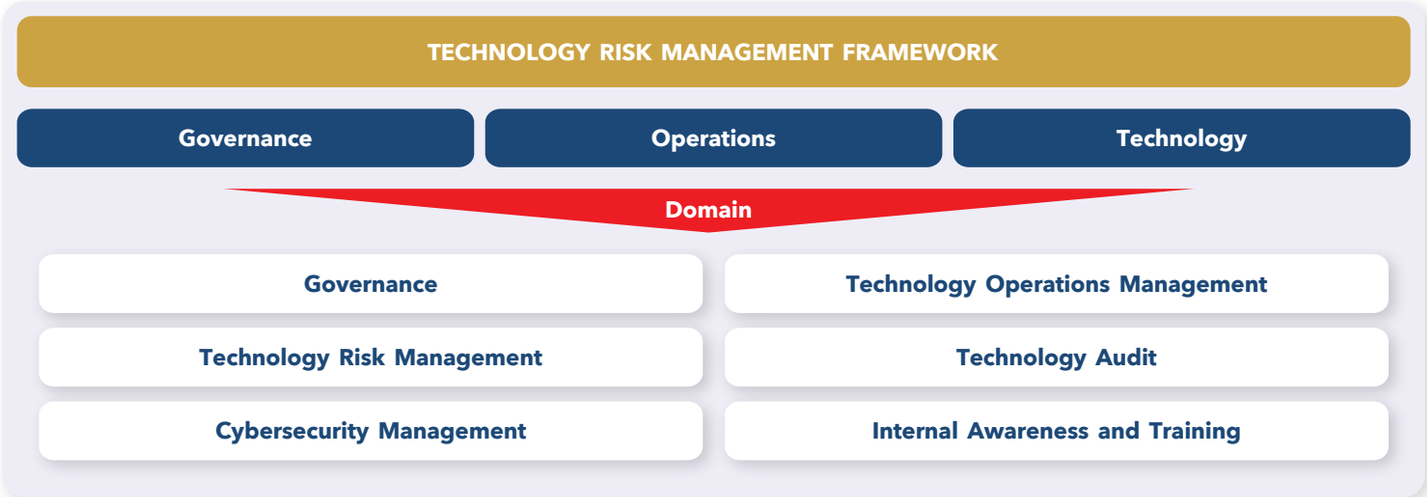


iv) Technology Risk Management (TRM) Framework

The TRM framework establishes a formal and effective structure to better manage technology related risks, enhance technology and information resiliency, as well as security governance.

The framework is developed with enhanced and comprehensive guidelines to maintain the EPF's resiliency against technology and cyber threats. This will enable the EPF to perform continuous self-assessment in ensuring technology and cyber risks are managed.

The Technology Risk Management (TRM) Framework is illustrated below:



TRM framework provides independent risk assessments for enterprise-wide IT systems and projects, and recommends effective technology risk controls to mitigate risks for the better protection of mission-critical IT systems that store, process, and transmit sensitive information.

Risk Appetite and Tolerance

The EPF established a high-level Enterprise Risk Appetite Statement describing the EPF's risk philosophy and attitudes towards enterprise risk. The EPF's risk appetite defines the amount, level, and types of risk that the EPF is able and willing to accept in pursuit of its strategic objectives. It also sets out the level of risk tolerance and limits to govern, manage, and control the EPF's risk-taking activities.

The Enterprise Risk Appetite Statement is supported by five (5) categories of Risk Tolerance Statement which are aligned to the EPF's strategic risk categories:

(a) Strategic risk;
(b) Reputational risk;
(c) Operational risk;
(d) Financial risk; and
(e) Technology risk.

The Risk Appetite Statements relating to investment define the level of risks that the EPF is willing to tolerate and form the basis of the allocation of funds for investment. The asset allocation is regularly reviewed to ensure that funds are invested within the EPF's risk appetite.

Risk Methodology

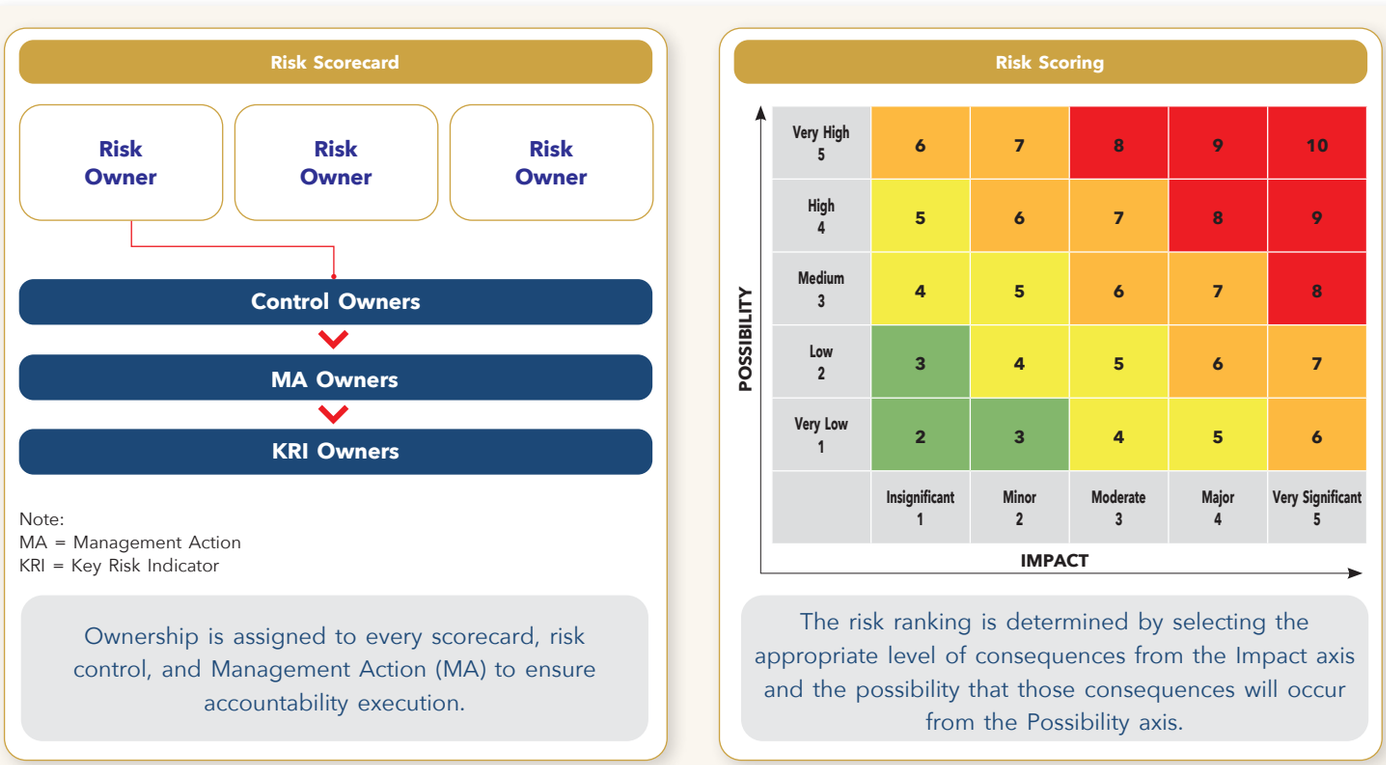
i) Corporate Risk Scorecard (CRS)

In the ORM implementation, the EPF adopts the Corporate Risk Scorecard (CRS) methodology. Based on the CRS Methodology, there are five (5) sources of risks to assist in the understanding and articulation of risks for the EPF. This is to ensure that all key sources of risks are considered and appropriately grouped for assessment purposes. The sources of risks include:

(a) External (including Regulatory);
(b) Strategic (including Human Capital and Corporate Governance);
(c) Financial;
(d) Stakeholder; and
(e) Operational (including Legal).

All the risk factors in the Corporate Risk Scorecard are aligned with the EPF's strategic objectives. These strategic risks are cascaded down to the division level and ultimately to the department and regional office/branch level.

The methodology of the Corporate Risk Scorecard is shown in the charts below:



ii) Corporate Digital Assurance (CDA)

Risks in the EPF are monitored and managed through ownership from the business units, and the assurance process is implemented through the Corporate Digital Assurance (CDA) process. Owners of the scorecard, risk control and MA are required to provide digital assurance quarterly to the Management to give assurance that they are managing risks within their risk profiles appropriately.

Risk Values and Behaviours

The risk culture is driven by a strong tone from the top which serves as a foundation upon which the enterprise-wide risk management structure, governance and frameworks are built. This is to ingrain the expected values and principles of conduct that shape the behaviour and attitude of all employees across the EPF.



RISK MANAGEMENT PROCESS

The main elements of the risk management process are as follows:

a) Establishing the context: Articulates the organisation's objectives and defines the external and internal parameters to be taken into account when managing risks;

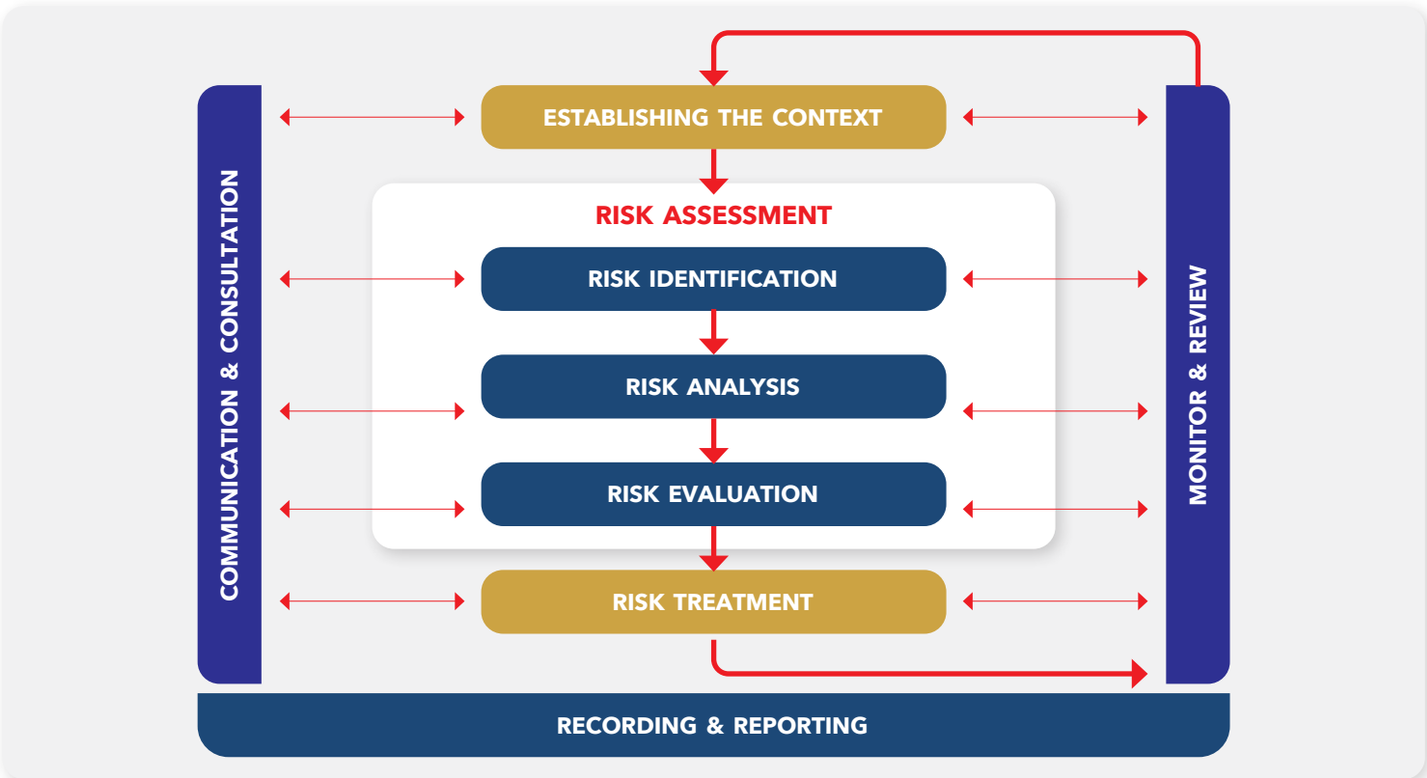
b) Risk assessment: The overall process of risk identification, risk analysis and risk evaluation;

c) Risk treatment: Actions to be taken to prevent, detect or manage Net Risks to an acceptable level;

d) Communication and consultation: The two-way communication between the Risk Management Department and stakeholders about the existence, nature, form, severity, or acceptability of risks;

e) Monitoring and review: Both activities are planned and form an integral part of the risk management processes that involve regular checking or surveillance; and

f) Recording and reporting: The risk management process where risks, their details and minutes of meetings are recorded and reported periodically.



RMD reports and highlights risk management related issues to DRWC, MRC, MIC, BRMSC, IPRC, EPF Board and IP for their information and/or decision-making on a periodic basis.

The EPF recognises the importance of people, processes, technology/infrastructures and culture as key enablers to support successful enterprise risk management implementation.

This promotes risk considerations among all employees across the EPF to enhance customer experience, build trust and create value for long-term sustainability.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

OVERVIEW

This Statement is in accordance with both the Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers (the Guidelines), issued by an industry-led task force supported by Bursa Malaysia and the Securities Commission Malaysia, and Principle B of the Malaysian Code on Corporate Governance, updated in April 2021, which states that the Board should establish an effective risk management and internal control framework.

It reflects our commitment to maintaining a high level of efficacy in our risk management and internal control framework in addressing the challenges faced by the EPF during the year under review.

BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility to ensure the adequacy and effectiveness of the EPF's risk management and internal control framework, in order to support the achievement of the organisation's objectives.

These frameworks are designed to identify, analyse and evaluate significant risks, thus providing insights to the Board in discharging its risk oversight responsibilities to ensure these risks are properly mitigated. Accordingly, the internal control framework is in place to manage, rather than to eliminate, those risks. It can, therefore, provide reasonable but not absolute assurance.

In order to effectively carry out the oversight responsibilities, three (3) committees have been established:

- The Board Audit Committee (BAC) oversees internal control and governance processes;
- The BRMSC oversees risk management of all operations, including risks associated with the operations of investment activities (such as investment settlement and compliance). Risks related to the portfolio and investment assets fall under the purview of the IPRC; and
- The IPRC oversees on investment risk management matters covering risk appetite, risk measurement, policies and limits, except for activities involving investment operations.

More information on IPRC is provided in the Statement on Investment Risk Management in this Integrated Annual Report.

Management Responsibility

The Management is responsible for implementing the Board's policies and procedures on risks and controls, comprising these roles:

- Identifying relevant risks in achieving the EPF's objectives and strategies;
- Designing, implementing, and monitoring the risk management and internal control framework in accordance with the EPF's strategic vision and overall risk appetite; and
- Identifying changes to risks or emerging risks, taking appropriate actions, and keeping the Board informed in a timely manner.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The EPF has an effective risk management and internal control framework in place as part of good corporate governance practice. It adopts the Three Lines Model.

- The first line is represented by departments and branches responsible for establishing risk controls and incorporating these controls in their day-to-day operations.
- The second line is represented by the Risk Management Department, which develops the risk management frameworks, policies, methodologies, and tools for managing key risks in the organisation.
- The Internal Audit Department, as the third line, reviews the key business activities of the EPF and evaluates the effectiveness and adequacy of the internal control system, operational risk management, and governance processes.

The Board has established key systems and processes to review the adequacy and effectiveness of the risk management and internal control framework, as follows:

Risk Management Framework

In the EPF, risk management is an integral part of key organisational processes. These include the strategic planning process, particularly in the establishment of the EPF 3-Year Plan (3YP), business performance management through the Balanced Scorecard, business operations and decision-making processes, which enable the EPF to achieve its strategic objectives.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board has adopted an Operational Risk Management (ORM) Framework based on the ISO 31000:2018 Risk Management – Guidelines, which outlines the principles, policies, and processes in managing the EPF's enterprise risks. Furthermore, the TRMF is in place to manage technology-related risks, enhance technology resilience and governance structure, as well as strengthen information protection.

These frameworks provide an integrated view of structured and disciplined processes for managing technology, information security and operational risk within the EPF.

Clear lines of responsibility and accountability have been established for the risk management process. The principal risk and control responsibilities under the risk management structure consist of:

(a) The BRMSC, oversees all operational risk management activities and ensures that appropriate risk management processes are in place and functioning effectively. It reviews and recommends risk management strategies and assesses the adequacy of the risk management framework; and

(b) The MRC, chaired by the Chief Executive Officer, assists the BRMSC in reviewing the operational and technology risk management frameworks and ensures they are implemented effectively throughout the organisation.

Internal Control Framework

The EPF adopts guiding principles for its internal control mechanism based on the COSO Internal Control Integrated Framework, which outlines the five (5) interrelated control components: control environment, risk assessment, control activities, information and communication, and monitoring.

The Internal Audit Department provides the BAC with independent and reasonable assurance on the adequacy and effectiveness of the risk management and internal control framework. The BAC is responsible for reviewing internal control issues identified in reports prepared by both the internal and external auditors.

The BAC also reviews the internal audit function, with particular emphasis on the internal audit's independence, scope, resources and quality of audits. Details of the activities undertaken by the BAC are further described in the BAC Report and the Statement on Internal Audit in this Integrated Annual Report.

KEY ELEMENTS OF INTERNAL CONTROL

Key elements of internal control in place within the EPF are as follows:

Control Environment

The control environment sets the tone of an organisation, shaping employees' awareness of internal controls. It is the foundation for all other components of internal control, providing discipline and structure. Key activities include:

Terms of Reference

Clearly defined terms of reference outlining the roles and responsibilities of all EPF Board Committees and the Investment Panel, as stated in the Statement on Corporate Governance.

Organisational Structure

The EPF's organisational structure clearly defines lines of accountability, delegations of responsibilities, and levels of authorisation for all aspects of the business. Management committees meet regularly to identify, discuss and resolve operational, financial, investment, and key management issues, and reporting periodically to the Board, Investment Panel and its respective committees.

Human Resource Development

The EPF has established comprehensive programmes outlining implementation of human resource development. This is to ensure employees are upskilled and reskilled in order to build an agile, future-ready workforce that can cope with the rapid shift to digitalisation and changes in the work environment. A comprehensive succession plan has also been established and is regularly reviewed to strengthen the organisation's talent and succession bench strength.

Culture of Integrity

Entrusted with managing members' savings, the EPF has made efforts to foster the climate of trust and integrity in the organisation. These include EPF Integrity Pillars, Integrity and Anti-Corruption Plan, EPF Anti-Corruption Policy, Corruption-Free Pledge, Corruption Risk Management, Corporate Integrity Pledge, Integrity Pact, Anti-Corruption Statement, No-Gift Policy, declarations of assets by staff, declarations of conflicts of interest in both procurement and investment processes, and a zero-tolerance policy towards corruption.

Shariah Governance Framework

The EPF Shariah Governance Framework (SGF) ensures strict adherence to Shariah requirements in managing Simpanan Shariah. This framework has been established to govern the EPF Shariah compliance as required under Section 43A of the EPF Act 1991 and the EPF (Simpanan Shariah Account) Rules 2016, including the establishment of the SAC to advise the Board and Investment Panel in ensuring that the management of Simpanan Shariah complies with Shariah principles. Apart from the role of the SAC, the SGF also covers four (4) Shariah functions, namely Shariah research and advisory, Shariah risk management, Shariah monitoring and review, and Shariah audit.

The framework outlines the Shariah governance structure and policies as deliberated under the Statement on Shariah Governance for EPF Simpanan Shariah in this Integrated Annual Report.

Code of Ethics

The EPF Code of Ethics provides guidance for employees to carry out their duties and responsibilities in accordance with the EPF's Purpose, Mission and Values. The Code defines ethical behaviours that comply with relevant laws, policies and procedures.

Data Governance Framework

The EPF Data Governance Framework sets out the scope and governance of how data and information must be managed and consistently applied across EPF. It also outlines how data processing and management should be carried out to ensure organisational data is accurate, accessible, consistent, and protected. These are achievable via key domain areas under the Framework, which include Data Quality Management and Digital Security.

Cyber Resilience Framework

The Cyber Resilience Framework is an enterprise-wide framework that articulates the EPF's strategy for managing cyber threats. It sets out an overview of the EPF's cyber resilience strategy to ensure business operations can continue in the event of cyber-attacks.

Sustainability Framework

The EPF Sustainability Framework was approved by the Board in January 2024 to promote good sustainability practices to both internal and external stakeholders. The framework focuses on four (4) key focus areas: Catalysing Better Lives & Livelihoods, Driving Climate Action, Sustaining Growth and Governance, and Unlocking Human Capital Potential. These areas are supported through various initiatives from both enterprise-wide and investments under the EPF Sustainability Plan. The plan aims to communicate, raise awareness, provide education, and engage both the internal and external stakeholders. It also promotes better energy use, driving long-term impact and resilience. The Sustainability Framework will be continuously reviewed to ensure it is always aligned with Malaysia's National Net Zero Aspiration by 2050.

Risk Assessment

Risk assessment involves a dynamic and ongoing process of identifying and assessing risks that may impede the achievement of objectives. Key activities include:

Corporate Risk Scorecard (CRS)

The Corporate Risk Scorecard (CRS) methodology is a detailed risk management approach in which risks are identified based on internal and external sources, then analysed, evaluated, treated, monitored, and reported. The CRS allows for continuous Risk and Control Self-Assessment (RCSA) to be performed, enabling employees to self-assess and update their risk profiles.

Control Activities

Control activities are policies and procedures that ensure management directives are carried out effectively. These include necessary actions taken to mitigate the risks that impede the achievement of the organisation's objectives. Key activities include:

Policies and Procedures

Policies and procedures are set out in guidelines, directives, operation manuals, and work instruction documents issued by the EPF to ensure compliance with internal controls such as segregation of duties, independent checks, verification processes and system access controls. These are updated regularly and signed off by the respective Heads of Departments, Heads of Divisions, and the Chief Executive Officer. Policy guidelines and delegated authority limits are also imposed on the Management with regard to day-to-day operations.

Information Technology Security Management

Information security management at the EPF is based on ISO 27001, industry standards and other best practices that outline the appropriate controls and procedures to ensure confidentiality, integrity, and availability of information and application systems. The EPF security architecture and design are constantly reviewed and improved to strengthen security controls and mitigate key technology and cyber risks.

Chinese Wall Policy

The Chinese Wall Policy and its procedures are implemented to safeguard against any compromise on the tenets of integrity, transparency, and accountability by controlling, restricting, and managing the flow of price-sensitive information.

Insurance Coverage

Adequate insurance coverage of major assets is in place to ensure protection against incidents that could result in material losses.

Business Continuity Management (BCM)

The Business Continuity Management Framework is aligned with the ISO 22301:2012 for Business Continuity Management System. The plans and systems are regularly monitored, tested, updated, and communicated across all levels to ensure the EPF can effectively respond to and recover from any disruption. In addition, simulations are conducted to determine the EPF's preparedness in the event of an actual disruption.

Occupational Safety, Health and Environmental (OSHE) Policy

The EPF's Occupational Safety, Health and Environmental Policy is aligned with the ISO 45001:2018 Occupational Health and Safety Management Systems and the ISO 14001:2015 Environmental Management Systems. The policy reflects the EPF's commitment to providing a safe and healthy working environment. The EPF is committed to protecting employees, members, and the public who engage with the EPF against work-related injuries, illnesses, and hazards, and to preserving the environment in connection with work-related activities.

Information and Communication

Information and communication support all other control components by communicating control responsibilities to employees and providing information in a form and timeframe that enable employees to carry out their duties. Relevant key activities include:

Fraud Control Management Plan

The Fraud Control Management Plan, which includes the Fraud Risk Assessment, Anti-Fraud Policy, and Whistleblower Protection Policy, outlines the EPF's approach to the prevention, detection, reporting, and handling of fraud.

Communication of Operational Risk Management (ORM)

The ORM principles, framework, and processes adopted by the EPF are communicated to all employees to enhance their understanding of the practices implemented.

Monitoring

Ongoing monitoring and evaluation of the effectiveness of internal control are built into business processes at different levels of the organisation. Key activities include:

Operational Risk Management System

An integrated operational risk management system is used to monitor and manage the EPF's risk exposure. Key risks are identified, and the effectiveness of internal controls is assessed and electronically confirmed by the respective departments and branches on a timely basis. If the mitigated risks are not within acceptable levels, individual action plans will be identified and their implementation is monitored to reduce the gap.

Regular Reporting

Adequate processes are in place to discuss issues related to risk management and internal control deficiencies, which are reported regularly to the Management through various committees. The Management evaluates these reports and communicates necessary corrective actions to the responsible parties in a timely manner.

Monitoring Activities by Internal Audit

The results of all audit engagements are reported to the BAC and communicated to the Management. The Internal Audit Department maintains a follow-up process to monitor and help ensure all agreed audit observations and resolutions are being promptly addressed.

Quality Management System Standard

All the EPF's core processes comply with the MS ISO 9001:2015 Quality Management System.

ASSURANCE ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board is of the opinion that the EPF's risk management and internal control framework is effective in safeguarding the interests of EPF members. The Board's review of the effectiveness of the risk management and system of internal control is supported by:

- The BRMSC, which meets a minimum of four (4) times a year to oversee risk management activities;
- The BAC, which meets a minimum of four (4) times a year to review areas of concern and recommendations identified by internal and external auditors;
- The Auditor-General, who issues an annual audit certificate on the financial statements; and
- The Chief Executive Officer, Chief Financial Officer and the Management, who provide assurance that the EPF's risk management and internal control framework is operating adequately and effectively in all material aspects.

This statement is made in accordance with the resolution of the members of the Board dated 18 April 2025.



BOARD AUDIT COMMITTEE REPORT

OVERVIEW

The Board Audit Committee is committed to its role in ensuring high corporate governance practices and providing oversight on the EPF's financial reporting, risk management and internal control systems.

MEMBERSHIP

The Board Audit Committee consists of the following members:

(a) For the term from 1 June 2023 to 31 May 2025

No.	Board Audit Committee Members	Representative
i.	Khalid Hj. Sufat	Chairman – Professionals
ii.	Dato' Zamzuri Abdul Aziz	Deputy Chairman – Government
iii.	Datuk Seri Panglima Sr. Haji Safar Untong	Government
iv.	Dato' Haji Adnan Mat	Employees
v.	Zainal Abidin Mohd Kassim	Professionals

MEETINGS

During the financial year 2024, the Board Audit Committee met 13 times comprising five (5) Special Board Audit Committee meetings, seven (7) Board Audit Committee meetings and one (1) Board Audit Committee meeting with the external auditors.

The Chief Executive Officer, as an ex-officio member, attended all meetings except those with the external auditors. Attendance of other Senior Management was by invitation, depending on the agenda of the Board Audit Committee.

Deliberations at the Board Audit Committee meetings were robust and detailed. Minutes of the Board Audit Committee meetings were provided to members of the Board Audit Committee. The Board will be briefed on the significant matters deliberated during the Board Audit Committee meetings.

Further details of the Board Audit Committee attendance have been set out in the Statement on Corporate Governance.

TERMS OF REFERENCE

The Board Audit Committee operates under its own terms of reference, establishing its authority, duties and responsibilities. These terms were approved by the Board and can be accessed via the EPF's official website at www.kwsp.gov.my.

SUMMARY OF PRINCIPAL ACTIVITIES

During the financial year 2024, the Board Audit Committee carried out the following activities to discharge its responsibilities as outlined in the Terms of Reference:

Internal Audit

(a) Reviewed and approved the annual internal audit plan and any revisions to the annual internal audit plan in consideration of changes in the organisation to ensure adequate audit scope and comprehensive coverage of the EPF's activities as planned, based on risk assessment conducted. The Annual Internal Audit Plan for 2025 was approved in December 2024 whereby 102 hybrid audits (on-site and remote auditing) were proposed to be conducted. Thematic audits were also carried out to provide reasonable assurance on the state of governance and internal controls for activities agreed with stakeholders.

(b) Reviewed and deliberated on internal audit reports tabled during the year, including recommendations made, root causes identified and the Management's response to these recommendations as well as timely mitigation actions taken to resolve control weaknesses identified.

Key challenges and operational concerns in the areas of cyber security, data security and IT governance continued to be the focus. Related issues were discussed at length to secure satisfactory conclusion on moving forward actions by Management.

(c) Supported Internal Audit Department's initiatives to improve internal audit work with the use of technologies such as analytics and robotic process automation.

(d) Reviewed findings of investigations and other ad-hoc special reviews on specific areas to ascertain the root cause of the issues and effectiveness of corrective actions taken to strengthen the internal control system.

(e) Monitored corrective actions taken on outstanding audit issues to ensure all key risks and control lapses had been addressed.

(f) Reviewed the effectiveness of the audit process and resource requirements for the year, and assessed the performance of the Internal Audit Department on a half-yearly basis and provided written feedback for improvements.

The matters reported to the Board Audit Committee included status of audit plan coverage, audit scope and risks covered, root cause analysis, summary of audit rating for completed audits, summary of audit observations and recommendations for business process improvements, results of Auditee Satisfaction Survey, status of budget utilisation, summary of trainings attended by auditors, data analytics initiatives and other improvement initiatives undertaken by the Internal Audit Department.

(g) Reviewed and endorsed disclosures for inclusion in the Integrated Annual Report: Statements on Internal Audit, and Risk Management and Internal Control.

(h) Monitored the implementation of the initiatives proposed under the QAR report prepared by PwC in 2020.

(i) Reviewed and approved the Key Performance Indicators and performance assessment for the Head of Internal Audit Department.

(j) Reviewed and approved the appointment of the Head of Internal Audit Department.

(k) Deliberated and approved the new Audit Grading methodology for implementation in 2025 audits.

External Audit

(a) External auditors were invited to discuss their audit planning memorandum.

(b) Reviewed all the areas of concerns identified by external auditors together with the Management's response to their findings.

(c) Held a meeting with the external auditors on 3 July 2024 without the presence of the Management to discuss relevant issues and obtain feedback for improvements.

(d) Approved the EPF's governance process of non-assurance services provided by the external auditors and the list of permissible non-assurance services that can be provided by the external auditors for the EPF and its subsidiaries in accordance to the International Ethics Standards Board for Accountants (IESBA) Code.

(e) Reviewed the half-yearly summary report of non-assurance services and the fee approved by the Management to the external auditors.

Financial Reports

Reviewed quarterly unaudited financial results and annual audited financial statements of the EPF before recommending them for approval by the Board, focusing on:

- the impact from changes in accounting policies and practices, to the financial statements;
- significant matters highlighted and how these matters were addressed. These include financial reporting issues, judgements by the Management, and unusual events or transactions; and
- compliance with applicable and approved accounting standards in Malaysia, and other legal regulatory requirements.

Related Party Transactions

Reviewed related party transactions as disclosed in the financial statements entered into by the EPF and its subsidiaries.

TRAINING

During the year, members of the Board Audit Committee attended various training programmes, conferences and seminars, as follows:

No.	Course
1.	IIAM National Conference 2024 – Future-Proofing Governance
2.	International Social Wellbeing Conference (ISWC) 2024
3.	Bespoke Programme : Achieving Boardroom Excellence – Redefining Directorship For The Modern Era Learning Outcomes
4.	PNB Knowledge Forum 2024
5.	Emerging Cyber Risks and Resilience Measures
6.	Generative Artificial Intelligence
7.	Mastering Anti-Money Laundering And Counter-Financing Of Terrorism (AML/CFT) Compliance
8.	Anti-Money Laundering (AML) Course
9.	IFRS 17 Insurance Contracts & Implementation Journey
10.	Global Reinsurance Market Update & Indonesia General Insurance And Syariah Development And Market Update
11.	Tax Developments: Managing One Of Life's Certainties
12.	Sustainability Leadership
13.	EPF Sustainability Day 2024
14.	ESG Session
15.	Enterprise Sustainability Plan (ESP) Mini Workshop
16.	EPF Strategy Meeting 2024
17.	Government-Linked Investment Companies (GLIC) Integrity Event (GIE 2024)
18.	Business Continuity Management Briefing
19.	Knowledge Sharing On Hajah & Darurah
20.	Asset Liability Management – Its Role In Insurance & Takaful, Towards A Sustainable And Profitable Horizon
21.	Managing Claims – An Adjuster's Perspective

INTERNAL AUDIT FUNCTION

The Board Audit Committee is supported by the Internal Audit Department in the discharge of its duties and responsibilities. The Internal Audit Department reports directly to the Board Audit Committee on its activities based on the approved annual internal audit plan.

The Internal Audit Department provides independent, objective assurance and consulting services designed to improve and add value to the EPF's operations. The Internal Audit Department helps the EPF accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the risk management, internal control, and governance processes.

Further details of the internal audit function have been set out in the Statement on Internal Audit.

STATEMENT ON INTERNAL AUDIT

OVERVIEW

The Internal Audit Department provides independent, objective assurance and consulting services designed to improve and add value to the EPF's operations. The department helps the EPF accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

INDEPENDENCE AND OBJECTIVITY

The Head of Internal Audit Department reports functionally to the Board Audit Committee and administratively to the Chief Executive Officer to maintain independence and objectivity. Internal audit activities are free from interference in determining the scope of internal auditing, performance of work, and communication of results.

The Internal Audit Department is independent of the activities it audits. In the interest of protecting its independence, the department has no executive or managerial powers, authority, functions or duties except those relating to the management of internal audit functions. The department is also not responsible for the detailed development or implementation of new systems, plans, regulations, policies or procedures.

To ensure that internal audit staff are free from any conflict of interest that could impair their objectivity and independence, the internal auditors transferred in from other departments or branches within the EPF are not allowed to conduct audit on areas in which they were previously engaged, until the "cooling off" period is over.

SCOPE OF WORK

(a) The Internal Audit Department's functions include the auditing of the financials, operations, compliance and management of the EPF. Its scope of work primarily is to determine whether the EPF's risk management, internal control systems, management information systems and governance processes, as designed and represented by the Management, are adequate and functioning in a manner that ensures:

- risks are appropriately identified and managed;
- resources are acquired economically, and employed effectively and efficiently;
- assets are safeguarded;
- significant management, financial and operating information are accurate, reliable and timely;
- applicable laws and regulations, policies, standards and procedures are complied with; and
- established objectives and goals are achieved.

(b) The Internal Audit Department's secondary scope of work encompasses the following:

- carrying out special investigations as requested by the Management/Board Audit Committee;
- coordinating with external auditors to ensure adequate audit coverage and minimal duplication of work;
- participating as an observer in various Business Continuity Management exercises to provide independent observations over the readiness of the businesses/systems to resume/recover (in the event of disaster) within the established timeline; and
- participating as an observer in management committees on a consultative capacity to provide independent feedback on governance, risk management, and internal control. The Internal Audit Department's participation in the committees does not preclude the Internal Audit Department from auditing the systems or processes.

(c) The Internal Audit Department formulates the audit plan using a risk-based approach, taking into consideration the EPF's strategic objectives as well as inputs from Board Audit Commitee and Senior Management. Audit engagements carried out have been prioritised based on the assessment of inherent risks, control risks and detection risks for each operation, function and information technology system.

(d) In 2024, a total of 150 reports were presented to the Board Audit Committee. The status of outstanding audit findings is reported to the Management on a quarterly basis and to the Board Audit Committee on a half-yearly basis. The Internal Audit Department continues to monitor the implementation of action plans as agreed by the Management.

(e) There has been continued implementation of Robotic Process Automation (RPA) and increased application of data analytics practices as part of the internal audit process. A Data Analytics Unit was established to accelerate the adoption of analytics throughout the Internal Audit Department.

STATEMENT ON INTERNAL AUDIT

INTERNAL AUDIT RESOURCES

The Board Audit Committee reviews and approves the department's human resource requirements to ensure the department is adequately equipped with competent internal auditors. As at 31 December 2024, the Internal Audit Department had a staff strength of 92 individuals from diverse background and qualifications, as follows:

No.	Field of Expertise	No. of Auditors	Percentage
1.	Finance and Accounting	63	69%
2.	Information Technology	16	17%
3.	Business Administration	10	11%
4.	Engineering/Quantity Surveying	3	3%
	Total	92	100%

PROFESSIONAL QUALIFICATIONS AND CONTINUOUS COMPETENCY DEVELOPMENT

The Internal Audit Department is committed to providing trainings and continuously encourages its auditors to equip themselves with sufficient knowledge, skills, and competencies to discharge their duties and responsibilities. The internal auditors are also encouraged to uphold proficiency by obtaining appropriate professional certifications and qualifications.

To date, 29 of our internal auditors hold a total of 36 professional certifications and qualifications awarded by various recognised professional bodies, such as the Association of Chartered Certified Accountants (ACCA), Certified Practising Accountants (CPA) Australia, Malaysian Institute of Certified Public Accountants (MICPA), Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA), and Certified Fraud Examiner (CFE). These qualifications and professional memberships have been awarded by various recognised professional bodies.

During the year, the auditors equipped themselves with the requisite knowledge through the following activities:

- involvement in conferences and trainings in the area of auditing, data analytics, product knowledge, strategic initiatives, leadership and communication, business acumen, and personal development;
- training sessions organised on the EPF processes to keep the auditors updated with the latest developments in the organisation; and
- job rotation among auditors to provide exposure on different audit areas.

QUALITY AND IMPROVEMENT PROGRAMME

The Quality Assurance and Improvement Programme continues to be used to assess the quality of the audit process against the International Standards promulgated by the Institute of Internal Auditors (IIA). Recommendations as well as opportunities for improvement are identified through internal and external assessments.

The internal assessment is performed annually by an internal quality assurance team under the direct supervision of the Head of Internal Audit Department.

The Internal Audit Charter stipulates that a Quality Assurance Review by a qualified independent reviewer is required at least once every five (5) years. The external quality assessment covers a broad scope that includes conformance with the Definition of Internal Auditing, the Standards and the Code of Ethics, internal audit charter, audit plan, policies and procedures in line with the requirements of the International Standards for the Professional Practice of Internal Auditing by the Institute of Internal Auditors (IIA), and industry best practices. The results of review by the independent reviewer are documented in a report which was tabled to the Board Audit Committee.

Based on the review by PricewaterhouseCoopers Risk Services Sdn. Bhd. in 2020, the Internal Audit Department has generally conformed with all of the International Standards for the Professional Practice of Internal Auditing (IIA Standards) promulgated by the Institute of Internal Auditors (IIA).

STATEMENT ON INVESTMENT RISK MANAGEMENT

RESPONSIBILITY

In accordance with Section 18(1) of the Employees Provident Fund Act 1991, the Investment Panel (IP) is responsible for matters pertaining to the EPF's investments and acknowledges its responsibility for the Investment Risk Management Framework. The framework outlines a robust risk management process and practice that aims to mitigate and ensure the undertaken risks are within EPF's risk appetite.

INVESTMENT RISK MANAGEMENT FRAMEWORK

Investment risk in the EPF is governed by the Investment Risk Management Framework, which encompasses the organisation's governance structure, risk appetite, asset allocation, policies, and processes. The framework is reviewed regularly to ensure its continued relevance and effectiveness.

INVESTMENT RISK MANAGEMENT STRUCTURE

The IP is responsible for overseeing risk management pertaining to the EPF's investment decision-making. The Investment Panel Risk Committee (IPRC) is responsible for assisting the IP in recommending the risk appetite and appropriate allocation of the risk 'budget'. The IPRC regularly reviews the risk measurement, policies, processes, and limits to ensure their continued effectiveness.

The IPRC is assisted by the Management Risk Committee (MRC) to monitor and review risk management activities. The Risk Management Department supports the MRC, IPRC, and IP in risk management related matters covering risk measurement, independent risk assessment, monitoring, and reporting of the EPF's investment risk exposures.

RISK TOLERANCE

The Risk Appetite Statements, as approved by the IP, broadly outline the levels of risk that the EPF is willing to tolerate and form the basis of the allocation of funds for investment. Asset allocation reviews are regularly conducted to ensure funds are invested within the EPF's risk appetite.

Various policies and limits are in place to ensure risks are adequately mitigated for each asset class. Risk and Performance Systems have been implemented and are continuously enhanced to ensure that risks are systematically measured and monitored.

CONCLUSION

The IP is of the opinion that the investment risk management practices in place are effective in safeguarding the EPF's investments. The IP is supported by the IPRC, which meets a minimum of four (4) times a year to review the risk and compliance reports from the Management.

This statement is made in accordance with the resolution of members of the Investment Panel dated 7 May 2025.

MEMBERS OF THE BOARD



TAN SRI DATO' SERI MOHD ZUKI ALI
Board Chairman

FDC BDAC

Age: 62

Duration of service: 1.9.2024 – present

6/6

Qualifications
- Master's Degree in Business Management and Finance, Nanyang Technological University, Singapore in collaboration with the Massachusetts Institute of Technology, USA
- Bachelor of Economics, Universiti Kebangsaan Malaysia
- Diploma in Public Management, National Institute of Public Administration (INTAN)

Present Position(s) and Directorship(s)
- Chairman, Pestech International Berhad
- Board Member, PR1MA Corporation Malaysia
- Board Member, SD Guthrie Berhad
- Pro-Chancellor, Universiti Kebangsaan Malaysia
- Pro-Chancellor, Universiti Malaysia Terengganu

Working Experience
- 15th Chief Secretary to the Government of Malaysia (1 January 2020 – 10 August 2024)
- Former Secretary-General, Ministry of Defence (2019)
- Senior Deputy Chief Secretary, Prime Minister's Department (2017)
- Sarawak State Federal Secretary
- Director General, Legal Affairs Division, Prime Minister's Department
- Deputy Chief Secretary (Management), Prime Minister's Department
- Divisional Secretary and Senior Consultant, Prime Minister's Department
- Senior Private Secretary to His Majesty the Yang di-Pertuan Agong (2006–2011)
- Leadership roles in several ministries including Ministry of Education, Ministry of Rural Development, Ministry of Home Affairs, Ministry of Natural Resources and Environment and Assistant Secretary in the Ministry of Finance in 1992, marking the start of his public service career
- Chairman of MRL Sdn Bhd, Cyberview Sdn Bhd, Sinergi Perdana Sdn Bhd, Razak School of Government, Malaysian Institute of Integrity



DATO' ZAMZURI ABDUL AZIZ
Board Deputy Chairman
Ministry of Finance Representative

BAC SC BDAC

Age: 54

Duration of service: 1.6.2023 – present

11/14

Qualifications
- Bachelor's Degree in Business Administration, University of Malaya
- Master's Degree in Economics, Universiti Kebangsaan Malaysia
- Completed Executive Programmes at Harvard Business School, USA and Northwestern University, USA

Present Position(s) and Directorship(s)
- Deputy Secretary General of Treasury (Policy), Ministry of Finance Malaysia
- Suruhanjaya Syarikat Malaysia (SSM)
- Malaysia Airports Holdings Berhad (MAHB)
- University of Malaya
- Lembaga Pembangunan Industri Pembinaan (CIDB)
- Lembaga Tabung Haji (LTH)
- Bintulu Port Holdings Berhad
- Dana Perlindungan Nasional B40 (mySalam)

Working Experience
- Served on various boards and committees, including SSM, MAHB, Universiti Malaya, CIDB, and LTH
- Began career as Economic Affairs Officer, Malaysian Industrial Development Authority (MIDA)
- Joined the Administrative and Diplomatic Service
- Held various roles in Ministry of Domestic Trade and Consumer Affairs (trade development and budget management) and Ministry of Finance (procurement and financial administration)
- Oversaw budget allocations, procurement policies, and financial operations at both ministry and national levels

Legends:

- BAC Board Audit Committee
- SC Strategy Committee
- FDC Finance and Development Committee
- Board Meeting Attendance
- BDAC Board Disciplinary Appeal Committee
- NRC Nomination and Remuneration Committee
- BRMSC Board Risk Management and Sustainability Committee
- PB Procurement Board
- BDC Board Disciplinary Committee
- IPRC Investment Panel Risk Committee



TAN SRI WAN AHMAD DAHLAN HAJI ABDUL AZIZ

Board Member
Government Representative

BDC PB

Age: 59

Duration of service: 15.2.2024 – present

8/12

Qualifications

- Master of Strategic and Defence Studies, University of Malaya
- Bachelor of Arts (Hons) in Communication Studies, Universitas Airlangga, Surabaya, Indonesia
- Diploma in Public Administration, National Institute of Public Administration (INTAN)

Present Position(s) and Directorship(s)

- Director-General of Public Service, Public Service Department of Malaysia
- Board Member, Malaysia Rail Link (MRL)
- Board Member, Inland Revenue Board of Malaysia (LHDN)
- Board Member, Razak School of Government (RSOG)
- Board Member, Malaysian Institute of Integrity (IIM)
- Board Member, Malaysian Qualifications Agency (MQA)

Working Experience

- Director-General of Public Service, Public Service Department of Malaysia (since January 2024)
- Director-General, Implementation Coordination Unit (ICU), Prime Minister's Department
- Secretary-General, Ministry of Home Affairs
- Deputy Secretary-General (Policy and Control), Ministry of Home Affairs
- Deputy Secretary-General (Management), Ministry of Home Affairs
- Comptroller of the Royal Household, National Palace
- Director, Security and Passport Division, Immigration Department of Malaysia
- Director, Malaysian Immigration Academy
- Held various senior positions in the Ministry of Youth and Sports, Ministry of Home Affairs, Ministry of Transport, and Gombak District and Land Office since the beginning of his public service career in 1995



DATUK SERI PANGLIMA SR. HAJI SAFAR UNTONG

Board Member
Government Representative

BAC BRMSC BDAC

Age: 60

Duration of service:
- 1.4.2020 – present

13/14

Qualifications

- Honorary Fellow, International Institute of Utility Specialists (IIUS)
- Fellow, Royal Institution of Surveyors Malaysia (RISM)
- Registered Professional Land Surveyor
- Master of Science in Land Development and Administration, Universiti Teknologi Malaysia
- Master of Business Administration (MBA), Universiti Malaysia Sabah
- Bachelor of Surveying (Land) (Hons.), Universiti Teknologi Malaysia

Present Position(s) and Directorship(s)

- Sabah State Secretary (since 4 November 2019)

Working Experience

- Former Director, Sabah Land and Survey Department
- Extensive expertise in land surveying, land development, and public administration

Legends:

BAC Board Audit Committee
SC Strategy Committee
FDC Finance and Development Committee
BDAC Board Disciplinary Appeal Committee
NRC Nomination and Remuneration Committee
BRMSC Board Risk Management and Sustainability Committee
PB Procurement Board
BDC Board Disciplinary Committee
IPRC Investment Panel Risk Committee
Board Meeting Attendance

MEMBERS OF THE BOARD



DATUK AMAR HAJI MOHAMAD ABU BAKAR MARZUKI

Board Member
Government Representative

FDC BDC

Age: 60

Duration of service: 15.1.2023 – present

9/14

Qualifications

- Master of Science in Human Resource Development, Universiti Putra Malaysia
- Bachelor of Arts, Universiti Kebangsaan Malaysia
- Senior Executive Fellows Leadership Programme, Harvard Kennedy School, USA
- Certified in Balanced Scorecard

Present Position(s) and Directorship(s)

- State Secretary of Sarawak

Working Experience

- Deputy State Secretary (Socio-Economic Transformation), Sarawak
- Director, State Planning Unit, Chief Minister's Department, Sarawak
- Director, Sarawak Foundation
- Extensive experience in public service, particularly in education, community development, and strategic state planning



DATUK DR. SYED HUSSAIN SYED HUSMAN

Board Member
Employer Representative

SC NRC BDC

Age: 67

Duration of service:
- 11.11.2020 – present

13/14

Qualifications

- Doctorate of Philosophy in Labour Relations, United Kingdom
- Doctorate in Business Administration, Asia e University
- Master's in Business Administration, Western Illinois University, USA
- Bachelor in Business Studies, Western Illinois University, USA
- Completed Senior Management Development Programme, Harvard Business School, USA

Present Position(s) and Directorship(s)

- President, Malaysian Employers Federation (MEF)
- President, Confederation of Asia Pacific Employers
- Executive Director and CEO, SVTT Resources Sdn. Bhd. (since 2011)
- Chairman, KIP Real Estate Investment Trust
- Board Member, Can-One Berhad
- Board Member, Malaysian Qualifications Agency
- Governing Board Member, International Labour Organisation (ILO), Geneva
- Member, National Council for Occupational Safety and Health
- Member, Advisory Council of the Malaysian Society for Occupational Health and Safety
- Member, National Wages Consultative Council
- Member, National Labour Advisory Council
- Member, National Employment Council
- Member, National TVET Council

Working Experience

- Began career in 1987 with ICI Malaysia (Human Resources)
- Held senior leadership roles at Procter & Gamble Malaysia and Singapore, Rothmans of Pall Mall (Malaysia) Berhad, British American Tobacco Berhad, and Petrofield (M) Berhad
- Extensive experience in human resources development, labour relations, and business leadership

Legends:

BAC Board Audit Committee	BDAC Board Disciplinary Appeal Committee	PB Procurement Board
SC Strategy Committee	NRC Nomination and Remuneration Committee	BDC Board Disciplinary Committee
FDC Finance and Development Committee	BRMSC Board Risk Management and Sustainability Committee	IPRC Investment Panel Risk Committee
Board Meeting Attendance		



DATUK DR. TING DING ING (PHILIP)

Board Member
Employer Representative

SC NRC BDAC PB

Age: 72

Duration of service:
- 1.6.2019 – 31.5.2023
- 28.7.2023 – present

14/14

Qualifications
- Fellow, Chartered Accountants Australia and New Zealand
- Doctorate from Swinburne University of Technology, Melbourne, Australia
- Life Member, Malaysian Institute of Certified Public Accountants
- Chartered Accountant, Malaysian Institute of Accountants
- Bachelor's Degree in Accounting, Swinburne University of Technology, Melbourne, Australia

Present Position(s) and Directorship(s)
- Deputy President, Sarawak Business Federation
- Deputy President, Sarawak Chamber of Commerce and Industry
- Adjunct Professor, Swinburne University of Technology, Sarawak
- Board Member, Swinburne Sarawak Sdn. Bhd.
- Chairman, Swinburne Innovation Sdn. Bhd.
- General Committee Member, Malaysian International Chamber of Commerce and Industry
- Honorary Consul for Australia in Sarawak

Working Experience
- Former International Partner, Arthur Andersen & Co.
- Former Managing Partner, Business Systems Consulting, Arthur Andersen & Co.
- Former Partner, Hanafiah Raslan & Mohamad
- Former Group CEO and Managing Director, Cahya Mata Sarawak Berhad
- Former Board Member of Social Security Organisation (SOCSO), Malaysian Medical Foundation, Sarawak Multimedia Authority, and National Bank of Abu Dhabi Berhad



DATUK HARUN HAJI ISMAIL

Board Member
Employer Representative

FDC BRMSC PB

Age: 65

Duration of service:
- 1.6.2021 – 31.5.2023
- 28.7.2023 – present

11/14

Qualifications
- Bachelor's Degree with Honours in Civil Engineering, Universiti Malaya
- Graduate Member, Board of Engineers Malaysia
- Companion/Graduate Member, Institution of Engineers Malaysia

Present Position(s) and Directorship(s)
- Deputy President (Trade), Federation of Sabah Industries
- Managing Director cum Chief Executive Officer, Sabah Oil and Gas Development Corporation Sdn. Bhd.

Working Experience
- Former Chief Executive Officer, Sabah Energy Corporation Sdn. Bhd.
- Former Chairman of Sazma Aviation, Sabah Air Aviation, and Upper Padas Power Sdn. Bhd.
- Former Board Member of Asian Supply Sdn. Bhd., Ranhill Powertron Sdn. Bhd., Petropipe (Sabah) Sdn. Bhd., Sepanggar Chemical Industry Sdn. Bhd., Sabah Air Aviation, Serudong Power Sdn. Bhd., and Tabin Wildlife Holidays Sdn. Bhd.
- Former Member, Communication and Media Committee, Malaysian Gas Association
- Former Management Council member, Sabah Skills & Technology Centre
- Former Member, Jawatankuasa Perancangan, Perlaksanaan Pembekalan Elektrik dan Tarif Sabah
- Former Co-Chairman, PETRONAS-Sabah Joint Working Committee on Natural Gas Matters (SC 2)

Legends:

BAC Board Audit Committee
SC Strategy Committee
FDC Finance and Development Committee
Board Meeting Attendance
BDAC Board Disciplinary Appeal Committee
NRC Nomination and Remuneration Committee
BRMSC Board Risk Management and Sustainability Committee
PB Procurement Board
BDC Board Disciplinary Committee
IPRC Investment Panel Risk Committee

MEMBERS OF THE BOARD



DATO' DR. HAJI ADNAN MAT

Board Member
Employee Representative

BAC SC NRC BDC

Age: 59

Duration of service:
- 1.6.2017 – present

14/14

Qualifications
- Doctorate in Business Administration (APEL.Q), Asia e University (AeU)
- Diploma from the Public Health Institute of Kuala Lumpur, awarded by the Royal Society for the Promotion of Health (RSH London)

Present Position(s) and Directorship(s)
- President, Congress of Unions of Employees in the Public and Civil Services (CUEPACS)
- President, Amalgamated National Union of Local Authorities Employees
- Chairman, National Joint Council for Science and Technology Workers (Implementing Group)
- Chairman, KOSPETA Malaysia Berhad (Koop Negara No. 66)
- Permanent Member, National Labour Advisory Council (Ministry of Human Resources)

Working Experience
- Extensive involvement in trade union movements throughout his civil service career
- Established a strong track record in championing workers' rights and public sector employee welfare



ZAINAL ABIDIN MOHD KASSIM

Board Member
Professional Representative

SC BAC BDAC NRC

Age: 69

Duration of service:
- 1.6.2015 – present

14/14

Qualifications
- Fellow, Institute and Faculty of Actuaries, United Kingdom
- Fellow, Actuarial Society of Malaysia
- Associate, Society of Actuaries, USA
- First Class Honours in Actuarial Science, City, University of London

Present Position(s) and Directorship(s)
- Managing Director and Senior Partner, Actuarial Partners Consulting Sdn. Bhd.

Working Experience
- Over 40 years of experience in insurance, takaful, social security, and retirement schemes
- Began his career in 1978 with Prudential Assurance PLC, London
- Appointed Actuary to various life and general insurers and takaful operators
- Provided consultancy on investment matters for social security organisations, retirement, and provident funds
- Led projects in Asia, the Middle East, and Africa
- Former President, Actuarial Society of Malaysia

Legends:

BAC Board Audit Committee	BDAC Board Disciplinary Appeal Committee	PB Procurement Board
SC Strategy Committee	NRC Nomination and Remuneration Committee	BDC Board Disciplinary Committee
FDC Finance and Development Committee	BRMSC Board Risk Management and Sustainability Committee	IPRC Investment Panel Risk Committee
Board Meeting Attendance		

MEMBERS OF THE BOARD



KHALID HAJI SUFAT
Board Member
Professional Representative

BAC FDC BDAC BRMSC

Age: 68

Duration of service:
- 1.6.2017 – 23.6.2025

14/14

Qualifications
- Fellow Member, Association of Chartered Certified Accountants (ACCA), United Kingdom
- Member, Malaysian Institute of Certified Public Accountants (MICPA)
- Member, Malaysian Institute of Accountants (MIA)

Present Position(s) and Directorship(s)
- Independent Non-Executive Director of MNRB Holdings Berhad (since 1 June 2017)
- Director, Malaysian Reinsurance Berhad
- Director, Kuwait Finance House (Malaysia) Berhad

Working Experience
- Managing Director, Bank Kerjasama Rakyat Malaysia Berhad
- General Manager, Consumer Banking, Malayan Banking Berhad
- Executive Director, United Merchant Finance Berhad
- Executive Director, Tronoh Mines Malaysia Berhad
- Deputy Executive Chairman, Furqan Business Organisation Berhad
- Group Managing Director, Seacera Tiles Berhad



PROF. TAN SRI DR. JEMILAH MAHMOOD
Board Member
Professional Representative

NRC BRMSC BDC

Age: 65

Duration of service:
- 1.6.2021 – 31.5.2023
- 28.7.2023 – present

9/14

Qualifications
- Executive education at the International Institute for Management Development (IMD), Lausanne, and the University of California, Berkeley School of Law
- Fellow of the Royal College of Obstetricians and Gynaecologists (RCOG), United Kingdom
- Master's degree in Obstetrics and Gynaecology, Universiti Kebangsaan Malaysia
- Doctor of Medicine (MD), Universiti Kebangsaan Malaysia

Present Position(s) and Directorship(s)
- Professor and Executive Director of the Sunway Centre for Planetary Health, Sunway University, Malaysia
- Member of Malaysia's Climate Action Council
- Board Member, Roche Switzerland
- Board Member, Climate Action Accelerator, Switzerland
- Global Advisory Board Member, Open Planet UK

Working Experience
- Co-Chair, World Economic Forum Climate and Health Initiative
- Member, World Economic Forum Global Future Council on Clean Air
- High Level Panel on UK FCDO Social Protection in Fragile Contexts and Conflict
- Under Secretary General for Partnerships at the International Federation of Red Cross and Red Crescent Societies
- Chief, World Humanitarian Summit Secretariat at the United Nations
- Chief, Humanitarian Response Branch at the United Nations Population Fund (UNFPA), New York
- Special Advisor to the Prime Minister of Malaysia on Public Health
- Member, Government of Malaysia's Economic Action Council
- Founder, MERCY Malaysia



AHMAD ZULQARNAIN ONN
Ex-Officio
Chief Executive Officer

FDC SC BRMSC PB

Age: 52

Duration of service:
19.2.2024 – present

11/12

Qualifications
- AB in Economics, Harvard University

Present Position(s) and Directorship(s)
- NIL

Working Experience
- President & Group Chief Executive, Permodalan Nasional Berhad
- Deputy Managing Director, Khazanah Nasional Berhad
- Managing Director, Danajamin Nasional Berhad

Legends:

BAC Board Audit Committee
SC Strategy Committee
FDC Finance and Development Committee
Board Meeting Attendance
BDAC Board Disciplinary Appeal Committee
NRC Nomination and Remuneration Committee
BRMSC Board Risk Management and Sustainability Committee
PB Procurement Board
BDC Board Disciplinary Committee
IPRC Investment Panel Risk Committee

MEMBERS OF THE INVESTMENT PANEL



TAN SRI MOHAMMED AZLAN HASHIM
Investment Panel Chairman
Professional Representative

Age: 67

Duration of service:
- 1.6.2009 – 31.5.2015 (Investment Panel Member)
- 1.9.2020 – 28.02.2025 (Investment Panel Chairman)

19/19

Qualifications
- Bachelor of Economics, Monash University, Melbourne
- Fellow Member, Institute of Chartered Accountants, Australia
- Fellow Member, Institute of Chartered Secretaries and Administrators
- Member, Malaysian Institute of Accountants (MIA)

Present Position(s) and Directorship(s)
- Chairman, Marine & General Berhad
- Chairman, D&O Green Technologies Berhad
- Chairman, IHH Healthcare Berhad (retired May 2024)

Working Experience
- Extensive experience in the corporate sector, specialising in financial services and investments
- Brings valuable expertise in governance and strategic oversight



DR. MASTURA ABDUL KARIM
Investment Panel Deputy Chairman
Ministry of Finance Representative

Age: 56

Duration of service:
- 15.9.2022 – present

14/19

Qualifications
- PhD in Finance, Universiti Putra Malaysia
- MBA (Finance), Universiti Putra Malaysia
- Bachelor of Science in Business Administration (Accounting), University of Hartford, Connecticut, USA
- Postgraduate Diploma in Public Management, INTAN (1997)

Present Position(s) and Directorship(s)
- Undersecretary (SBFE), Fiscal and Economics Division, Ministry of Finance
- Non-Independent Non-Executive Director, EXIM Bank Berhad
- Board of Governors, Universiti Sains Malaysia
- Director, Danalnfra Nasional Berhad
- Director, MATRADE
- Member, SOCSO Investment Panel
- Director, Malaysia Sovereign Sukuk Berhad
- Director, Malaysia Sukuk Global Berhad
- Director, Malaysia Wakala Sukuk Berhad
- Director, Wakala Global Sukuk Berhad

Working Experience
- Joined Malaysian Civil Service in October 1995 as Assistant Director, Economic Planning Unit, Prime Minister's Department
- Over 25 years of experience in public finance, capital markets, taxation, and budget analysis
- Registrar of Credit Reporting Agencies (2013-2014)
- Attached to the World Bank Group (2017-2019) as Alternate Executive Director, representing 11 Southeast Asian countries



DATO' WAN KAMARUZAMAN WAN AHMAD
Investment Panel Member
Professional Representative

Age: 65

Duration of service:
- 1.11.2020 – present

19/19

5/5

Qualifications
- Honours Degree in Economics (Economic Analytics), Universiti Malaya
- Chartered Banker, Asian Institute of Chartered Bankers

Present Position(s) and Directorship(s)
- Chairman, MBSB Bank Berhad
- Chairman, MBSB Berhad
- Senior Independent Director, Malaysian Resources Corporation Berhad

Working Experience
- Non-Independent Non-Executive Director, Bermaz Auto Berhad
- Former CEO, Retirement Fund (Incorporated) (KWAP)
- Former Chairman, Institutional Investors Council Malaysia
- Former Board Member of Malakoff Corporation Berhad, Prima Ekuiti (UK) Limited, Pacific Trustee Sdn. Bhd., Nomura Islamic Asset Management Sdn. Bhd., and RHL Ventures Sdn. Bhd.
- Former Advisory Committee Member, FTSE4Good Index (FTSE Russell, London)
- Previously involved with Minority Shareholders Watch Group and Bond Information Exchange

MEMBERS OF THE INVESTMENT PANEL



TAN SRI DATO' (DR.) WEE HOE SOON @ GOOI HOE SOON

Investment Panel Member
Professional Representative

Age: 64

Duration of service:
- 1.2.2021 – present

17/19
5/5

Qualifications
- Member, Malaysian Institute of Accountants (MIA)
- Member, Malaysian Institute of Certified Public Accountants (MICPA)

Present Position(s) and Directorship(s)
- Chairman/Independent Non-Executive Director, AIA Berhad
- Independent Non-Executive Director, Securities Commission Malaysia
- Senior Independent Non-Executive Director, Yinson Holdings Berhad
- Chairman/Independent Non-Executive Director, Perusahaan Sadur Timah Malaysia (PERSTIMA) Berhad
- Non-Independent/Non-Executive Director, JaGaSolution Berhad (formerly known as Red Ideas Holdings Berhad)

Working Experience
- Former Member, National Debt and Liability Management Committee (2019-2020)
- Former Independent Non-Executive Director, Bank Negara Malaysia (2018-2019)



RAJA NOORMA OTHMAN

Investment Panel Member
Professional Representative

Age: 66

Duration of service:
- 8.6.2021 – 7.6.2025

19/19
5/5

Qualifications
- Bachelor of Business Administration, Ohio University, United States (via a twinning programme with Universiti Teknologi MARA)
- Global Leadership Development Programme, Harvard Business School (2008) – organised by the International Centre for Leadership in Finance (ICLIF), Malaysia
- Member, Malaysian Institute of Accountants (MIA)

Present Position(s) and Directorship(s)
- Independent Non-Executive Director, Hong Leong Financial Group and Hong Leong Investment Bank Berhad
- Independent Non-Executive Director, YTL Corporation Berhad
- Director, as-Salihin Trustee Berhad
- Independent Investment Committee Member, Mapletree Australia Commercial Private Trust (MASCOT) – a private equity real estate fund

Working Experience
- Over 30 years of experience in banking, asset management, and the corporate sector
- Former Head of CIMB Bank Berhad's London Branch (2015-2018)
- Former Vice President of Investment Banking, JP Morgan. Worked across JP Morgan offices in Hong Kong, Singapore, and Malaysia as an industry and client coverage banker



AHMAD ZULQARNAIN ONN

Ex-Officio
Chief Executive Officer
Professional Representative

Age: 52

Duration of service:
19.2.2024 – present

15/17
4/5

Qualifications
- AB in Economics, Harvard University

Present Position(s) and Directorship(s)
- NIL

Working Experience
- President & Group Chief Executive, Permodalan Nasional Berhad
- Deputy Managing Director, Khazanah Nasional Berhad
- Managing Director, Danajamin Nasional Berhad

Legends:

Investment Panel Meeting Attendance

Investment Panel Risk Committee Meeting Attendance

Note: *Sazaliza Zainuddin held the position of Acting Chief Executive Officer from 13 December 2023 until 18 February 2024.*

BOARD AND INVESTMENT PANEL COMMITTEES

BOARD AUDIT COMMITTEE

1. Khalid Haji Sufat *(Chairman)*
2. Dato' Zamzuri Abdul Aziz *(Deputy Chairman)*
3. Datuk Seri Panglima Sr. Haji Safar Untong
4. Dato' Dr. Haji Adnan Mat
5. Zainal Abidin Mohd Kassim

FINANCE AND DEVELOPMENT COMMITTEE

1. Tan Sri Dato' Seri Mohd Zuki Ali *(Chairman)*
2. Datuk Amar Haji Mohamad Abu Bakar Marzuki *(Deputy Chairman)*
3. Datuk Harun Haji Ismail
4. Khalid Haji Sufat
5. Ahmad Zulqarnain Onn

STRATEGY COMMITTEE

1. Zainal Abidin Mohd Kassim *(Chairman)*
2. Dato' Zamzuri Abdul Aziz *(Deputy Chairman)*
3. Datuk Dr. Syed Hussain Syed Husman
4. Datuk Dr. Ting Ding Ing (Philip)
5. Dato' Dr. Haji Adnan Mat
6. Ahmad Zulqarnain Onn

NOMINATION AND REMUNERATION COMMITTEE

1. Datuk Dr. Syed Hussain Syed Husman *(Chairman)*
2. Zainal Abidin Mohd Kassim *(Deputy Chairman)*
3. Datuk Dr. Ting Ding Ing (Philip)
4. Dato' Dr. Haji Adnan Mat
5. Prof. Tan Sri Dr. Jemilah Mahmood

BOARD RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

1. Datuk Seri Panglima Sr. Haji Safar Untong *(Chairman)*
2. Khalid Haji Sufat *(Deputy Chairman)*
3. Prof. Tan Sri Dr. Jemilah Mahmood
4. Datuk Harun Haji Ismail
5. Ahmad Zulqarnain Onn

BOARD DISCIPLINARY COMMITTEE

1. Tan Sri Wan Ahmad Dahlan Haji Abdul Aziz *(Chairman)*
2. Datuk Amar Mohamad Abu Bakar Marzuki *(Deputy Chairman)*
3. Datuk Dr. Syed Hussain Syed Husman
4. Dato' Dr. Haji Adnan Mat
5. Prof. Tan Sri Dr. Jemilah Mahmood

BOARD DISCIPLINARY APPEAL COMMITTEE

1. Tan Sri Dato' Seri Mohd Zuki Ali *(Chairman)*
2. Datuk Seri Panglima Sr. Haji Safar Untong *(Deputy Chairman)*
3. Dato' Zamzuri Abdul Aziz
4. Datuk Harun Haji Ismail
5. Datuk Dr. Ting Ding Ing (Philip)
6. Khalid Haji Sufat
7. Zainal Abidin Mohd Kassim

PROCUREMENT BOARD

1. Datuk Dr. Ting Ding Ing (Philip) *(Chairman)*
2. Datuk Harun Haji Ismail *(Deputy Chairman)*
3. Tan Sri Wan Ahmad Dahlan Haji Abdul Aziz
4. Ahmad Zulqarnain Onn

INVESTMENT PANEL RISK COMMITTEE

1. Dato' Wan Kamaruzaman Wan Ahmad *(Chairman)*
2. Tan Sri Dato' (Dr.) Wee Hoe Soon @ Gooi Hoe Soon
3. Raja Noorma Othman
4. Ahmad Zulqarnain Onn

MEMBERS OF THE SHARIAH ADVISORY COMMITTEE



DATUK PROF. DR. MOHAMAD AKRAM LALDIN
SAC Chairman

Age:
59

15/15

Duration of service:
1.1.2015 – present

Qualifications
- Bachelor of Arts (Honours) in Islamic Jurisprudence and Legislation, University of Jordan, Amman
- PhD in Principles of Islamic Jurisprudence (Usul al-Fiqh), University of Edinburgh, Scotland

Present Position(s) and Directorship(s)
- Professor, International Centre for Education in Islamic Finance (INCEIF)
- Member, Shariah Advisory Council, Bank Negara Malaysia
- Chairman, Shariah Supervisory Council, Labuan Financial Services Authority
- Chairman, Shariah Advisory Committee, Permodalan Nasional Berhad (PNB)
- Registered Shariah Adviser (Individual) for Islamic Securities, Securities Commission Malaysia
- Member, Shariah Advisory Council, International Islamic Financial Market (IIFM), Bahrain
- Chairman, Shariah Board, Maldives Monetary Authority
- Member, Financial Regulation Advisory Council of Experts, Central Bank of Nigeria
- Member, Shariah Advisory Board, Yaasar Limited, United Kingdom

Working Experience
- Extensive leadership roles in Islamic finance, Shariah advisory, and academic institutions globally
- Recognised authority in Islamic jurisprudence with ongoing contributions to the development of Islamic finance regulations, standards, and education
- Frequent speaker and thought leader in international Islamic finance forums and scholarly discourse



PROF. DATO' DR. AZNAN HASSAN
SAC Deputy Chairman

Age:
53

15/15

Duration of service:
1.1.2015 – present

Qualifications
- PhD in Shariah, University of Wales, United Kingdom
- Master's Degree in Shariah, Cairo University, Egypt – graduated with distinction (*mumtaz*); thesis recommended for publication
- Bachelor's Degree in Shariah, University of al-Azhar, Egypt

Present Position(s) and Directorship(s)
- Professor, Institute of Islamic Banking and Finance, International Islamic University Malaysia
- Founding President, Association of Shariah Advisors in Islamic Finance
- Chairman, Shariah Advisory Council, Securities Commission Malaysia
- Board Member and Chairman, Shariah Committee, Maybank Group
- Member, Shariah Advisory Council, Amanah Raya Asset Management
- Member, Higher Shariah Authority, Central Bank of the United Arab Emirates
- Member, Shariah Advisory Council, Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI), Bahrain
- Chairman, Shariah Advisory Boards of FNB Bank (South Africa) and Global HSBC Amanah
- Member, Shariah Advisory Council, Standard Chartered (Global – DIFC, Dubai)

Working Experience
- Over two decades of academic and professional leadership in Islamic finance and Shariah advisory
- Held senior roles in regulatory, corporate, and academic institutions both locally and internationally
- Contributed significantly to the development of Shariah standards and governance for Islamic financial institutions

Legends:

Shariah Advisory Committee Meeting Attendance

MEMBERS OF THE SHARIAH ADVISORY COMMITTEE



DR. ZAHARUDDIN ABDUL RAHMAN
SAC Member

Age:
49

15/15

Duration of service:
1.1.2015 – present

Qualifications
- PhD in Islamic Studies and Finance, University of Wales, United Kingdom
- Specialised in Islamic Derivatives and Maqasid al-Shariah
- Master's Degree in Fiqh and Usul Fiqh (Syariah), Al-Yarmouk University, Jordan
- Bachelor's Degree in Usuluddin, Universiti Malaya, Malaysia
- Certified Islamic Finance Trainer and Lecturer, The Markfield Institute of Higher Education, United Kingdom

Present Position(s) and Directorship(s)
- Founder and Managing Director, Elzar Shariah Solutions & Advisory Sdn. Bhd. and MyClass Technology Sdn. Bhd.
- Adjunct Professor, Faculty of Business and Accountancy, UNISEL
- Member of the Board of Directors, Urban Mobility Asia Sdn. Bhd.
- Chairman of the Shariah Committees for UOB Islamic Banking, Perbadanan Usahawan Nasional Berhad (PUNB), and ONEXOX
- Board Member, Urus Harta Jemaah Sdn. Bhd.
- Shariah Adviser/Consultant to Zurich Takaful Malaysia Berhad, Moomoo Financial Services Singapore and One Connect Financial Technology
- Member, Fatwa Council of Perlis
- Registered Shariah Adviser (Individual), Securities Commission Malaysia

Working Experience
- Over two decades of experience in Islamic finance, Shariah advisory, academic teaching, and corporate consultancy
- Frequently appointed to lead Shariah committees and advisory boards for financial institutions and government-linked entities
- Actively contributes to Shariah governance, policy development, and public education in Islamic finance



PROF. DR. ENGKU RABIAH ADAWIAH ENGKU ALI
SAC Member

Age:
57

14/15

Duration of service:
1.8.2016 – present

Qualifications
- PhD in Law, University of Aberdeen, United Kingdom
- LLB (First Class Honours) and LLB (Shari'ah) (First Class Honours), International Islamic University Malaysia (IIUM)
- Master of Comparative Laws, International Islamic University Malaysia (IIUM)
- Registered Shariah Adviser (Individual) for Islamic Securities with the Securities Commission Malaysia

Present Position(s) and Directorship(s)
- Honorary Professor, Institute of Islamic Banking and Finance, IIUM (since 2024)
- Deputy Chairman, Shariah Advisory Councils of Bank Negara Malaysia, Securities Commission Malaysia and Labuan Financial Services Authority
- Member of the following boards and committees:
  - Shariah Supervisory Council of Labuan Reinsurance (L) Ltd (Labuan Re) and Gen Re
  - Shariah Advisory Panel of Xeraya Capital
  - Shariah Committee of Bursa Malaysia
  - Majlis Agama Islam Wilayah Persekutuan (MAIWP)
- Board Member, AWQAF Holdings
- Council Member, Khadijah International Waqf Foundation (KIWF)

Working Experience
- Prominent academic and Shariah expert contributing to Islamic finance standard-setting in Malaysia and internationally
- Actively involved in Islamic financial governance and waqf-based philanthropic initiatives
- Recognised for her extensive service in Shariah advisory, Islamic law education, and policymaking

Legends:

Shariah Advisory Committee Meeting Attendance

MEMBERS OF THE SHARIAH ADVISORY COMMITTEE



ASSOC. PROF. DR. KAMARUZAMAN NOORDIN
SAC Member

Age: 48
15/15
Duration of service: 1.8.2016 – present

Qualifications
- PhD in Islamic Studies (Islamic Finance), University of Wales, United Kingdom
- Master of Business Administration (MBA), Universiti Malaya
- Bachelor of Shariah (First Class Honours), Universiti Malaya
- Registered Shariah Adviser (Individual) for Islamic Securities with the Securities Commission Malaysia

Present Position(s) and Directorship(s)
- Associate Professor, Department of Shariah and Management, Academy of Islamic Studies, Universiti Malaya
- Chairman, Shariah Committee of Affin Islamic Bank
- Deputy Chairman, Shariah Committee of Bank Simpanan Nasional
- Member, Shariah Committee of MUA Life Ltd, Mauritius and PruBSN Takaful
- Member, Jawatankuasa Pembangunan Baitulmal Selangor, Majlis Agama Islam Selangor

Working Experience
- Recognised academic and Shariah expert with extensive experience in Islamic finance
- Actively contributes to Islamic banking and regulatory bodies both locally and internationally
- Involved in policy and advisory roles within Malaysia's Islamic religious and financial institutions



PROF. DR. ASHRAF MD HASHIM
SAC Member

Age: 56
14/15
Duration of service: 1.6.2023 – present

Qualifications
- PhD in Islamic Law, University of Birmingham, United Kingdom
- Master's in Fiqh and Usul Fiqh, University of Jordan
- Bachelor's in Shariah, Islamic University of Medina, Saudi Arabia
- Postgraduate Diploma in Shariah Law and Practice, International Islamic University Malaysia

Present Position(s) and Directorship(s)
- Executive Director, International Shariah Research Academy for Islamic Finance
- Deputy President (Research), INCEIF University
- Chairman, Shariah Advisory Council of Bank Negara Malaysia and Shariah Committee of Bursa Malaysia
- Member, Shariah Advisory Council of the Securities Commission Malaysia
- Member, Shariah Committee of the International Islamic Liquidity Management Corporation
- Chairman, Shariah Advisory Committee and Board Member, Lembaga Tabung Haji
- Board Member, Halal Development Corporation Malaysia
- Board Member, THV Management & Services Sdn Bhd
- Member, National Fatwa Council (MKI), Ulama Fatwa Kelantan and Fatwa Committee Selangor

Working Experience
- Senior academic and policymaker with extensive involvement in Islamic finance, Shariah governance, and advisory
- Holds key leadership and consultative roles across regulatory, corporate, and academic platforms in Malaysia
- Influential in shaping national and institutional Shariah policies and standards



PROF. DR. AMIR SHAHARUDIN
SAC Member

Age: 46
15/15
Duration of service: 1.6.2023 – present

Qualifications
- PhD in Arab and Islamic Studies, University of Exeter, United Kingdom
- Master of Business Administration in Islamic Banking and Finance, International Islamic University Malaysia

Present Position(s) and Directorship(s)
- Director, Academic Management Centre, Universiti Sains Islam Malaysia
- Chairman, Shariah Committee of SME Bank and Hong Leong MSIG Takaful
- Member, Shariah Committee of Hong Leong Islamic Bank
- Visiting Fellow, Oxford Centre for Islamic Studies, United Kingdom
- Visiting Professor, Urgench State University, Uzbekistan
- Adjunct Professor, UNITAR International University
- Vice President, Malaysian Muamalat Association

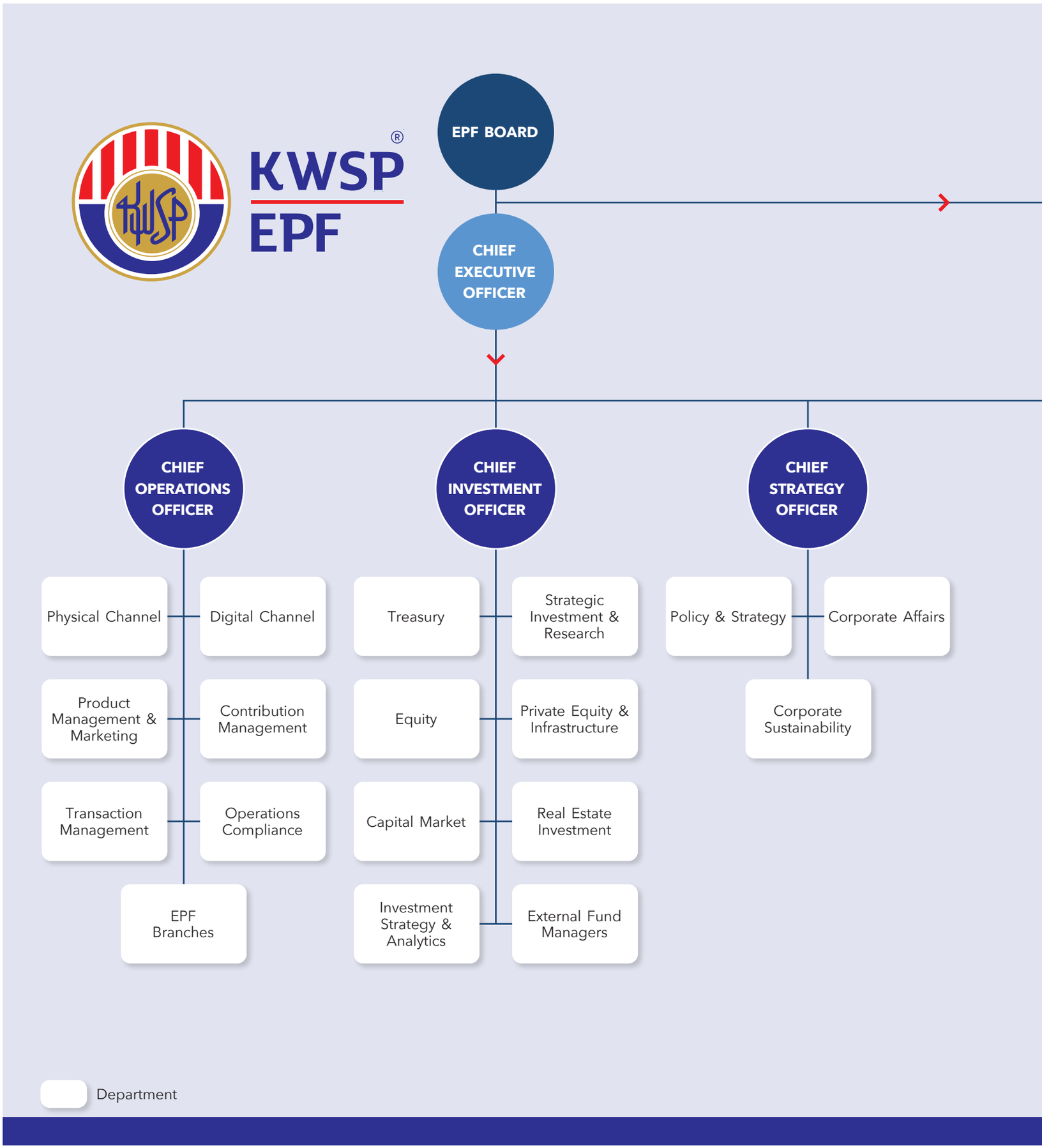
Working Experience
- Former Dean, Faculty of Economics and Muamalat and Graduate Studies Centre, USIM
- Former Chief Executive Officer, Malaysia Waqf Foundation (on secondment)
- Extensive academic and leadership experience in Islamic finance, higher education, and waqf management
- Recognised for international academic engagement and Shariah advisory in banking and takaful sectors

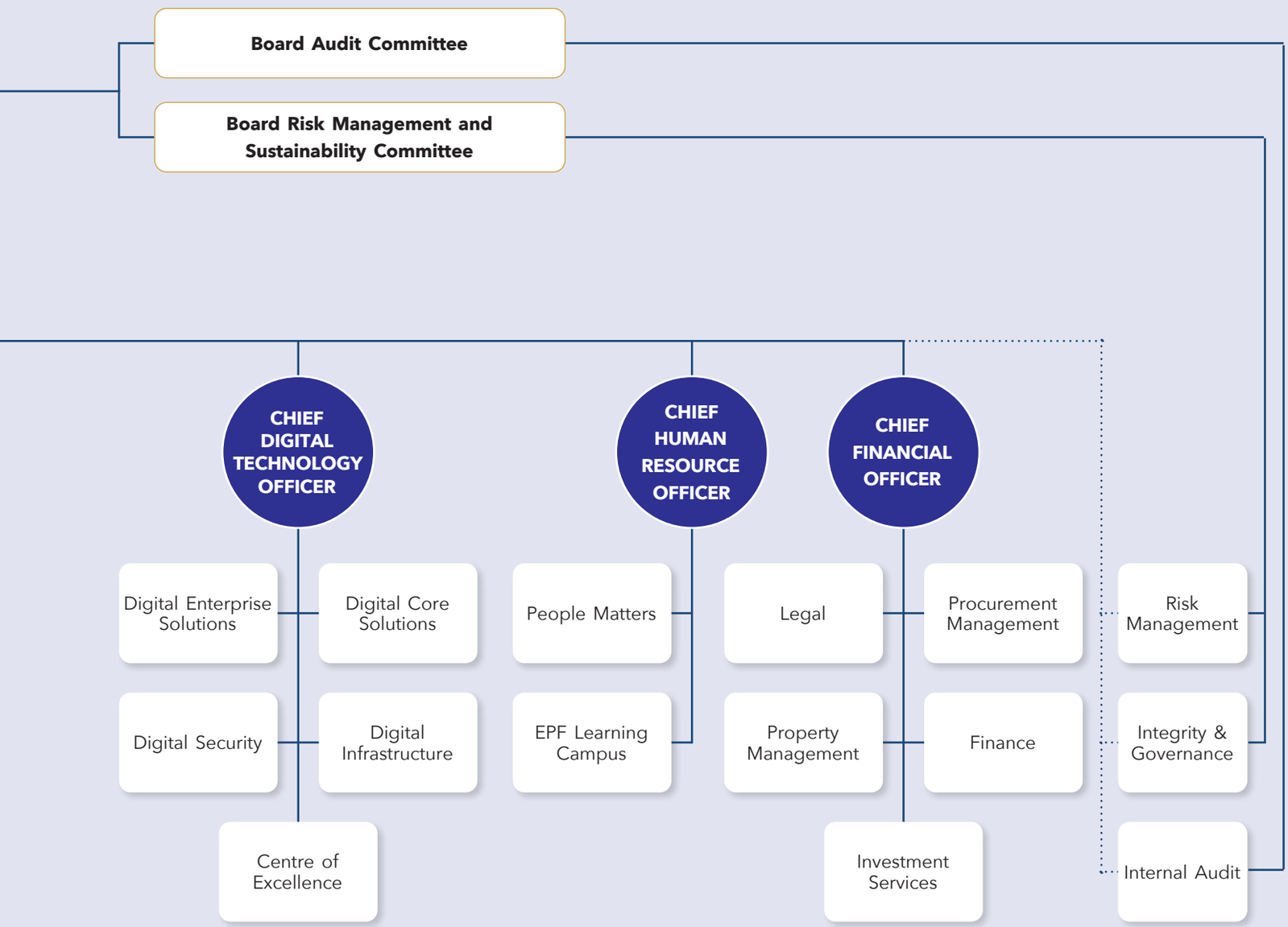
Legends:

Shariah Advisory Committee Meeting Attendance

ORGANISATION STRUCTURE

As at 31 December 2024




Board Audit Committee
Board Risk Management and Sustainability Committee
CHIEF DIGITAL TECHNOLOGY OFFICER
CHIEF HUMAN RESOURCE OFFICER
CHIEF FINANCIAL OFFICER
Digital Enterprise Solutions
Digital Core Solutions
Digital Security
Digital Infrastructure
Centre of Excellence
People Matters
EPF Learning Campus
Legal
Procurement Management
Property Management
Finance
Investment Services
Risk Management
Integrity & Governance
Internal Audit

EXECUTIVE LEADERSHIP



AHMAD ZULQARNAIN ONN
Chief Executive Officer

Date of Appointment:
February 2024

Qualifications

- AB in Economics, Harvard University

Present Position(s) and Directorship(s)

- NIL

Working Experience

Over 25 years of experience in investment management, corporate finance, and strategic planning, with key leadership roles in government-linked investment institutions. These include serving as President & Group Chief Executive Officer of Permodalan Nasional Berhad, Deputy Managing Director of Khazanah Nasional Berhad, and Chief Executive Officer of Danajamin Nasional Berhad. His earlier roles spanned diverse areas across the financial and corporate sectors.

The Chief Executive Officer (CEO) spearheads all EPF operations, ensuring the successful implementation of organisational strategies and policies. The CEO oversees the execution of long and short-term plans and serves as the primary liaison between Management and the Board. Departments reporting directly to the CEO are the Risk Management Department, Internal Audit Department, and Integrity & Corporate Governance Department.



ROHAYA MOHAMMAD YUSOF
Chief Investment Officer
Investment Division

Date of Appointment:
January 2020

Qualifications

- Bachelor of Commerce (Accountancy), Australian National University
- Associate Member, CPA Australia

Present Position(s) and Directorship(s)

- Malaysia Airports Holdings Berhad
- Tenaga Nasional Berhad

Working Experience

Over 30 years of experience in investment and corporate finance, including senior leadership roles such as Executive Vice President for Corporate Investment Banking at Maybank Investment Bank, and various Head of Department positions within the Investment Division of the EPF, covering Corporate Finance, Capital Markets, and Private Markets.

The Investment Division manages EPF's domestic and global assets and is responsible for investing across asset classes in public and private markets. The division is structured into several departments, including the Equity Department, Treasury Department, Capital Market Department, Real Estate Investment Department, Private Equity & Infrastructure Department, External Fund Managers Department, Investment Strategy & Analytics Department, and Strategic Investment & Research Department. The primary goal is to optimise returns within EPF's risk tolerance level driven by the objectives of capital preservation and enhancing the value of members' savings.



SAZALIZA ZAINUDDIN
Chief Operations Officer
Operations Division

Date of Appointment:
September 2021

Qualifications

- Bachelor of Arts (Hons) in Accounting and Finance, South Bank University, United Kingdom

Present Position(s) and Directorship(s)

- MBSB Bank Berhad
- Malaysia Building Society Berhad

Working Experience

With more than 20 years of expertise in finance, auditing and procurement, the role encompasses leadership positions in Accounts, Finance, Procurement Management and Internal Audit at the EPF, as well as a tenure at PwC Kuala Lumpur.

The Operations Division manages core operational services for EPF members and employers, ensuring effective service delivery and an enhanced customer experience. It also provides customer advisory services, ensures regulatory compliance, and supports internal stakeholders. Departments under the Operations Division are Physical Channel Department, Digital Channel Department, Contributions Management Department, Transaction Management Department, Product Management & Marketing Department, and Operations Compliance Department as well as 68 branch offices across Malaysia.



MOHAMAD HAFIZ KASSIM
Chief Financial Officer
Finance & Services Division

Date of Appointment:
August 2021

Qualifications

- Bachelor's Degree (Economics) in Accounting and Finance, London School of Economics and Political Science, United Kingdom
- Fellow, Association of Chartered Certified Accountants
- Chartered Financial Analyst (CFA) Charterholder
- Advanced Management Programme, Harvard Business School

Present Position(s) and Directorship(s)

- Malaysian Resources Corporation Berhad
- Axiata Group Berhad

Working Experience

Over 25 years of experience spanning auditing, accounting, private equity, fixed income, and real estate, with senior leadership roles that include heading Private Equity, Private Market, Capital Market, and Real Estate.

The Finance and Services Division acts as the business partner facilitating the realisation of the EPF's business and operational objectives. This is achieved by implementing strong financial controls, maintaining high governance standards, and fostering a safe and conducive workplace environment. The departments under this division are the Finance Department, Investment Services Department, Legal Department, Procurement Department, and Property Management Department.

EXECUTIVE LEADERSHIP



MUHAMMAD AFHZAL ABDUL RAHMAN
Chief Digital Technology Officer
Digital Technologies Division

Date of Appointment:
January 2019

Qualifications

- Bachelor of Science Degree (Electrical Engineering), Columbia University, New York, United States

Present Position(s) and Directorship(s)

- Telekom Malaysia Berhad
- TM Digital Innovation (Credence) Sdn. Bhd.

Working Experience

With over 26 years of experience in technology, focusing on strategy, digital transformation, and large-scale technology implementations in the financial services as well as the oil and gas industries. Spent over 13 years with organisations such as Maybank, Shell, T-Systems, DHL, and IBM, leading digital and technology initiatives to drive business outcomes.

The Digital Technologies Division enables and supports the EPF's business and operations by architecting, implementing, and operating digital technology solutions and services that are customer-centric, innovative, robust, and secure. Departments under the Digital Technologies Division are Centre of Excellence Department, Digital Core Solutions Department, Digital Enterprise Solutions Department, Digital Infrastructure Department, and Digital Security Department.



IWAN AZLAN MOKHTAR
Chief Human Resource Officer
Human Resources Division

Date of Appointment:
September 2021

Qualifications

- Bachelor of Arts in Law, University of Nottingham, United Kingdom

Present Position(s) and Directorship(s)

- United Plantations Berhad

Working Experience

Over 30 years of experience in human resources (HR), including senior leadership roles such as Chief People Officer at Tenaga Nasional Berhad and Vice President of Human Resources at MISC Berhad. Previously spent 17 years with the Royal Dutch Shell Group in key HR positions across Asia Pacific and the Middle East, including Global HR Policy Manager, Regional HR Manager, and Regional Business Partner in Australia.

The Human Resources Division drives and delivers people-focused initiatives that support organisational transformation. Departments under the purview of the Human Resources Division are the People Matters Department and the EPF Learning Campus.

VACANT
Chief Strategy Officer
Strategy Division

The Strategy Division enables the EPF to achieve its Purpose and Mission by ensuring the plans and strategies in the medium to long-term are effectively implemented, while safeguarding the EPF's reputation. The division also has the responsibility of providing oversight on strategic issues. Departments under the Strategy Division are Policy & Strategy Department, Corporate Affairs Department and Corporate Sustainability Department.

SENIOR MANAGEMENT



CO

ROZLINA ABDUL SAMAD
Head, Risk Management Department

The Risk Management Department is responsible for establishing, validating, and overseeing a robust Enterprise Risk Management framework. This ensures the identification of principal risks and the implementation of effective controls to achieve the EPF's strategic objectives. By fully integrating risk management into decision-making processes, the EPF enhances resilience and sustainability in a complex, evolving environment.



CO

MOHAMMAD NASIR ISMAIL
Head, Internal Audit Department

The Internal Audit Department acts as a strategic partner to the Board Audit Committee and Management in fulfilling their responsibilities by providing independent and objective assurance and insights on the effectiveness of governance, risk management, and internal control processes.



CO

MOHD DALI JASMIN
Head, Integrity & Governance Department

The Integrity & Governance Department is responsible for ensuring the EPF's operations are transparent and professional by advising Management on integrity, governance, and anti-corruption frameworks. It leads collaboration and engagement programmes with employees and stakeholders to promote these values. The Department also plays a key role in corruption risk management by identifying and addressing corruption risks, ensuring policy compliance, and fostering a strong culture of integrity throughout the organisation.



O

GUNASEKARAN A/L THOLASY
Head, Contribution Management Department

The Contribution Management Department ensures EPF contribution collections are efficient, transparent, and compliant with legal requirements. It manages both mandatory and voluntary contributions for members and employers. The Department also oversees the enforcement of overseas travel restrictions, invocations under Section 50(3) of the EPF Act 1991, annual dividend crediting, administration of government incentives, and management of unclaimed monies.



O

JULPADYA SOOMA
Head, Transaction Management Department

The Transaction Management Department is responsible for ensuring excellent data and record governance by delivering efficient digital registration, document management, and registration as well as withdrawal services. To strengthen these services, the department also offers product advisory services for employer and employee registration, member nomination, and withdrawal processes, ensuring a more engaging and efficient customer experience.



O

MOHD RODZI ABU BAKAR
Head, Product Management & Marketing

The Product Management & Marketing Department defines the vision, strategy, and roadmap for EPF products. It conducts market research, identifies opportunities, and manages end-to-end product development through data-driven insights. The Department also drives marketing strategies and campaigns, collaborates with key stakeholders, and promotes financial literacy to support retirement wellbeing. Through a strategic, evidence-based approach, it ensures EPF products remain relevant, impactful, and aligned with the evolving needs of members.

Legends:

- CO — CEO's Office
- O — Operations
- FS — Finance & Services
- HR — Human Resources
- IN — Investment
- S — Strategy
- DT — Digital Technology

SENIOR MANAGEMENT



CHONG YEE LENG
Head, Operations Compliance Department

O

The Operations Compliance Department provides compliance guidance, fosters continuous quality improvement, and cultivates a culture of compliance supporting EPF's dynamic business goals. It ensures operational adherence to internal policies, guidelines, and external laws governing EPF's activities. Collaborating closely with management, the Department identifies potential compliance risks and implements initiatives to enhance operational processes, ensuring alignment with all relevant internal and external requirements while maintaining efficiency and integrity across EPF's operations.



SUHAIZAM ISMAIL
Head, Physical Channel Department

O

The Physical Channel Department oversees all the EPF regions and branches nationwide, ensuring efficient, consistent, and high-quality service delivery. It manages key services including member, employer, and advisory services, while upholding service excellence and accessibility. The department also focuses on strengthening regional teams across six (6) offices to enhance outreach, improve retirement outcomes, and deliver an integrated customer experience through all physical touchpoints.



NOORHASLIN MOHD BASERI
Head, Digital Channel Department

O

The Digital Channel Department enhances EPF's digital presence by optimising customer experience through seamless transactions and engaging interactions across all digital touchpoints. It is responsible for developing and executing digital strategies, driving key projects, and managing communications with members and employers via calls, live chats, social media, and emails. The Department also oversees the operations of major digital platforms, including the EPF website, i-Akaun (Member), and i-Akaun (Employer), ensuring efficient, accessible, and user-friendly services.



ANNIE ROSLE
Head, Private Equity & Infrastructure Department

IN

The Private Equity & Infrastructure Department identifies, evaluates, and executes investment opportunities in the global private equity and infrastructure space that meet the EPF's targeted returns. The Department manages two (2) asset classes, namely Private Equity and Infrastructure.

COLLABORATIVE LEADERSHIP, RELENTLESS IMPROVEMENT

Legends:

CO CEO's Office	O Operations	FS Finance & Services	HR Human Resources
IN Investment	S Strategy	DT Digital Technology	

SENIOR MANAGEMENT



IN

AZHAR AHMAD
Head, Capital Market Department

The Capital Market Department is responsible for managing both domestic and global fixed income mandates. This includes the origination and trading of sukuk and bonds, as well as offering customised loan and financing structures, including private debt. The department strives to deliver a comprehensive range of investment solutions aimed at optimising returns and preserving capital through diversification across the credit spectrum.



IN

AZIZUL ZAINOL
Head, Investment Strategy & Analytics Department

The Investment Strategy & Analytics Department manages the enterprise investment strategy, ensuring optimal returns and meeting liabilities through asset and liability management, strategic asset allocation, actuarial analysis, analytics, and macroeconomic research. It also oversees Shariah services, risks, and compliance for the Simpanan Shariah scheme, drives investment digitalisation and transformation, and supervises Fund Management Institutions under the Members Investment Scheme to safeguard members' investments.



IN

MOHD AMIRUL LAJIM
Head, Treasury Department

The Treasury Department oversees cash and liquidity management as well as fixed income portfolios investment, which include government and equivalent securities for both domestic and foreign portfolios. The department also manages the EPF's foreign exchange requirements and implements hedging strategies to mitigate foreign exchange and interest rate risks.



IN

FARIZA ALI@TAIB
Head, Real Estate Investment Department

The Real Estate Investment Department is responsible for the investment management of domestic and international property portfolios. Through disciplined acquisition, active asset management, and thoughtful portfolio optimisation, the Department is committed to delivering sustainable, risk-adjusted returns. Guided by the principles of responsible investing, it seeks to create long-term value while maintaining a balanced approach to risk and reward.



IN

LIM TZE SEONG
Head, Equity Department

The Equity Department is responsible for managing domestic and global equity investments through internal portfolio managers based on approved strategic asset allocation and investment mandates in a prudent, transparent, and professional manner to optimise investment returns. The strategic intent is to be a leading domestic and global equity investment manager in the pension industry while fulfilling stakeholders' needs.



IN

HASLINA UJANG
Head, External Fund Managers Department

The External Fund Managers Department is responsible for the strategic supervision of external investment managers, guided by industry best practices to optimise investment returns within acceptable risk parameters. The department ensures alignment with the organisation's investment objectives through regular due diligence, strong governance practices and performance monitoring. By partnering with both domestic and global fund managers across various asset classes, the Department promotes diversification, strengthens portfolio resilience, and supports the organisation's long-term financial sustainability.

Legends:

CO CEO's Office	O Operations	FS Finance & Services	HR Human Resources
IN Investment	S Strategy	DT Digital Technology	

SENIOR MANAGEMENT



IN

SHAHAZWAN HARRIS
Head, Strategic Investment & Research Department

The Strategic Investment Department plays a pivotal role in safeguarding and enhancing the value of EPF's strategic portfolio companies. Its core mandates include investment stewardship, asset monitoring, and long-term value creation plans. The Department monitors the performance of companies where EPF has significant exposure, acts as a part-owner, and works closely with them to unlock opportunities for sustainable returns. It also identifies and pursues new investment opportunities by leveraging market intelligence, ensuring that EPF remains forward-looking and adaptive in a dynamic investment landscape.



S

BALQAIS YUSOFF
Head, Policy & Strategy Department

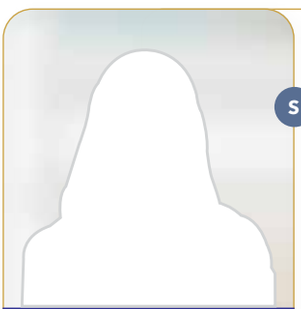
The Policy and Strategy Department is responsible for formulating the organisation's future direction and crafting fit-for-purpose policy interventions to attain retirement income security with the ultimate goal of helping our members live a dignified retirement life. The Department also manages relationships with key stakeholder groups to advocate EPF's position and recommend strategic inputs for social protection policies to improve the EPF members' wellbeing and ultimately help them achieve a better future.



S

MUHAMMAD SHUHAILI MOHD SHAFIE
Head, Corporate Affairs Department

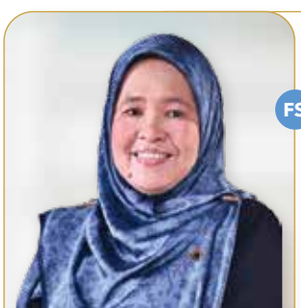
The Corporate Affairs Department is responsible for safeguarding the organisation's reputation through effective internal communications, marketing, and strategic outreach. It plays a key role in building trust and engagement among stakeholders by delivering clear, consistent, and impactful messaging. The Department also supports the EPF's strategic initiatives and brand positioning, with the overall goal of strengthening its role in building a better retirement future for all Malaysia.



S

VACANT
Head, Corporate Sustainability Department

The Corporate Sustainability Department acts as the steward of sustainability at EPF, incorporating environmental, social, and governance factors into investments and the organisation itself. The Department is instrumental in EPF's journey towards a fully ESG compliant portfolio by 2030 and a climate-neutral portfolio by 2050. It also leads EPF's sustainability initiatives, ensuring alignment with societal interests and promoting long-term, sustainable value for stakeholders.



FS

ZAIDATUL MAZWIN IDRUS
Head, Legal Department

The Legal Department acts as a legal advisor and provides services such as issuing opinions as well as drafting and reviewing investment and non-investment related agreements entered into by the EPF. The Department is also responsible for taking legal action against employers or any parties that do not comply with provisions under the EPF Act 1991 and its subsidiary laws. The Legal Department also provides secretarial services to the EPF Board, Investment Panel, and Senior Management team.



FS

AHMAD RIDZUAN WAN IDRUS
Head, Investment Services Department

The Investment Services Department ensures compliance with internal policies and guidelines, laws, and regulations governing EPF's investments, both domestic and overseas. It oversees investment transactions according to market conventions, and maintains accurate investment accounting records and reports to comply with the EPF's policy. Additionally, the department manages the Chinese Wall Policy, Investment Systems, Data Governance Office, and Robotic Process Automation Centre of Excellence for EPF.

Legends:

CO CEO's Office	O Operations	FS Finance & Services	HR Human Resources
IN Investment	S Strategy	DT Digital Technology	

SENIOR MANAGEMENT



FS

AHMAD RIZAL OMAR
Head, Finance Department

The Finance Department is entrusted with managing EPF's core financial functions and plays a strategic role in driving financial excellence through effective financial planning, payments, taxation, financial reporting, and cost management. As a visionary business partner to the organisation, the department upholds strong financial governance and regulatory compliance while delivering forward-looking insights and advisory on accounting, taxation, cost optimisation and financial policy.



FS

ABDUL RAZAK HAMZAH
Head, Procurement Management Department

The Procurement Management Department is responsible for the efficient and ethical sourcing of goods and services, ensuring all procurement activities are conducted in accordance with EPF's Procurement Policy and principles of good governance. The Department focuses on delivering the best value for money while upholding the highest standards of integrity and transparency in all procurement activities.



FS

ABDUL KHARIS SHAHARUDIN
Head, Property Management Department

The Property Management Department is responsible for driving a sustainable, safe, and healthy work environment that supports productivity and innovation among EPF staff. The Department ensures compliance with all regulatory standards while balancing eco-conscious practices with optimal working conditions.



DT

MOHD ZAMRI ISMAIL
Head, Digital Infrastructure Department

The Digital Infrastructure Department is responsible for developing, implementing, and operating the technology infrastructure that runs and supports the EPF's digital and information technology systems and operations. The Department maintains robust, resilient, recoverable, and secure digital infrastructure that complies with the EPF's technical architecture standards and regulations to cater for the IT capacity and performance required by the EPF's operations.



DT

JASMINE GOH WAN CHEN
Head, Digital Security Department

The Digital Security Department is responsible for protecting the confidentiality, integrity, and availability of critical information and assets. The Department develops and enforces the digital security policies and procedures based on industry standards, best practices, and relevant regulatory guidelines.



DT

WU TZE CHYI @ EVA WU
Head, Digital Enterprise Solutions Department

The Digital Enterprise Solutions Department is responsible for developing, implementing, and operating enterprise-wide technology solutions that support the EPF's operational, investment and management needs as well as the organisation's digital workplace solutions.

Legends:

- CO CEO's Office
- O Operations
- FS Finance & Services
- HR Human Resources
- IN Investment
- S Strategy
- DT Digital Technology

SENIOR MANAGEMENT



DT

ROSZIATA MOHAMAD
Head, Digital Core Solutions Department

The Digital Core Solutions Department is responsible for developing, implementing, and managing the technology solutions to ensure that EPF's Core Provident Fund System operates at an optimal level. The Department provides a secure, high-quality system that enables EPF to execute its principal social security mandate, ensuring adequate protection, enhanced coverage, and efficient customer service and products.



DT

AHMAD JEFRY ABD HASHIM
Head, Centre of Excellence Department

The Centre of Excellence (CoE) Department drives EPF's digital transformation by delivering strategic enterprise capabilities across transformation, innovation, and data analytics. The CoE leads enterprise portfolio and change management, fosters innovation through emerging technologies such as AI and automation, and accelerates EPF's journey to becoming an insight-driven organisation.



HR

MOHAMAD FAHMI ABDUL RAHIM
Head, People Matters Department

The People Matters Department drives business results through people-related initiatives underpinned by the talent management cycle. The Department strives to create a seamless end-to-end employee experience, build a robust talent pipeline for the organisation as well as provide a meaningful workplace that delivers sustainable value to EPF.



HR

NOR ROHIDA DIN
Director, EPF Learning Campus

The EPF Learning Campus (ELC) is the organisation's training arm, responsible for shaping learning strategies, policies, and corporate learning roadmaps. ELC delivers structured programmes that meet current organisational needs while equipping talent with future-ready skills. Its offerings cover Leadership and Personal Development, Digital and Data Literacy, Social Protection, Financial Literacy, Employer Education, and key Functional and Technical Competencies, supporting EPF's strategic direction and evolving challenges.

EFFECTIVE, DEDICATED AND PROFESSIONAL LEADERSHIP

Legends:

CO CEO's Office
O Operations
FS Finance & Services
HR Human Resources
IN Investment
S Strategy
DT Digital Technology

FINANCIAL OVERVIEW AND ANALYSIS

FINANCIAL RESULTS

Gross Investment Income

EPF recorded a gross investment income of RM43.91 billion for the year ended 31 December 2024, a decrease of RM0.76 billion or 2%, compared to RM44.67 billion in year 2023. The decrease in gross investment income is mainly attributable to movement in unrealised mark-to-market losses on foreign exchange totalling RM6.44 billion, from RM2.93 billion unrealised gain in year 2023 to unrealised loss of RM3.51 billion in year 2024. The decrease was largely driven by the weakening of other foreign currencies against Malaysian Ringgit, particularly the US Dollar. This decline was mitigated by a RM5.37 billion increase in investment income derived from interest, profits and dividends.

As a retirement savings fund that focuses on capital preservation of members' savings, the EPF's gross investment income is driven by the steady stream of Interest and Profit from its investments. In 2024, EPF has recorded RM26.32 billion gross investment income from interest and profit, an increase of RM2.64 billion or 11% from RM23.68 billion recorded in 2023. The increase of gross investment income from interest and profit was mainly driven by the growth of EPF investment asset size.

The EPF's gross investment income is also supported by stable dividend paying companies. In 2024, a total of RM20.16 billion dividend contributed to EPF's total gross investment income, an increase of 16% from 2023 amounting to RM17.43 billion.

In terms of the breakdown between Simpanan Konvensional (SK) and Simpanan Shariah (SS) for Gross Investment Income, a total of RM38.43 billion was attributed to SK, while the balance of RM5.48 billion was attributed to SS.

Other Income

Other Income reduced by 10% to RM164.63 million from RM182.88 million in 2023. The reduction was mainly due to the decrease in Dividend on Arrears of Contribution by RM7.54 million, the decrease in Late Payment Charges collected from employers on Contributions Paid Late by RM6.15 million and a RM3.60 million decrease in Non-Compliant Income Interest from Foreign Current Account.

GROSS INVESTMENT INCOME
RM43.91 billion
for the year ended 31 December 2024

Operating Expenditures

In 2024, the EPF's Operating Expenditures increased by 6% to RM1,910.19 million, compared to RM1,809.79 million in 2023. The increase was primarily due to higher staff costs arising from annual salary increment. In addition to this, Information Technology Technical Service expenses have increased by RM30.41 million in 2024 as compared to year 2023.

Statutory Charges

Statutory charges comprised of payments for Death Benefits and Incapacitation Benefits to beneficiaries and members as stipulated under Sections 58(1) and 58(2) respectively, as well as Invocation Cost under Section 50(3) of the EPF Act, 1991, which was recognised during the year. The amount decreased by 11% from RM89.87 million in 2023 to RM79.67 million in 2024, primarily due to the decrease in Invocation Cost by RM10.60 million.

Net Profit Attributable to Members

EPF recorded a net profit attributable to members of RM40.66 billion in 2024, in which Simpanan Konvensional (SK) and Simpanan Shariah (SS) were RM35.42 billion and RM5.24 billion respectively. The Members' Savings Ratio (MSR) will still be used by EPF after the separation of SS and SK portfolios, to allocate common income and expenses under Head Office (HO) to SS and SK.

Members' Saving Ratio (MSR)
13.94%

FINANCIAL POSITION

Investment Assets

Total investments assets grew by RM113.89 billion or 10% from RM1,135.82 billion as at end of 2023 to RM1,249.71 billion in 2024, in line with the increase recorded from Fixed Income instruments and Equity Instruments. Total investment assets comprise of Simpanan Konvensional Assets amounted to RM1,081.15 billion, or 87%, Simpanan Shariah Assets amounted to RM167.41 billion or 13%, and Head Office Assets amounted to RM1.15 billion of the total investment assets.

As at December 2024, the values of Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) stood at RM612.83 billion, or 49%, of the total investment assets, increased by RM86.50 billion, compared to 2023 recorded at RM526.33 billion. The Financial Assets at FVOCI, which is mainly made up of listed equity investment, comprised of Simpanan Konvensional Assets amounted to RM520.49 billion, and Simpanan Shariah Assets RM92.34 billion.

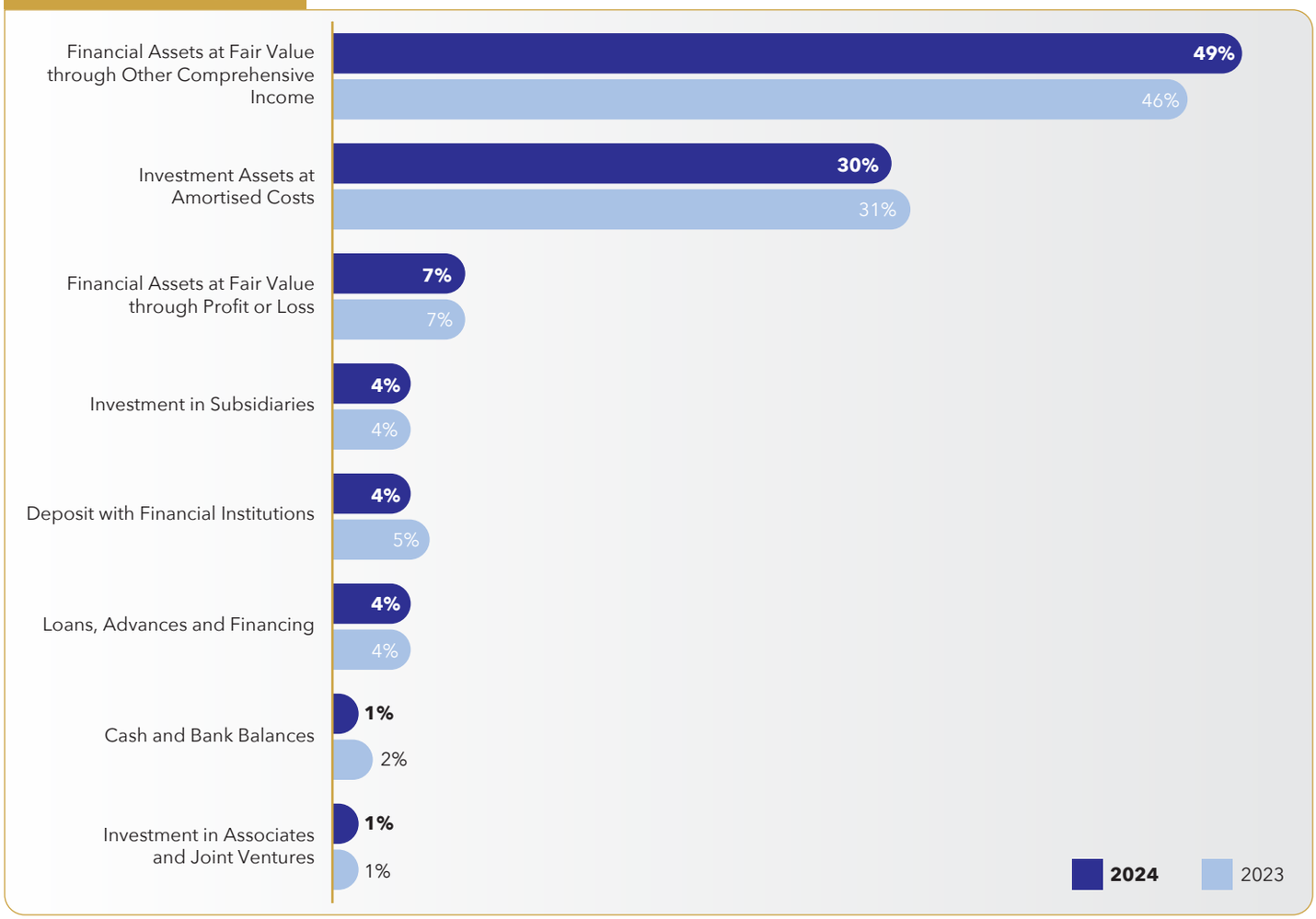
On the EPF's exposure to low-risk and steady income-generating assets, namely the assets categorised as Investment Asset at Amortised Cost (AC) and Loans, Advances and Financing, stood at RM376.79 billion, or 30%, and RM46.92 billion, or 4%, respectively. For AC assets, the breakdown between Simpanan Konvensional Assets and Simpanan Shariah Assets was RM327.35 billion and RM49.44 billion respectively, while for Loans, Advances and Financing, the breakdown between Simpanan Konvensional Assets and Simpanan Shariah Assets was RM39.89 billion and RM7.03 billion respectively.

In 2024, additional investments were also made to the EPF's subsidiaries, associates and joint venture companies, particularly to foreign inflation-linked asset classes. Cumulatively, the holdings in the investments in subsidiaries, associate and joint venture companies stood at RM59.33 billion, or 5%, of total investments, an increase of RM3.11 billion, or 6% from RM56.22 billion in 2023. The amount comprised of Simpanan Konvensional Assets amounting to RM50.59 billion and Simpanan Shariah Assets amounting to RM8.74 billion.

There was a 0.3%, or RM0.16 billion decrease in the Deposit amount with Financial Institutions, to RM52.03 billion, or 4%, from the total EPF investment assets.

Other Investment assets were Financial Assets at FVTPL, Investment Properties, Asset Held for Sale and Cash and Bank Balances totalling RM85.02 billion, RM0.80 billion, RM0.11 billion and RM15.88 billion respectively.

INVESTMENT ASSETS



Liabilities

Total liabilities increased by 21% to RM6.63 billion, from RM5.50 billion in 2023, mainly due to the increase in Financial Liabilities at Fair Value Through Profit or Loss.

Contributions

Cumulative contributions stood at RM1,269.68 billion as at 31 December 2024, displaying a growth of around 11% or RM122.90 billion, from the closing balance of RM1,146.78 billion in 2023. From RM1,269.68 billion cumulative contributions, Simpanan Konvensional recorded at RM1,092.28 billion, Simpanan Shariah recorded at RM176.29 billion and Head Office recorded at RM1.11 billion. Year 2024 has recorded a higher total withdrawals and refunds of RM68.28 billion as compared to RM50.57 billion in 2023. The growth in the Contribution account balance is also contributed by the provision for annual dividend for 2024 amounted to RM73.24 billion.

Collections During the Year

In 2024, a total of RM108.22 billion was collected from employers and members, compared to RM97.56 billion in the preceding year. The increase of RM10.66 billion, or 11%, was consistent with higher growth in the number of active members in 2024. On average, approximately RM9.02 billion was collected per month in 2024.

Withdrawals and Refunds During the Year

Total withdrawals and refunds in 2024 amounted to RM68.28 billion, where RM52.17 billion was for Simpanan Konvensional, and RM16.11 billion was for Simpanan Shariah, compared with RM50.57 billion in the previous year. There was an increase of RM17.71 bilion or 35%. There was no special withdrawal facility introduced in 2024 as compared to the previous year. On average, approximately RM5.69 billion was paid to members and beneficiaries per month in 2024. Details of withdrawals are provided in the Statistics section of this Integrated Annual Report.

Cumulative Surplus and Reserves

As at 31 December 2024, Cumulative Surplus and Reserves stood at negative RM23.62 billion, comprising RM16.42 billion in Cumulative Surplus, and negative RM40.04 billion in Financial Assets at Fair Value Through Other Comprehensive Income Reserves. This marked an increase of negative RM13.24 billion from negative RM10.38 billion in 2023. The trend was in line with the decreasing balance in respect of Financial Assets at Fair Value Through Other Comprehensive Income Reserves as at 31 December 2024, due to higher net unrealised loss from revaluation on Financial Assets mainly on equity portfolios.

CERTIFICATE OF THE AUDITOR GENERAL

CERTIFICATE OF THE AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF EMPLOYEES PROVIDENT FUND FOR THE YEAR ENDED 31 DECEMBER 2024

Certificate on the Audit of the Financial Statements

Opinion

I have authorised a private audit firm pursuant to subsection 7(3) of the Audit Act 1957 [*Act 62*] to undertake an audit of the Financial Statements of the Employees Provident Fund. The financial statements comprise the Statements of Financial Position as at 31 December 2024 of the Group and of the Employees Provident Fund and the Statements of Comprehensive Income, Statements of Changes in Net Assets Attributable to Members, Statements of Changes in Equity and Statements of Cash Flows of the Group and of the Employees Provident Fund for the year then ended, and notes to the financial statements, including a summary of material accounting policies, as set out on pages 152 to 345.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Employees Provident Fund as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with the Malaysian Financial Reporting Standards (MFRS) and the Employees Provident Fund Act 1991 [*Act 452*] requirements.

Basis for Opinion

The audit was conducted in accordance with the Audit Act 1957 and the International Standards of Supreme Audit Institutions. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my certificate. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Independence and Other Ethical Responsibilities

I am independent of the Group and of the Employees Provident Fund and I have fulfilled my other ethical responsibilities in accordance with the International Standards of Supreme Audit Institutions.

Information Other than the Financial Statements and Auditor's Certificate Thereon

The Board of the Employees Provident Fund is responsible for the other information in the Annual Report. My opinion on the Financial Statements of the Group and of the Employees Provident Fund does not cover the other information than the financial statements and Auditor's Certificate thereon and I do not express any form of assurance conclusion thereon.

Responsibilities of the Board for the Financial Statements

The Board is responsible for the preparation of Financial Statements of the Group and of the Employees Provident Fund that give a true and fair view in accordance with the Malaysian Financial Reporting Standards (MFRS) and the Employees Provident Fund Act 1991 [*Act 452*] requirements. The Board is also responsible for such internal control as the Board determines is necessary to enable the preparation of the Financial Statements of the Group and of the Employees Provident Fund that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements of the Group and of the Employees Provident Fund, the Board is responsible for assessing the Group's and the Employees Provident Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the Financial Statements of the Group and of the Employees Provident Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Certificate that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards of Supreme Audit Institutions will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the International Standards of Supreme Audit Institutions, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

a. identify and assess the risks of material misstatement of the Financial Statements of the Group and of the Employees Provident Fund, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a

CERTIFICATE OF THE AUDITOR GENERAL

material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

b. obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Employees Provident Fund's internal control;

c. evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board;

d. conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Employees Provident Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my Auditor's Certificate to the related disclosures in the Financial Statements of the Group and of the Employees Provident Fund or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of Auditor's Certificate. However, future events or conditions may cause the Group or the Employees Provident Fund to cease to continue as a going concern;

e. evaluate the overall presentation, structure and content of the Financial Statements of the Group and of the Employees Provident Fund, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

f. obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the Financial Statements of the Group. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

The Board has been informed regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I have identify during the audit.

I have also disclosed to the Board that I have complied with the ethical requirements regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on my independence, and if applicable, actions taken to eliminate threats or safeguards applied.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Employees Provident Fund Act 1991 [*Act 452*], I report that the subsidiaries, of which I have not acted as auditor, are disclosed in Note 38 to the financial statements.

Other Matters

The Employees Provident Fund shall strengthen internal system controls by ensuring access for users who have resigned or transferred been deactivated within the stipulated timeframe, in accordance with the prevailing Employees Provident Fund Information Security Policy. This measure is essential to safeguarding the confidentiality and security of data.

This certificate is made solely to the Board of the Employees Provident Fund in accordance with the Employees Provident Fund Act 1991 [*Act 452*] requirements, and for no other purpose. I do not assume responsibility to any other person for the content of this certificate.

(DATO' SERI WAN SURAYA WAN MOHD RADZI)
AUDITOR GENERAL
MALAYSIA

PUTRAJAYA
14 AUGUST 2025

STATEMENT BY THE CHAIRMAN AND A BOARD MEMBER

We, **TAN SRI DATO' SERI MOHD ZUKI BIN ALI** and **KHALID BIN SUFAT** as the Chairman and a member of the Board, as representatives of the **EMPLOYEES PROVIDENT FUND BOARD**, do hereby state that, in the opinion of the Board, the accompanying Financial Statements which includes the Statements Of Financial Position, Statements Of Comprehensive Income, Statements Of Changes In Net Assets Attributable To Members, Statements Of Changes In Equity and Statements Of Cash Flows, as follows together with the Notes To The Financial Statements are drawn up so as to give a true and fair view of the state of affairs of the **EMPLOYEES PROVIDENT FUND** as at 31 December 2024, the results of its operations and changes in financial position for the year ended on that date.

On behalf of the Board,



NAME : TAN SRI DATO' SERI MOHD ZUKI BIN ALI
TITLE : CHAIRMAN OF EPF
DATE : 18 APRIL 2025
PLACE : KUALA LUMPUR

On behalf of the Board,



NAME : KHALID BIN SUFAT
TITLE : A BOARD MEMBER OF EPF
DATE : 18 APRIL 2025
PLACE : KUALA LUMPUR

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT EMPLOYEES PROVIDENT FUND BOARD

I, **MOHAMAD HAFIZ BIN KASSIM**, an officer primarily responsible for the financial management of the **EMPLOYEES PROVIDENT FUND BOARD** do solemnly and sincerely declare that the accompanying Financial Statements which include the Statements Of Financial Position, Statements Of Comprehensive Income, Statements Of Changes In Net Assets Attributable To Members, Statements Of Changes In Equity and Statements Of Cash Flows, in the following financial position together with the Notes To The Financial Statements to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and]
solemnly declared by]
the abovenamed in]
KUALA LUMPUR]
on 18 April 2025]



MOHAMAD HAFIZ BIN KASSIM

Before me



COMMISSIONER OF OATHS
NO. 86, JALAN PUTRA,
50350 KUALA LUMPUR.

STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

	Note	Group	
		31 December 2024 (RM'000)	31 December 2023 (RM'000)
ASSETS			
Cash and Bank Balances		**21,008,339**	26,933,476
Deposits with Financial Institutions	3	**51,981,634**	56,598,455
Receivables, Deposits and Prepayments	4	**3,470,036**	6,567,651
Loans, Advances and Financing	5	**86,332,505**	87,824,825
Financial Assets at Fair Value through Profit or Loss	6	**112,199,267**	105,536,209
Financial Assets at Fair Value through Other Comprehensive Income	7	**625,453,364**	538,854,253
Investment Assets at Amortised Cost	8	**380,799,344**	352,694,343
Investment in Joint Ventures	9	**4,581,104**	5,117,692
Investment in Associates	10	**18,422,892**	18,126,105
Assets Held for Sale	12	**278,718**	151,542
Inventories	13	**2,822,526**	3,051,160
Intangible Assets	14	**309,469**	303,050
Investment Properties	15	**22,779,425**	24,298,104
Right-of-Use Assets	16	**391,189**	457,294
Property, Plant and Equipment	17	**1,291,145**	1,238,559
Deferred Tax Assets	18	**173,364**	144,395
		1,332,294,321	1,227,897,113
EQUITY			
Non-Controlling Interests		**4,796,476**	4,844,288
LIABILITIES			
Contribution Withdrawal Payables		**10,806**	7,611
Payables and Accrued Liabilities	19	**6,246,203**	6,483,053
Deposits and Advances	20	**47,581,314**	45,736,408
Lease Liabilities	16	**621,061**	690,869
Financial Liabilities at Fair Value through Profit or Loss	6	**1,797,029**	681,274
Loans and Overdrafts	21	**21,018,638**	25,893,194
Provision for Taxation		**43,933**	90,481
Employee Benefits	22	**427,806**	419,448
Deferred Tax Liabilities	18	**127,028**	117,700
		77,873,818	80,120,038
Net Assets Attributable to Members			
Contributions		**1,269,683,265**	1,146,777,786
Cumulative Surplus and Reserves		**(20,059,238)**	(3,844,999)
	23	**1,249,624,027**	1,142,932,787
		1,332,294,321	1,227,897,113

The notes set out form an integral part of, and should be read in conjunction with, these Statements.

STATEMENT OF FINANCIAL POSITION
as at 31 December 2024

	Note	EPF	
		31 December 2024 (RM'000)	31 December 2023 (RM'000)
ASSETS			
Cash and Bank Balances		**16,250,453**	22,714,662
Deposits with Financial Institutions	3	**52,032,989**	52,193,784
Receivables, Deposits and Prepayments	4	**1,607,141**	4,706,667
Loans, Advances and Financing	5	**47,103,973**	48,758,649
Financial Assets at Fair Value through Profit or Loss	6	**85,023,154**	80,755,378
Financial Assets at Fair Value through Other Comprehensive Income	7	**612,828,474**	526,329,555
Investment Assets at Amortised Cost	8	**376,785,918**	348,409,290
Investment in Joint Ventures	9	**24,500**	24,500
Investment in Associates	10	**12,555,048**	12,261,119
Investment in Subsidiaries	11	**46,754,456**	43,929,570
Assets Held for Sale	12	**106,675**	14,839
Intangible Assets	14	**9,625**	15,929
Investment Properties	15	**800,438**	989,265
Right-of-Use Assets	16	**471,896**	526,503
Property, Plant and Equipment	17	**336,813**	268,628
		1,252,691,553	1,141,898,338
LIABILITIES			
Contribution Withdrawal Payables		**10,806**	7,611
Payables and Accrued Liabilities	19	**3,374,307**	3,499,768
Deposits and Advances	20	**539,082**	416,331
Lease Liabilities	16	**542,757**	583,766
Financial Liabilities at Fair Value through Profit or Loss	6	**1,746,941**	587,491
Employee Benefits	22	**413,602**	405,477
		6,627,495	5,500,444
Net Assets Attributable to Members			
Contributions		**1,269,683,265**	1,146,777,786
Cumulative Surplus and Reserves		**(23,619,207)**	(10,379,892)
	23	**1,246,064,058**	1,136,397,894
		1,252,691,553	1,141,898,338

The notes set out form an integral part of, and should be read in conjunction with, these Statements.

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Note	Group	
		31 December 2024 (RM'000)	31 December 2023 (RM'000)
INCOME			
Gross Investment Income	24	**47,085,962**	48,917,781
Investment Expenditures	25	**(2,675,574)**	(2,247,775)
Net Write-back of Impairment/(Impairment) on Financial Investment Assets	26	**490,146**	(170,875)
Net Impairment on Investment in Associates	27	**(240,481)**	(99,482)
Net Investment Income		**44,660,053**	46,399,649
Other Income	28	**315,041**	298,437
Total Income		**44,975,094**	46,698,086
EXPENDITURES			
Operating Expenditures	29	**(6,258,318)**	(5,476,052)
Statutory Charges	30	**(79,673)**	(89,872)
Total Expenditures		**(6,337,991)**	(5,565,924)
Net Profit		**38,637,103**	41,132,162
Share of Profit in Associates and Joint Ventures		**885,103**	887,928
Net Profit before Tax and Zakat		**39,522,206**	42,020,090
Tax and Zakat	31	**(453,238)**	(352,023)
Net Profit after Tax and Zakat		**39,068,968**	41,668,067
Net Profit Attributable to Members	23.2	**(38,902,402)**	(41,460,867)
Profit for the Group (Attributable to Non-Controlling Interest)		**166,566**	207,200

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2024

	Note	Group	
		31 December 2024 (RM'000)	31 December 2023 (RM'000)
Other Comprehensive Income:			
Items that will not be Reclassified Subsequently to Profit or Loss			
Adjustment on Employee Benefits for the Financial Year		**(27,018)**	(37,482)
Net Unrealised (Loss)/Gain on Fair Value Revaluation on Investment in Equity Instruments at Fair Value through Other Comprehensive Income	23.3	**(11,621,263)**	13,433,782
Shariah Non-Compliant Income from Excess Gain on Securities which had been Reclassified from Shariah to Conventional	23.2	**4,928**	8,532
Net Realised Gain on Investment in Equity Instruments at Fair Value through Other Comprehensive Income	23.2	**31,266,917**	22,714,460
Tax Paid on Global Investments	23.2	**(254,991)**	(178,465)
		19,368,573	35,940,827
Items that may be Reclassified Subsequently to Profit or Loss			
Net Unrealised Gain on Fair Value Revaluation on Investment in Debt Instruments at Fair Value through Other Comprehensive Income	23.3	**330,207**	6,565,683
Net Changes in Fair Value of Debt Instruments at Fair Value through Other Comprehensive Income Reclassified to Profit or Loss on Disposal		**44,421**	(2,131,135)
Net Changes in Loss Allowance on Investment in Debt Instruments at Fair Value through Other Comprehensive Income		**(20,817)**	17,692
Foreign Currency Translation Differences		**(1,180,151)**	1,916,543
Net Movement on Cash Flow Hedging Derivatives		**(192,977)**	661,121
Share of Other Comprehensive Income from Associates and Joint Ventures		**(54,494)**	349,750
Net Changes in Reserves Reclassified to Profit or Loss on Changes in Equity Holdings in Associates and Joint Ventures		**22,004**	22,676
		(1,051,807)	7,402,330
Total Other Comprehensive Income before Attributable to Members		**18,316,766**	43,343,157
Amount Attributable to Members		**(18,314,926)**	(43,230,713)
Other Comprehensive Income for the Group (Attributable to Non-Controlling Interest)		**1,840**	112,444
Total Comprehensive Income for the Group (Attributable to Non-Controlling Interest)		**168,406**	319,644

The notes set out form an integral part of, and should be read in conjunction with, these Statements.

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2024

	Note	EPF	
		31 December 2024 (RM'000)	31 December 2023 (RM'000)
INCOME			
Gross Investment Income	24	**43,912,998**	44,674,405
Investment Expenditures	25	**(1,738,437)**	(1,572,662)
Net Write-back of Impairment/(Impairment) on Financial Investment Assets	26	**622,647**	(58,295)
Net (Impairment)/Write-back of Impairment on Investment in Subsidiaries and Associates	27	**(316,647)**	8,872
Net Investment Income		**42,480,561**	43,052,320
Other Income	28	**164,633**	182,881
Total Income		**42,645,194**	43,235,201
EXPENDITURES			
Operating Expenditures	29	**(1,910,186)**	(1,809,789)
Statutory Charges	30	**(79,673)**	(89,872)
Total Expenditures		**(1,989,859)**	(1,899,661)
Net Profit Attributable to Members	23.2	**40,655,335**	41,335,540

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2024

	Note	EPF	
		31 December 2024 (RM'000)	31 December 2023 (RM'000)
Other Comprehensive Income:			
Items that will not be Reclassified Subsequently to Profit or Loss			
Adjustment on Employee Benefits for the Financial Year		**(27,509)**	(36,267)
Net Unrealised (Loss)/Gain on Fair Value Revaluation on Investment in Equity Instruments at Fair Value through Other Comprehensive Income	23.3	**(11,621,263)**	14,035,225
Shariah Non-Compliant Income from Excess Gain on Securities which had been Reclassified from Shariah to Conventional	23.2	**4,928**	8,532
Net Realised Gain on Investment in Equity Instruments at Fair Value through Other Comprehensive Income	23.2	**31,266,917**	22,714,460
Tax Paid on Global Investments	23.2	**(254,991)**	(178,465)
		19,368,082	36,543,485
Items that may be Reclassified Subsequently to Profit or Loss			
Net Unrealised Gain on Fair Value Revaluation on Investment in Debt Instruments at Fair Value through Other Comprehensive Income	23.3	**331,248**	6,566,848
Net Changes in Fair Value of Debt Instruments at Fair Value through Other Comprehensive Income Reclassified to Profit or Loss on Disposal	23.3	**(18,871)**	(2,335,207)
Net Changes in Loss Allowance on Investment in Debt Instruments at Fair Value through Other Comprehensive Income	23.3	**(4,856)**	(3,856)
		307,521	4,227,785
Total Other Comprehensive Income Attributable to Members		**19,675,603**	40,771,270
Increase in Net Assets Attributable to Members		**60,330,938**	82,106,810

The notes set out form an integral part of, and should be read in conjunction with, these Statements.

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS

for the year ended 31 December 2024

	Note	Group	
		2024 (RM'000)	2023 (RM'000)
At 1 January		**1,142,932,787**	1,006,432,271
Add/(Less):			
Increase in Net Assets Attributable to Members		**57,313,883**	84,691,580
Contribution Received and Adjustments for the Financial Year		**117,942,826**	102,837,853
Contribution Withdrawals and Refunds		**(68,278,107)**	(50,567,129)
Dividend on Contribution Withdrawals		**(329,493)**	(291,785)
Net Asset Movement from Changes in Equity Holdings in Subsidiaries		**23,943**	(240,286)
Movement in Other Reserves of Subsidiaries		**18,188**	70,283
At 31 December	23	**1,249,624,027**	1,142,932,787

The notes set out form an integral part of, and should be read in conjunction with, these Statements.

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO MEMBERS

for the year ended 31 December 2024

	Note	EPF	
		2024 (RM'000)	2023 (RM'000)
At 1 January		**1,136,397,894**	1,002,312,145
Add/(Less):			
Increase in Net Assets Attributable to Members		**60,330,938**	82,106,810
Contribution Received and Adjustments for the Financial Year		**117,942,826**	102,837,853
Contribution Withdrawals and Refunds		**(68,278,107)**	(50,567,129)
Dividend on Contribution Withdrawals		**(329,493)**	(291,785)
At 31 December	23	**1,246,064,058**	1,136,397,894

The notes set out form an integral part of, and should be read in conjunction with, these Statements.

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

	Group	
	2024 (RM'000)	**2023 (RM'000)**
At 1 January	**4,844,288**	3,692,366
Add/(Less):		
Increase in Net Assets Attributable to Non-Controlling Interests	**168,406**	319,644
Net Asset Movement from Changes in Equity Holdings in Subsidiaries	**(49,783)**	979,414
Movement in Other Reserves of Subsidiaries	**65,800**	45,376
Dividend Credited to Non-Controlling Interest	**(232,235)**	(192,512)
At 31 December	**4,796,476**	4,844,288

The notes set out form an integral part of, and should be read in conjunction with, these Statements.

STATEMENTS OF CASH FLOWS

for the year ended 31 December 2024

	Note	Group		EPF	
		2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Profit before Tax and Zakat		**39,522,206**	42,020,090	**40,655,335**	41,335,540
Adjustment For:					
Share of Profit in Associates and Joint Ventures		**(885,103)**	(887,928)	**-**	–
Net Unrealised Loss/(Gain) on Foreign Exchange	24	**3,688,436**	(3,029,256)	**3,506,395**	(2,936,963)
Net Unrealised Gain on Financial Assets at Fair Value through Profit or Loss	24	**(2,465,980)**	(4,420,237)	**(2,448,278)**	(2,780,197)
Loss on Disposal of Subsidiaries and Associates		**35,485**	52,645	**-**	–
Gain on Acquisition of Subsidiaries and Associates		**(3,187)**	(354,383)	**-**	–
Gain on Disposal of Investment Properties	24	**(245,990)**	(8,148)	**-**	–
Write-back of Impairment on Deposits with Financial Institutions	26	**-**	(1)	**-**	(1)
Net (Write-back) of Impairment/Impairment on Rent Receivables	26	**(18,692)**	10,403	**1,707**	1,257
Net Impairment/(Write-back) of Impairment on Loans, Advances and Financing	26	**172,035**	117,534	**1,064**	(4,303)
Net Impairment on Financial Assets at Fair Value through Other Comprehensive Income	26	**1,432**	9,820	**3,105**	9,598
Net (Write-back) of Impairment/Impairment on Investment Assets at Amortised Cost	26	**(629,189)**	51,480	**(628,523)**	51,744
Net Write-back of Impairment on Commitments and Contingencies	26	**(15,732)**	(18,361)	**-**	–
Net Impairment/(Write-back) of Impairment on Investment in Subsidiaries and Associates	27	**240,481**	99,482	**316,647**	(8,872)
Gain on Disposal of Foreclosed Properties	28	**-**	(3,980)	**-**	–
Gain on Disposal of Assets Held for Sale		**(493)**	(4,369)	**-**	(3,038)
Write-Offs of Property, Plant and Equipment		**85**	388	**85**	388
Gain on Disposal of Right-of-Use Assets	28	**-**	(92)	**-**	(92)
Gain on Disposal of Property, Plant and Equipment	28	**(2,270)**	(449)	**(383)**	(608)
Employee Benefits	29	**20,856**	67,850	**19,715**	67,483
Amortisation of Intangible Assets	29	**48,213**	48,267	**7,026**	6,598
Depreciation of Investment Properties	29	**666,127**	576,623	**32,602**	34,911
Depreciation of Right-of-Use Assets	29	**30,191**	38,032	**42,720**	43,381
Depreciation of Property, Plant and Equipment	29	**127,997**	129,713	**74,121**	74,829
Net Impairment/(Write-back) of Impairment on Investment Properties	29	**5,400**	37,247	**-**	(643)
Net Impairment on Other Receivables	29	**3,949**	19,597	**69**	90
Impairment on Miscellaneous Rental Receivables	29	**55**	–	**55**	–
Write-Offs of Receivables	29	**5**	65	**-**	32
Profit Expense on Lease Liabilities	29	**24,365**	28,255	**25,731**	25,940
Interest and Profit Income from Investment in Financial Assets	24	**(29,896,892)**	(26,439,405)	**(26,317,997)**	(23,681,857)
Dividend Income from Investment in Subsidiaries		**-**	–	**(1,841,541)**	(1,819,319)
Dividend Income from Investment in Associates and Joint Ventures		**(29,779)**	(67,894)	**(718,234)**	(737,276)
Dividend Income from Investment in Financial Assets		**(18,091,413)**	(15,113,655)	**(17,599,833)**	(14,869,785)
Amortisation of Loan Acquisition Cost		**13,730**	54,147	**-**	–
Interest Expense		**652,052**	461,330	**-**	–
		(7,031,620)	(6,525,190)	**(4,868,412)**	(5,191,163)

STATEMENTS OF CASH FLOWS
for the year ended 31 December 2024

	Note	Group		EPF	
		2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Increase in Operating Assets:					
Deposits with Financial Institutions		**10,187,056**	(8,312,489)	**10,303,767**	(8,907,690)
Receivables, Deposits and Prepayments		**6,473,198**	(1,315,079)	**3,393,085**	(238,540)
Loans, Advances and Financing		**2,070,782**	140,981	**3,126,378**	(303,168)
Other Receivables		**40,422**	(82,756)	**-**	-
Financial Assets at Fair Value through Profit or Loss		**(8,218,432)**	(6,319,288)	**(5,305,896)**	(979,087)
Financial Assets at Fair Value through Other Comprehensive Income		**(64,360,059)**	(33,102,641)	**(64,209,569)**	(33,093,451)
Investment Assets at Amortised Cost		**(14,527,008)**	(35,708,735)	**(14,400,707)**	(34,930,810)
Inventories		**325,311**	179,628	**-**	-
		(68,008,730)	(84,520,379)	**(67,092,942)**	(78,452,746)
Increase/(Decrease) in Operating Liabilities:					
Contribution Withdrawal Payables		**3,195**	(4,126)	**3,195**	(4,126)
Payables and Accrued Liabilities		**1,389,014**	(1,070,378)	**(125,461)**	(983,265)
Deposits and Advances		**2,018,723**	3,299,275	**122,751**	(34,590)
Financial Liabilities at Fair Value through Profit or Loss		**1,159,450**	209,621	**1,159,450**	225,546
Employee Benefits		**(39,516)**	(14,478)	**(39,099)**	(26,867)
		4,530,866	2,419,914	**1,120,836**	(823,302)
Interest and Profit Received from Investment in Financial Assets		**9,367,433**	23,598,813	**8,888,493**	23,235,834
Dividend Received from Investment in Financial Assets		**18,001,405**	15,291,768	**17,642,469**	15,050,117
		27,368,838	38,890,581	**26,530,962**	38,285,951
Interest Paid		**(1,195,745)**	(375,139)	**-**	-
Tax and Zakat Paid		**(465,297)**	(322,320)	**-**	-
Tax Refunded		**3,040**	61,862	**-**	-
		(1,658,002)	(635,597)	**-**	-
Net Cash Used in Operating Activities		**(44,798,648)**	(50,370,671)	**(44,309,556)**	(46,181,260)

STATEMENTS OF CASH FLOWS
for the year ended 31 December 2024

	Note	Group		EPF	
		2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
CASH FLOWS FROM INVESTING ACTIVITIES					
Net Changes in Financial Assets at Fair Value through Profit or Loss		**(551,571)**	113,161	**-**	–
Net Changes in Financial Liabilities at Fair Value through Profit or Loss		**1,610**	(18,311)	**-**	–
Net Changes in Financial Assets at Fair Value through Other Comprehensive Income		**(177,739)**	805,562	**-**	–
Net Changes in Investment Assets at Amortised Cost		**419,104**	(656,050)	**-**	–
Capital Injection to Investment in Joint Ventures		**(431,151)**	(284,329)	**-**	–
Capital Injection to Investment in Associates		**(242,515)**	(337,216)	**(294,603)**	(287,623)
Capital Injection to Investment in Subsidiaries		**-**	–	**(3,140,861)**	(6,658,782)
Dividend Received from Subsidiaries		**-**	–	**1,487,311**	1,819,319
Dividend Received from Associates and Joint Ventures		**816,714**	874,499	**734,438**	737,276
Net Cash Outflow from Acquisition of Subsidiaries		**-**	(282,133)	**-**	–
Proceeds from Disposal of Foreclosed Properties		**-**	9,591	**-**	–
Proceeds from Disposal of Asset Held for Sale		**137,196**	7,317	**-**	4,715
Purchase of Intangible Assets	14	**(25,029)**	(19,689)	**-**	–
Purchase of Investment Properties	15	**(791,877)**	(576,837)	**-**	(13,865)
Proceeds from Disposal of Investment Properties		**631,616**	12,500	**-**	–
Purchase of Property, Plant and Equipment		**(151,104)**	(125,292)	**(81,485)**	(47,129)
Proceeds from Disposal of Property, Plant and Equipment		**4,087**	759	**450**	611
Net Cash Used in Investing Activities		**(360,659)**	(476,468)	**(1,294,750)**	(4,445,478)

STATEMENTS OF CASH FLOWS
for the year ended 31 December 2024

	Note	Group		EPF	
		2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from Borrowings	21	**2,414,429**	5,304,983	**-**	-
Repayments of Borrowings	21	**(6,419,471)**	(2,605,444)	**-**	-
Dividend Paid to Non-Controlling Interests		**(232,235)**	(192,512)	**-**	-
Lease Payments		**(24,250)**	(26,096)	**(26,426)**	(24,452)
Profit Expense on Lease Liabilities		**(24,365)**	(28,255)	**(25,731)**	(25,940)
Dividend on Withdrawals		**(329,493)**	(291,785)	**(329,493)**	(291,785)
Net Contribution		**49,664,719**	52,270,724	**49,664,719**	52,270,724
Net Cash Generated from Financing Activities		**45,049,334**	54,431,615	**49,283,069**	51,928,547
(Decrease)/Increase in Cash and Cash Equivalents		**(109,973)**	3,584,476	**3,678,763**	1,301,809
Adjustments of Foreign Currency Translation Differences		**(155,388)**	432,233	**-**	-
Cash and Cash Equivalents as at 1 January	33	**68,372,951**	64,356,242	**59,010,143**	57,708,334
Cash and Cash Equivalents as at 31 December	33	**68,107,590**	68,372,951	**62,688,906**	59,010,143

The notes set out form an integral part of, and should be read in conjunction with, these Statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

1. CORPORATE INFORMATION

The EPF was established under the EPF Ordinance 1951 in which later was amended to the EPF Act 1991 to act as the trustee of the Employees Provident Fund, which is a Defined Contribution Scheme.

The principal activities of the EPF are to receive and to collect contributions, to meet all withdrawals of savings and other benefits to members or their beneficiaries upon satisfaction of any condition for withdrawals and to invest its monies for the benefits of its members. The principal activities of the Subsidiaries, Associates and Joint Ventures are as stated in Notes 38 and 39 respectively.

There have been no significant changes in the nature of these principal activities during the financial year.

The EPF headquarters is situated in Menara KWSP, No. 1, Persiaran Kwasa Utama, Kwasa Damansara, Seksyen U4, 40150 Shah Alam, Selangor. As at 31 December 2024, the EPF operates 69 branches located at the main cities all over Malaysia.

The Financial Statements of the Group and EPF for the financial year ended 31 December 2024 have been accepted and approved by the EPF Board on 18 April 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently with the accounting standards adopted in previous years in dealing with items that are considered material in relation to the Financial Statements, unless otherwise stated:

2.1 Basis of Preparation

(a) Statement of Compliance

The Financial Statements of the Group and EPF have been prepared in accordance with the Malaysian Financial Reporting Standards (MFRS), International Financial Reporting Standards (IFRS) and EPF Act 1991 (Act 452).

The accounting policies set out below have been applied consistently to the periods presented in these Financial Statements and have been applied consistently by Group entities, unless otherwise stated.

The Group and EPF have applied the following standards and amendments for the first time for the annual reporting period commencing 1 January 2024:

a) Amendments to MFRS 101 - Presentation of Financial Statements (Classification of Liabilities as Current and Non-current) and (Non-current Liabilities with Covenants);

b) Amendments to MFRS 16 - Leases (Lease Liability in Sale and Leaseback;

c) Amendments to MFRS 107 - Statement of Cash Flows (Supplier Finance Arrangements); and

d) Amendments to MFRS 7 - Financial Instruments: Disclosures (Supplier Finance Arrangements).

The amendments listed above do not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.1 Basis of Preparation (Cont'd.)

(a) Statement of Compliance (Cont'd.)

The Group and EPF intend to adopt accounting standards issued by Malaysian Accounting Standard Board (MASB) as follows, when it is effective:

New MFRSs

Description	Effective For Annual Periods Beginning On or After
MFRS 18 - Presentation and Disclosures in Financial Statements	1 January 2027
MFRS 19 - Subsidiaries without Public Accountability: Disclosures	1 January 2027

Amendments/Improvements to MFRSs

Description	Effective For Annual Periods Beginning On or After
MFRS 121 - The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)	1 January 2025
MFRS 7 - Financial Instruments: Disclosures (Classification and Measurement of Financial Instruments)	1 January 2026
MFRS 9 - Financial Instruments (Classification and Measurement of Financial Instruments)	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 10 - Consolidated Financial Statements (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)	Deferred
MFRS 128 - Investments in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)	Deferred

The Group and EPF plan to apply the above mentioned accounting standards, interpretations and amendments from the annual period beginning on 1 January 2025 for those accounting standards, interpretations and amendments that are effective for annual periods beginning on or after 1 January 2025. The Group and EPF are in the process of assessing the impact of the above mentioned new accounting standards, namely MFRS 18 and MFRS 19. The adoption of these amendments or improvements to MFRSs are not expected to have any material financial impacts to the current and future period financial statements of the Group and EPF.

(b) Basis of Measurement

The Financial Statements of the Group and EPF have been prepared on the historical cost basis other than as disclosed in Note 2.

(c) Functional and Presentation Currency

These Financial Statements are presented in Ringgit Malaysia (RM), which is the EPF's functional currency. All financial information is presented in (RM) and has been rounded to the nearest thousand, unless otherwise stated.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.1 Basis of Preparation (Cont'd.)

(d) Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated Financial Statements:

i. Impairment of Investment in Subsidiaries, Associates and Joint Ventures

The Group and EPF assess whether there is any indication that an Investment in Subsidiaries, Associates and Joint Ventures may be impaired at each reporting date.

The Group and EPF determine whether its investments are impaired following certain indications of impairment such as, amongst others, prolonged shortfall between market value and carrying amount, significant changes with adverse effects on the investment and deteriorating financial performance of the investment due to observed changes in the economic environment.

ii. Impairment of Investment Assets at Amortised Cost (AC) and Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)

The Group and EPF assess the Expected Credit Losses (ECL) associated with its Investment Assets at AC and Financial Assets at FVOCI on a forward looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group and EPF categorise the financial assets into three (3) categories namely i) investment and financial assets at AC and FVOCI; ii) loan commitments; and iii) financial guarantee contracts to reflect their credit risk and how the ECL is determined for each of the category. A summary of the assumptions underpinning the Group's and the EPF's ECL model is set out in Note 2.13.

iii. Recognition of Deferred Tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements.

Deferred Tax Assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences or unused tax losses can be utilised.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.1 Basis of Preparation (Cont'd.)

(d) Significant Accounting Judgements, Estimates and Assumptions (Cont'd.)

Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year, are described below. Consolidated Financial Statements were prepared by the Group and EPF based on assumptions and estimates on available parameter. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group and EPF. Such changes are reflected in the assumptions when they occur.

i. Impairment of Investment in Subsidiaries, Associates and Joint Ventures

Should indicators exist, these assets are subject to impairment review. The impairment review comprises a comparison between the carrying amount of the investment and the investment's estimated recoverable amounts.

Depending on their nature and the location in which the investments relate to, the Group and EPF will select suitable valuation technique such as, amongst others, discounted future cash flows or estimated fair value based on quoted market price of the most recent transactions. Once a suitable valuation technique is selected, the Group and EPF will make certain assumptions concerning the future to estimate the recoverable amount of the specific individual investment.

These assumptions and other uncertain key sources of estimation at the reporting date, may have a significant risk of causing a material adjustment to the carrying amounts of the investments within the next financial year. Depending on the specific individual investments, assumptions made by the Group and EPF may include, amongst others, assumptions on expected future cash flows, revenue growth, terminal value, discount rate used for purpose of discounting future cash flows which incorporates the relevant risks and expected future outcome based on certain past trend. The Group and EPF believe that no reasonably possible changes in the key assumptions described above would cause the carrying amount of the investments to materially exceed their recoverable amounts.

ii. ECL Allowance on Investment Assets at AC and Financial Assets at FVOCI

The measurement of the ECL allowance for Investment Assets measured at AC and Financial Assets at FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimations techniques used in measuring the ECL is further detailed in Note 2.13.

A number of significant assumptions and estimates are also required in applying the accounting requirements for measuring the ECL, such as:

(a) Determining criteria for significant increase in credit risk;

(b) Choosing appropriate models and assumptions for the measurement of ECL;

(c) Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and

(d) Establishing groups of similar Financial Assets for the purposes of measuring ECL.

Detailed information about the assumptions and estimates made by the Group and EPF in the above areas is set out in Note 2.13.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.1 Basis of Preparation (Cont'd.)

(d) Significant Accounting Judgements, Estimates and Assumptions (Cont'd.)

Estimates and Assumptions (Cont'd.)

iii. Impairment of Financial Assets on Loans, Advances and Financing

In estimating the impairment loss on loans, advances and financing, the Group and EPF are required to estimate the amount and timing of future cash flows. In estimating these cash flows, the Group and EPF make judgement about the borrower's or the customer's financial situation and the net realisable value of collateral.

iv. Cost Write Down on Listed Equities

For equity instruments carried at FVOCI, costs of such instruments are assessed on an interval approved by the Board for each individual equity security. When there is evidence of significant decline in fair value of listed equities, the unrealised loss residing in Financial Assets at FVOCI Reserve on such securities is recognised as realised loss through an actual transfer to Cumulative Surplus. The costs of these instruments will be correspondingly written down based on the equivalent amount of losses transferred from FVOCI Reserve to Cumulative Surplus.

v. Valuation of Investment Properties

For the purpose of assessing impairment of investment properties which are carried at cost, the carrying amount are compared against the fair value of the investment properties to assess whether there is any indication of impairment. The measurement of the fair value for this purpose is arrived at based on income approach and comparison method which involve analysis of comparable sales and adjusting for factors which can influence the value or price of the said properties or the rental of properties that is expected to achieve. This valuation is performed by Accredited Independent Valuers who hold a recognised and relevant professional qualification and recent experience in the locations and category of properties being valued.

vi. Deferred Tax and Income Taxes

The Group are subject to income taxes in many jurisdictions and significant judgement is required in estimating the provision for income taxes. There are many transactions and interpretations of tax law for which the final outcome will not be established until sometime later. Liabilities for taxation are recognised based on estimates of whether additional taxes will be payable. The estimation process includes seeking advice on the tax treatments where appropriate. Where the final liability for taxation is different from the amounts that were initially recorded, the differences will affect the income tax and deferred tax provisions in the period in which the estimations revised or the final liability is established.

vii. Post-Retirement Medical Benefit Obligation

The present value of Post-Retirement Medical Benefit Obligation depends on a number of factors that are determined on actuarial basis using a number of assumptions. The assumptions used in determining the net cost for Post-Retirement Medical Benefit Obligation include the discount rate and the expected medical cost rate. Any changes in these assumptions will impact the carrying amount of Post-Retirement Medical Benefit Obligation.

The Group and EPF perform actuarial valuation on an annual basis. Discount rate used is based on the interest rate of high quality corporate bonds. This interest rate was used to determine the present value of the estimated expected future cash outflows required to settle the Post-Retirement Medical Benefit Obligation.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.1 Basis of Preparation (Cont'd.)

(d) Significant Accounting Judgements, Estimates and Assumptions (Cont'd.)

Estimates and Assumptions (Cont'd.)

vii. Post-Retirement Medical Benefit Obligation (Cont'd.)

In determining appropriate discount rate, the Group and EPF consider the interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related liability.

The medical cost rate is based on the average historical cost incurred by the Group and EPF.

viii. Post-Retirement Gratuity Benefit Obligation

The present value of Post-Retirement Gratuity Benefit Obligation depends on a number of factors that are determined on actuarial basis using a number of assumptions. The assumptions used in determining the total amount of gratuities include the discount rate, expected annual salary increment and revision of the salary rate. Any changes in these assumptions will impact the carrying amount of the Post-Retirement Gratuity Benefit Obligation.

The Group and EPF perform actuarial valuation on an annual basis. Discount rate used is based on the interest rate of high quality corporate bonds. This interest rate was used to determine the present value of the estimated expected future cash outflows required to settle the Post-Retirement Gratuity Benefit Obligation.

In determining appropriate discount rate, the Group and EPF consider the interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related liability.

Annual salary increment rate is based on the average of previous year salary increment incurred by the Group and EPF.

ix. Cash Award in Lieu of Annual Leave (Inclusive of the Employer Share on Contributions for Such Payments) Benefit Obligation

The present value of Cash Award in Lieu of Annual Leave (inclusive of the employer share on contributions for such payments). Benefit Obligation depends on a number of factors that are determined on actuarial basis using a number of assumptions. The assumptions used in determining the total amount of cash award in lieu of annual leave benefit obligation include the discount rate, expected annual salary increment and revision of the salary rate. Any changes in these assumptions will impact the carrying amount of Cash Award in Lieu of Annual Leave (inclusive of the employer share on contributions for such payments) Benefit Obligation.

The Group and EPF perform actuarial valuation on an annual basis. Discount rate used is based on the interest rate of high quality corporate bonds. This interest rate was used to determine the present value of the estimated expected future cash outflows required to settle the Cash Award in Lieu of Annual Leave (inclusive of the employer share on contributions for such payments) Benefit Obligation.

In determining appropriate discount rate, the Group and EPF consider the interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related liability.

Annual salary increment rate is based on the average of previous year salary increment incurred by the Group and EPF.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.1 Basis of Preparation (Cont'd.)

(d) Significant Accounting Judgements, Estimates and Assumptions (Cont'd.)

Estimates and Assumptions (Cont'd.)

x. Methodology Applied on Allocation for Simpanan Shariah and Simpanan Konvensional

Members' contribution has been classified as Simpanan Shariah (SS) or Simpanan Konvensional (SK) based on the option made by the members. Financial disclosure with regard to members' contribution based on SS and SK is disclosed in Note 32.

Effective 1 January 2024, EPF has embarked on a separation of its SS and SK funds. This resulted in the classification of investment assets and liabilities are based on actual allocation. Shariah Income Ratio (SIR), Shariah Assets Ratio (SAR) and Members Savings Ratio (MSR) will no longer be applied starting from 1 January 2024.

The following changes to the methodology of allocation have been made effective 1 January 2024:

1. Investment assets and liabilities which were previously allocated between Simpanan Shariah and Simpanan Konvensional using SAR will be allocated based on its actual classification.
2. Allocation of direct investment income and expenses will be made based on its actual classification rather than SIR.

Members Savings Ratio (MSR) will continue to be used by EPF after the implementation of the SS and SK split to allocate distributable profits to both SS and SK to allocate common (non-investment) income and expenses to SS and SK. MSR is calculated on monthly average basis to ensure that any fluctuation of the ratios during the year are being reflected accurately as at the year end.

As such, EPF has applied this changes prospectively effective from 1 January 2024.

2.2 Basis of Consolidation

The Consolidated Financial Statements comprises the Financial Statements of the EPF and its subsidiaries which have been prepared as at the financial year end. The Financial Statements of the subsidiaries are prepared on the same reporting date as the EPF, using consistent accounting policies for transactions and events in similar circumstances.

Subsidiaries are consolidated from the date of acquisition, being the date on which Group and EPF obtain control and continue to be consolidated until the date such control effectively ceased. All intragroup balances, income, expenses and unrealised gains and losses resulting from intragroup transactions are eliminated.

Unrealised gains arising from intragroup transactions with Associates and Joint Ventures are eliminated to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.3 Investment in Subsidiaries

Subsidiaries are all entities (inclusive those incorporated for special purpose) of which the Group has the power to control. Control exists when the Group is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial results of the subsidiaries are included in the Consolidated Financial Statements from the date the control is transferred to the Group until the date that control ceases.

The quoted and unquoted Investment in Subsidiaries are stated at cost and thereafter adjusted to its recoverable value which takes into consideration the impairment loss in the said year, if any. The policy for the recognition and measurement of impairment loss is in accordance with Note 2.13.

Acquisition method is used in accounting for the consolidation of subsidiaries. The consideration transferred for acquisition of a Subsidiary is the fair value of the assets transferred, equity instruments issued and the existing outstanding liabilities or assumed at the date of exchange.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of consideration transferred over the fair value of the Group's share of the identifiable net assets acquired at the date of acquisition is reflected as goodwill as per Note 2.11. If the acquisition cost is less than the fair value of the net assets of the subsidiary acquired, the gain is recognised directly in Profit or Loss.

Non-Controlling Interests represents the minority portion of the Profit or Loss and net assets of a subsidiary attributable to the equity interests that are not owned directly or indirectly by the parent.

Non-Controlling Interests is measured in respect of its minority share of the subsidiaries identifiable assets and liabilities at fair value as at the acquisition date and the minority share on changes in equity of the subsidiaries from that date.

Intragroup transactions, balances and unrealised gains on transactions between companies of the Group are eliminated. Unrealised losses are also eliminated but is considered as impairment indicator on the assets transferred.

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in Profit or Loss. This fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an Associate, Joint Venture or Financial Assets. In addition, any amount previously recognised in Other Comprehensive Income in respect to that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

Gain or loss on disposal of a Subsidiary is the difference between net disposal proceeds and the Group's share of its net assets as of the date of disposal including the cumulative amount of any foreign exchange differences that relate to the subsidiary is recognised in the Consolidated of Profit or Loss.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.4 Investment in Associates

Associates are entities in which the Group exercise significant influence. Significant influence is the power to participate in the financial and operating policies decision of the associates but no power to exercise control or joint control over those policies.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has significant influence over another entity.

Investment in Associates are accounted for using the equity method of accounting. Under the equity method, the Investment in Associates are initially recognised at cost, and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the associate in Profit or Loss, and the Group's share of movement in other comprehensive income of the associate in other comprehensive income. Dividend received or receivable from an associate are recognised as a reduction in the carrying amount of the investment. The Group's Investment in Associates includes Goodwill identified on acquisition.

The quoted and unquoted Investment in Associates are stated at cost and thereafter adjusted to its recoverable value which takes into consideration the impairment loss in the said year, if any. The policy for the recognition and measurement of impairment loss is in accordance with Note 2.13.

When the Group's share of losses in an associate equals or exceeds its interest in an associate, including any long-term interests that, in substance, form part of the Group's Investment in Associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

2.5 Investment in Joint Ventures

A Joint Venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Investment in Joint Ventures are accounted for using the equity method of accounting. Under the equity method, the Investment in Joint Ventures are initially recognised at cost, and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the Joint Venture in Profit or Loss, and the Group's share of movement in Other Comprehensive Income of the Joint Venture in Other Comprehensive Income. Dividend received or receivable from a Joint Venture are recognised as a reduction in the carrying amount of the investment.

Investment in Joint Ventures is stated at cost and thereafter adjusted to its recoverable value which takes into consideration the impairment loss in the said year, if any. Policy for the recognition and measurement of impairment loss is in accordance with Note 2.13.

When the Group's share of losses in a Joint Venture equals or exceeds its interest in a Joint Venture, including any long-term interests that, in substance, form part of the Group's Investment in Joint Venture, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the Joint Venture.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.6 Foreign Currency

i. Foreign Currency Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at the reporting date exchange rates, are generally recognised in Profit or Loss.

Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the actual exchange rates as at the date of the initial transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising from the settlement of monetary items or on translating monetary items at the reporting date are recognised in Profit or Loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in Other Comprehensive Income and accumulated under Foreign Currency Translation Reserve in the Statements of Financial Position.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in Profit or Loss for the financial year except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in the Other Comprehensive Income.

ii. Foreign Operations

The results and financial position of foreign operations that have functional currency different from the presentation currency of Ringgit Malaysia (RM) of the Consolidated Financial Statements are translated into Ringgit Malaysia (RM) as follows:

i. Assets and Liabilities of foreign operations are translated at the closing rate prevailing at the reporting date;

ii. Income and expenses for each Profit or Loss are translated at average exchange rates for the year, which approximates to the exchange rates at the dates of the transactions; and

iii. All results for exchange differences are taken directly to Profit or Loss and Other Comprehensive Income through the Foreign Currency Translation Reserve.

2.7 Financial Instruments

i. Initial Recognition and Measurement

A financial asset or financial liability is recognised in the Statements of Financial Position when, and only when, the Group or EPF becomes a party to the contractual provisions of the instrument.

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group and EPF commit to purchase or sell the asset. Investments are initially recognised at fair value plus, in the case of a financial instrument not at Fair Value through Profit or Loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised as FVTPL. Financial asset with embedded derivative are considered in its entirely when considering their classification and measurement. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.7 Financial Instruments (Cont'd.)

ii. Financial Instruments Categories and Subsequent Measurements

The Group and EPF categorise financial instruments as follows:

Financial Assets

The classification of financial assets as per MFRS 9 is based on the following measurement categories:

a. AC;

b. FVOCI; or

c. FVTPL.

The classification requirements for debt and equity instruments are described below:

a. Debt Instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective. Classification and subsequent measurement of debt instruments depend on:

i. Business Model

The business model reflects how the Group and EPF manage the financial assets in order to generate cash flows. That is, whether the Group and EPF's objective is solely to collect the contractual cash flows from the assets, or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these are applicable (e.g. the financial assets are held for trading purposes), then the financial assets are classified as part of other business model. Factors considered by the Group and EPF in determining the business model for a portfolio of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, and how risks are assessed and managed.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.7 Financial Instruments (Cont'd.)

ii. Financial Instruments Categories and Subsequent Measurements (Cont'd.)

Financial Assets (Cont'd.)

a. Debt Instruments (Cont'd.)

ii. Cash Flow Characteristics

Where the business model is to hold the financial assets to collect contractual cash flows, or to collect contractual cash flows and sell, the Group and EPF assess whether the financial assets' contractual cash flows represent Solely Payment of Principal and Interest (SPPI). In making this assessment, the Group and EPF consider whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Financial assets with embedded derivatives are considered in their entirely when determining whether their cash flows are SPPI.

Based on these factors, the Group and EPF classify the debt instruments into one (1) of the following three (3) measurement categories:

i. AC

Assets that are held for collection of contractual cash flows where those cash flows represent SPPI, and that are not designated at FVTPL, are measured at AC using the effective interest method. The carrying amount of these assets is adjusted by any ECL allowance recognised and measured using the methodology described in Note 2.13. AC is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate. The Effective Interest Rate amortisation is included in the interest income in Profit or Loss. The losses arising from impairment are recognised in Profit or Loss and recorded as Net Impairment on Financial Investment Assets.

The Group's and EPF's debt instruments classified as AC comprise Financial Assets at AC, Loans, Advances and Financing, Receivables and Deposits, Deposits with Financial Institutions and Cash and Bank Balances. Included in Financial Assets at AC are Fixed Income Investment Instruments such as Malaysian Government Securities, Government Investment Issues, Bonds and Private Debts Securities.

ii. FVOCI

Financial assets that are held for contractual cash flows and for selling the assets, where the assets' cash flows represent SPPI, and are not designated at FVTPL, are measured at FVOCI. Changes in the fair value are recognised through other comprehensive income, except for interest income, foreign exchange gains or losses and the recognition of impairment losses measured using the methodology described in Note 2.13 are recognised in Profit or Loss. Interest earned whilst holding the assets are reported as Interest Income using the Effective Interest Rate method.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.7 Financial Instruments (Cont'd.)

ii. Financial Instruments Categories and Subsequent Measurements (Cont'd.)

Financial Assets (Cont'd.)

a. Debt Instruments (Cont'd.)

ii. Cash Flow Characteristics (Cont'd.)

ii. FVOCI (Cont'd.)

The losses arising from impairment are reclassified from Other Comprehensive Income to Profit or Loss in Impairment Losses on Financial Investment Assets. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified to Profit or Loss and recognised in Gross Investment Income.

The Group's and EPF's debt instruments classified as FVOCI comprise of Global and Domestic Fixed Income Investment instrument.

iii. FVTPL

Financial assets that do not meet the criteria for AC or FVOCI, including financial assets held-for-trading and derivatives, are measured at FVTPL. A gain or loss on an asset that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in Profit or Loss and presented within Gross Investment Income. Interest earned whilst holding the assets are reported as interest income using the effective interest rate method.

In addition, financial assets that meet the criteria for AC or FVOCI may be irrevocably designated by management as FVTPL on initial recognition, provided the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis. Such designation is determined on an instrument by instrument basis. Any change in fair value is recognised in Profit or Loss and presented within Gross Investment Income. Interest earned is recognised in interest income using the effective interest rate method.

The fair value of forward contracts is determined by using forward exchange rates at the reporting date with the resulting value discounted back to present value.

Reclassification of Debt Instruments

The Group and EPF reclassify debt instruments when and only when its business model for managing those assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the financial year.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.7 Financial Instruments (Cont'd.)

ii. Financial Instruments Categories and Subsequent Measurements (Cont'd.)

Financial Assets (Cont'd.)

b. Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective, that is, instruments that do not contain a contractual obligation to pay and that evidence of a residual interest in the issuers' net assets.

The Group and EPF at initial recognition, have elected to irrevocably designate all equity investment that is not held for trading at FVOCI. When this election is used, fair value gains and losses are recognised in Other Comprehensive Income and are not subsequently reclassified to Profit or Loss, including on disposal. Dividends earned whilst holding the equity investment are recognised in Profit or Loss as Gross Investment Income when the right to the payment has been established.

c. Loans, Advances and Financing

Loans, Advances and Financing are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans, Advances and Financing are recognised on the trade date in which the Group and EPF commit to give out loans plus related transaction costs, if any. The subsequent measurement of this financial asset is at AC using the effective yield method.

Included in Loans, Advances and Financing are Staff Loans financial assets and Capital Advances to Subsidiaries.

d. Staff Loans

Staff Loans are initially measured as fair value and subsequently measured at amortised cost using the effective interest method. There are three (3) types of loan schemes offered to the EPF's staff at the interest rate approved by the Board based on the terms and conditions of service as follows:

i. Housing Loan Scheme;
ii. Vehicle Loan Scheme; and
iii. Personal Loan Scheme.

The fund used to finance staff loans for the above mentioned three (3) schemes is subject to the allocation of funds as approved by the Board.

e. Receivables

Receivables are carried at invoice amount less allowance for impairment losses. Allowance for impairment losses is made when there is an objective evidence that the Group will not be able to collect all amount due according to the original terms of receivables as disclosed in Note 2.13.

All financial assets, except for those measured at FVTPL, are subject to review for impairment as per Note 2.13.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.7 Financial Instruments (Cont'd.)

ii. Financial Instruments Categories And Subsequent Measurements (Cont'd.)

Financial Liabilities

All financial liabilities are subsequently measured at AC other than those categorised as FVTPL.

FVTPL category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract), contingent consideration in a business combination or financial liabilities that are specifically designated into this category upon initial recognition.

Other financial liabilities categorised as FVTPL are subsequently measured at fair values with the gain or loss recognised in Profit or Loss.

i. Hedge Accounting

Cash Flow Hedge

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and could affect Profit or Loss.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the Statement of Other Comprehensive Income and accumulated in the Cash Flow Hedge Reserve. The gain or loss relating to the ineffective portion is recognised immediately in Profit or Loss. However, if the Group closes out its position early, the cumulative gains and losses recognised in Statement of Other Comprehensive Income are frozen and reclassified from the Cash Flow Hedging Reserves to Profit or Loss using the effective interest method.

ii. Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in the Statements of Financial Position is recognised in Profit or Loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in Profit or Loss.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.7 Financial Instruments (Cont'd.)

ii. Financial Instruments Categories And Subsequent Measurements (Cont'd.)

Financial Liabilities (Cont'd.)

iii. Financial Guarantee Contract

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

(a) the amount of the loss allowance; and

(b) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15 - Revenue from Contracts with Customers.

Liabilities arising from financial guarantees are presented within Accruals on Investment Payments under Payables and Accrued Liabilities.

iii. Income Recognition

i. Interest, Financing and Profit Income and Expenditure

Interest and profit income and expense for all interest/profit-bearing financial instruments are recognised within Gross Investment Income and Operating Expenditures respectively in the statement of income using the effective interest/profit method.

The effective interest/profit method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest/profit income or interest/profit expense over the relevant period. The effective interest/profit rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instruments or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest/profit rate, the Group and EPF take into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest/profit rate, but not future credit losses.

Interest/profit income is calculated by applying effective interest/profit rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest/profit rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

Loan arrangement fees and commissions are recognised as income based on contractual arrangements.

ii. Dividend Income

Dividend Income is recognised in Profit or Loss on accrual basis when the Group's and EPF's right to receive the dividend has been established. For dividend from quoted equity, the recognition is on the ex-dividend date.

iii. Capital Gain

Capital Gain arising from sales of investment instruments is recognised on accrual basis and takes into account the effects of foreign exchange for the global investment instruments. Capital Gain is recognised when the risks and rewards of ownership of the investment instruments have been significantly transferred to the buyers.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.8 Property, Plant and Equipment and Depreciation

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss. Costs include expenditures that are directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and EPF and the costs of the item can be measured reliably.

The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to Profit or Loss during the financial year in which they are incurred.

Freehold Land and Work-in-Progress are not depreciated. All other Property, Plant and Equipment are depreciated using straight line method based on the following estimated useful life:

Buildings	10 years - 50 years
Building, Plant and Machinery	5 years - 10 years
Office/Building Renovation	5 years - 10 years
Furniture, Fixtures and Fittings	5 years
Motor Vehicles	5 years
Office Equipment	5 years
Computer Software and Hardware	3 years - 5 years

Furniture, Fixtures and Fittings and Office Equipment which cost below RM1,000 per unit are fully depreciated in the year of acquisition.

Office/Building Renovation valued at RM100,000 and above is capitalised. For renovation of which the project cost is less than RM100,000, such renovation cost is charged to current year expenses.

Residual values and useful lives of assets are reviewed, and adjusted if appropriate, at each reporting date. At each reporting date, the Group and EPF assess whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. Impairment loss is recognised if the carrying amount exceeds the recoverable amount as disclosed in Note 2.13.

Upon the disposal of Property, Plant and Equipment, the difference between net disposal proceeds and carrying amount is recognised in Profit or Loss. If an item of owner-occupied property becomes an investment property because its use has changed, the carrying amount of the property does not change.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.9 Leases

i. Accounting by Lessee

Leases are recognised as Right-of-Use (ROU) Assets and a corresponding liability at the date on which the leased asset is available for use by the Group and EPF.

Contracts may contain both lease and non-lease components. The Group and EPF allocate the consideration in the contract to the lease and non-lease components based on their relative prices.

Lease Term

In determining the lease term, the Group and EPF consider all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

There are no covenants imposed in the lease agreements. However, leased assets may not be used as security for borrowing purposes. Some leases provide for the additional rent payments that are based on changes in local price indices; these amounts are generally determined annually.

The Group and EPF reassess the lease term upon the occurrence of a significant event or a change in circumstances that is within the control of the Group and EPF and affects whether the Group and EPF are reasonably certain to exercise an option not previously included in determination of lease term, or not to exercise an option previously included in determination of lease term. A revision of lease term results in remeasurement of the lease liabilities.

ROU Assets

ROU Assets that are not Investment Properties are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU Assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group and EPF are reasonably certain to exercise a purchase option, the ROU Assets depreciated over the underlying asset's useful life. In addition, the ROU Assets are adjusted for certain remeasurement of Lease Liabilities.

ROU Assets are initially measured at cost comprising the following:

a. The amount of the initial measurement of Lease Liabilities;
b. Any lease payments made at or before the commencement date less any lease incentive received;
c. Any initial direct cost; and
d. Decommissioning or restoration costs.

The Group and EPF present ROU Assets that meet the definition of Investment Property in the Statements of Financial Position as Investment Property. ROU Assets that are not Investment Properties are presented as a separate line item in the Statements of Financial Position.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.9 Leases (Cont'd.)

i. Accounting by Lessee (Cont'd.)

Lease Liabilities

Lease Liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

a. Fixed payments, less any lease incentive receivable;

b. Variable lease payments that are based on index or a rate, initially measured using the index or rate as at the commencement date;

c. Amounts expected to be payable by the Group and EPF under residual value guarantees;

d. The exercise price of a purchase and extension options if the Group and EPF are reasonably certain to exercise that option; and

e. Payments of penalties for terminating the lease, if the lease term reflects the Group and EPF exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group and EPF, the lessee's incremental borrowing is used. This is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the ROU in a similar economic environment with similar term, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to Profit or Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depends on sales are recognised in Profit or Loss in the period in which the condition that triggers those payments occurs. For Group and EPF, the variable lease payments arise from the ground rent equivalent to a certain percentage of rent received from commercial occupational tenants subject to minimum payment per annum. There are also ground rent that are subject to peppercorn rent.

The Group and EPF present the Lease Liabilities as a separate line item in the Statements of Financial Position. Profit expense on the Lease Liabilities is presented within the operating expenditure in Profit or Loss.

Reassessment of Lease Liabilities

The Group and EPF are also exposed to potential future increases in variable lease payments that depends on an index or a rate, which are not included in the Lease Liabilities until they take effect. When adjustments to lease payments based on index or rate take effect, the Lease Liabilities are remeasured and adjusted against the ROU Assets.

Short-Term Leases and Leases of Low-Value Assets

Short-term leases are leases with a lease term of 12 months or less. Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in Profit or Loss. For the Group and EPF, low-value assets are assets valued at cost of RM20,000 and below per asset.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.9 Leases (Cont'd.)

ii. Accounting by Lessor

As a lessor, the Group and EPF determine at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group and EPF make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group and EPF consider certain indicators such as whether the lease is for the major part of the economic life of the asset.

Finance Lease

The Group and EPF classify a lease as a finance lease if the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group and EPF derecognise the underlying asset and recognises a receivable at an amount equal to the net investment in a finance lease. Net investment in a finance lease is measured at an amount equal to the sum of the present value of lease payments from lessee and the unguaranteed residual value of the underlying asset. Initial direct costs are also included in the initial measurement of the net investment. The net investments are subject to MFRS 9 Impairment (refer to Note 2.13 on impairment of financial assets). In addition, the Group and EPF review regularly the estimated unguaranteed residual value.

Lease income is recognised over the term of the lease using the net investment method so as to reflect a constant periodic rate of return. The Group and EPF revise the lease income allocation if there is a reduction in the estimated unguaranteed residual value.

Operating Lease

When assets are leased out under operating lease, the assets are included in the Statements of Financial Position based on the nature of the assets. Lease income is recognised over the term of the lease on a straight-line basis.

Sublease Classification

When the Group and EPF are intermediate lessor, the Group and EPF assess the lease classification of a sublease with reference to the ROU asset arising from the head lease, not with reference to the underlying asset. If a head lease is short-term lease to which the Group and EPF apply the exemption described above, then it classifies the sublease as an operating lease.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.10 Investment Properties

Investment Properties comprise land and buildings, which are held for long-term rental yields or for capital appreciation or both, and are not fully or insignificantly occupied by the Group and EPF. Investment Properties are stated at cost less any accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Building is depreciated on a straight line basis over their estimated useful life of 25 to 50 years. At each reporting date, the Group and EPF assess whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. Impairment loss is recognised if the carrying amount exceeds the recoverable amount as disclosed in Note 2.13.

On disposal of an Investment Property, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal, it shall be derecognised from the Statements of Financial Position. The difference between the net disposal proceeds and the carrying amount is recognised in Profit or Loss in the period of the retirement or disposal.

2.11 Intangible Assets

a. Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for Non-Controlling Interests over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised in Profit or Loss. After initial recognition, Goodwill is measured at cost less accumulated impairment losses. Goodwill is reviewed for impairment annually, or more frequently, if events or changes in circumstances indicate that the carrying amount may be impaired. Impairment loss on Goodwill will not be written back. Accounting policy associated with recognition and measurement of impairment loss is in accordance with Note 2.13.

b. Other Intangible Assets

Intangible Assets other than Goodwill that are acquired are initially measured at cost. After initial recognition, these Intangible Assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible Assets with finite useful life are amortised over the estimated economic useful life and assessed for impairment whenever there is an indication that the Intangible Asset may be impaired. The amortisation expense on Intangible Assets with finite life is recognised in Profit or Loss.

Intangible Assets that have an indefinite useful life are not amortised and tested for impairment annually, or more frequently if the event and circumstances indicate that the carrying amount may be impaired. The useful life of an Intangible Asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Other Intangible Assets and their estimated economic useful life are as follows:

Core Deposit	6 years
License and Information Technology Software	5 years
Banking License	Indefinite

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.12 Cash and Cash Equivalents

For the purpose of Statements of Cash flows, Cash and Cash Equivalents consist of cash in hand, balances with banks (including those managed by External Fund Managers), deposits with financial institutions and highly liquid investment which have an insignificant risk of changes in fair value with original maturities of three (3) months or less. Cash and Cash Equivalents are used by the Group and EPF in the management of their short term commitments.

The Group and EPF classify the cash flows from dividend from the investments that it manages as its main operating activities as operating cash flows, whereas dividend from Subsidiaries, Associates and Joint ventures are classified as investing cash flows.

2.13 Impairment

Non-Financial Assets

Non-financial assets that have indefinite useful life which are not subject to amortisation are assessed annually for impairment. Non-financial assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recovered.

Impairment loss is recognised when the carrying amount of non-financial assets exceeds its recoverable amount. The recoverable amount is the higher of fair value of non-financial assets less costs to sell and the value in use.

For the purposes of assessing impairment, non-financial assets are grouped at the lowest level for which cash flows (cash-generating units) can be separately identified. Non-financial assets other than Goodwill that is impaired are reviewed for possible reversal of the impairment at each reporting date.

Impairment loss is charged to Profit or Loss. In respect of other non-financial assets, any subsequent increase in the recoverable amount is recognised in Profit or Loss.

Financial Assets

Impairment of Financial Assets

The Group and EPF apply a three (3) stage approach to measuring Expected Credit Losses (ECL) for the following categories of financial assets that are not measured at FVTPL:

- Debt instruments measured at AC and FVOCI;
- Loan commitments; and
- Financial guarantee contracts.

No ECL is recognised on equity investments.

Obligatory triggers applied by the Group and EPF in determining whether there has been a significant increase in credit risk is where the principal or profit or both of the financing assets are overdue between one (1) to six (6) months or hit any of the qualitative indicators such as increase in the internal credit spread of an existing facility, breach of covenants and decrease in securities prices. The credit risk may also be deemed to have increased significantly since initial recognition based on qualitative factors linked to the Group's and the EPF's credit risk management processes. This will be the case for exposures that meet certain heightened risk criteria, such as placement on a watchlist. Such qualitative factors are based on the management's expert judgement and relevant historical experience.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.13 Impairment (Cont'd.)

Financial Assets (Cont'd.)

Impairment of Financial Assets (Cont'd.)

The Group and EPF determine days past due by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on a financial asset returns to being measured as 12 months ECL. Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Group and EPF determine a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When contractual terms of a financing have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

Financial assets that have not been individually assessed are grouped together for portfolio impairment assessment. These financial assets are grouped according to their credit risk characteristics for the purposes of calculating an estimated collective loss. Future cash flows on a group of financial assets that are collectively assessed for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group.

Financial assets move through the following three (3) stages based on the change in credit risk since initial recognition:

Stage 1: 12 Months ECL
For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

Stage 2: Lifetime ECL - Not Credit Impaired
For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.

The Group and EPF assess if an exposure has increased in credit risk since initial recognition (Stage 2) through the following criteria:

- Credit rating deterioration as determined by EPF impairment policy;
- Missing origination ratings; and
- Restructured and rescheduled due to increase in credit risk.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.13 Impairment (Cont'd.)

Financial Assets (Cont'd.)

Impairment of Financial Assets (Cont'd.)

Stage 3: Lifetime ECL – Credit Impaired

Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the AC (net of provision) rather than the gross carrying amount.

The Group or EPF assesses if an exposure is credit-impaired through the following criteria:

Investment Asset at AC

1. Decline in investment grade rating below the acceptable investment grade as at the reporting date;
2. Default in paying principal/interest according to the repayment schedule;
3. Cease business operations/bankruptcy (upon filing of the case);
4. Winding up order on business operations;
5. Company invested has been classified as PN17;
6. Material fraud with publicised news/upon appointment of financial advisor;
7. Company invested received a Qualified Audit Certificate; and/or
8. There is significant deterioration of financial performance of the company which allows the Management in deciding to perform impairment assessment at Stage 3 based on Judgemental Triggers as permitted under MFRS 9.

Financial Asset at FVOCI

1. Decline in investment grade rating below the acceptable investment grade as at the reporting date;
2. Default in paying principal/interest according to the repayment schedule;
3. Cease business operations/bankruptcy (upon filing of the case);
4. Winding up order on business operations;
5. Company invested has been classified as PN17;
6. Material fraud with publicised news/upon appointment of financial advisor;
7. Company invested received a Qualified Audit Certificate; and/or
8. There is significant deterioration of financial performance of the company which allows the Management in deciding to perform impairment assessment at Stage 3 based on Judgemental Triggers as permitted under MFRS 9.

Loans, Advances and Financing

1. Decline in investment grade rating below the acceptable investment grade as at the reporting date;
2. Default in paying principal/interest according to the repayment schedule;
3. Borrower ceased business operations/bankruptcy (upon filing of the case);
4. Borrower received winding up order on business operations;
5. Material fraud with publicised news/upon appointment of financial advisor; and/or
6. Borrower received a Qualified Audit Certificate.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.13 Impairment (Cont'd.)

Financial Assets (Cont'd.)

Impairment of Financial Assets (Cont'd.)

Measurement of the ECL

The Expected Credit Loss (ECL) is measured on either a 12 months or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired.

Stage 1 and 2

Expected credit losses of Stage 1 and 2 exposures are the discounted product of the Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD), are defined as follows:

a. PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months or over the remaining lifetime of the obligation;

b. EAD is based on the amounts the Group expects to be owed at the time of default, over the next 12 months or over the remaining lifetime; and

c. LGD represents the Group's expectation of the extent of loss on a defaulted exposure.

The ECL is determined by projecting the PD, EAD and LGD for each future month for each individual exposure. These three components are multiplied together and adjusted for the likelihood of survival.

Stage 3

Stage 3 ECL is measured as the difference between the carrying amount of the financial assets and the present value of estimated future cash flows discounted at the financial asset's original effective yield method. The carrying amount of the financial assets is reduced and the amount of the impairment loss is recognised in Profit or Loss.

Receivables

The Group and EPF apply simplified approach as permitted by MFRS 9, which requires an entity to recognise a loss allowance based on lifetime ECL at each reporting date. MFRS 9 allows the use of practical expedients when measuring ECL and states that a provision matrix is an example of such expedient for trade receivables and contract assets. An entity that applies a provision matrix may use historical loss experience on its trade receivables, and adjust historical loss rates to reflect information about current conditions and reasonable and supportable forecasts of future economic conditions.

Forward Looking Information

The assessment of significant increase in credit risk and calculation of ECL both incorporate forward looking information. The Group and EPF have performed historical analysis and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. Expert judgement has also been applied in this process. Forecasts of these economic variables are provided on an annual basis with the best estimate view of the economy over the next five (5) years together with other possible scenarios along with scenario weightings.

Write-down/Write-off

Financial assets and related impairment allowances are normally written-down, either partially or in full, when there is no realistic prospect of recovery of the financial assets. Where financial assets are secured, the written-down is normally done after receipt of any proceeds from the realisation of security.

However, the Group and EPF will continue to collect and monitor the written down financial assets.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.14 Modifications of Financial Assets and Financial Liabilities

Financial Assets

The Group and EPF evaluate whether the cash flows of the modified asset are substantially different if the terms of a financial asset are modified. Modification made to the original payment terms and conditions of the financing facility following an increase in the credit risk of the customer. This includes but is not limited to an extension of tenure and flexible payment schedule including payment vacation, profit payments, or capitalisation of principal or profit or both. Once the financing assets have been modified, its satisfactory performance is monitored for a period of six (6) months before it can be reclassified as non-credit impaired.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost or FVOCI are not substantially different, the modification does not result in derecognition of the financial asset. In this case, the Group and EPF recalculate the gross carrying amount of the financial asset using the original effective interest/profit rate of the asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in Profit or Loss.

If such modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest/profit income, calculated using the effective interest/profit rate method.

Financial Liabilities

The Group and EPF derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Profit or Loss.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective profit rate and the resulting gain or loss is recognised in Profit or Loss.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.15 Inventories

Inventories of the Group comprises of Land Held for Development and Land Held for Sales.

a. Land Held for Property Development

The costs of Land Held for Development is stated at the lower of historical cost and net realisable value. The cost of Land Held for Development consists of the purchase price of land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development cost incurred in preparing the land for development.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale. If net realisable value cannot be determined reliably, these Inventories will be stated at the lower of cost and the fair value less costs to sell. Fair value is the amount the Inventory can be sold in an arm's length transaction.

Land Held for Development is land for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle.

Land Held for Development is transferred to Land Held for Sale when development activities have commenced and where development activities can be completed within the Group's normal operating cycle.

b. Land Held for Sale

Land Held for Sale includes completed properties and are stated at the lower of historical cost and net realisable value. The cost comprise costs associated with the acquisition of land, direct costs and appropriate development overheads.

2.16 Taxation and Zakat

a. Taxation

The EPF is exempted from income tax on its income under paragraph 20 - Schedule 6, Part I, Income Tax Act, 1967.

Income tax of the subsidiaries on Profit or Loss for the year comprises of current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the reporting date.

Deferred tax is provided using the liability method, on the temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Principally, Deferred Tax Liabilities are recognised for all taxable temporary differences and Deferred Tax Assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.16 Taxation and Zakat (Cont'd.)

a. Taxation (Cont'd.)

Deferred tax is not recognised if the temporary differences arises from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the reporting date. Current and deferred tax is recognised in Profit or Loss, except when it arises from a transaction which is recognised directly in the Statements of Financial Position, in which case the tax is also recognised directly in the Statements of Financial Position and deferred tax arising from business combination is adjusted against goodwill on acquisition.

b. Zakat

This represent business zakat payable by a subsidiary in compliance with Shariah principles and as approved by the Shariah Advisory Committee. Zakat is computed based on working capital method at a rate of 2.5%.

2.17 Employee Benefits

a. Short Term Benefits

Wages, salaries, bonuses, social security contributions and gratuity paid to contract staff are recognised as an expense in the year in which the associated services are rendered by employees of the Group and EPF. Short term accumulating compensated absences such as paid annual leaves are recognised when services are rendered by employees whereas short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

b. Defined Contribution Plans

Contribution is made to the EPF for all EPF employees.

c. Long-Term Benefits

Gain or loss on the actuarial valuation is fully recognised in Other Comprehensive Income in the financial period which they occur.

Payment of long-term benefits post retirement and/or after the expiry of the contract, is recognised on an accrual basis in the current year Profit or Loss within employee benefits expenses, whereas in the Statements of Financial Position, such amount is recognised as liability and shown within Employee Benefits. Types of long-term benefits which will be recognised as an accrual basis are as follows:

i. Post-retirement medical benefit;
ii. Gratuity to retirees; and
iii. Cash award in lieu of annual leave (inclusive of the employer share on contributions for such payments).

The computation of post-retirement medical benefits, gratuity liability and cash award in lieu of annual leave (inclusive of the employer share on contributions for such payments) to retirees are determined by an actuarial valuation which is performed on an annual basis.

d. Termination Benefits

Termination benefits are payable whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group and EPF recognise Termination Benefits when it is demonstrably committed to either terminate the employment of current employees according to a detailed formal plan without the intention to withdraw the plan.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.18 Loans and Overdraft

Loans and overdraft are initially recognised at fair value less transaction costs. Subsequently, loans and overdraft are stated at AC using the effective interest method. The difference between collectable amount (less transaction costs) and redeemable value is recognised in Profit or Loss across the tenure of the loans. Interest, dividend, losses and gains relating to the financial instruments or its component, classified as liability is reported as an investment expenses in Profit or Loss.

Fees incurred in obtaining the loan facility are recognised as transaction costs to the extent of partial or entire loan facility that may have been granted.

2.19 Provision for Liabilities

Provision for Liabilities are recognised when the Group and EPF have present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimation. Where the effect of the time value of money is material, the amount of a provision is the present value of the expected expenditure to be required to settle the obligation.

2.20 Liability on Invocation Cost under Section 50(3)

Liability on Invocation Cost under Section 50(3), EPF Act, 1991 is for the purpose of financing employee share of contribution as well as dividend attributable on the said contribution for deduction that has been made on the employee salary should the employer fails to pay the share of such contributions, is disclosed as Statutory Charges in the EPF's Profit or Loss and under Payables and Accrued Liabilities in the Statements of Financial Position.

2.21 Net Assets Attributable to Members

Contributions are credited to members' account following the contribution month based on cash received basis except for cases of which crediting is based on Invocation of Section 50(3), EPF Act, 1991 is in accordance with Note 2.20.

The Net Assets Attributable to Members is the EPF's present obligation towards its members. It has been computed as the EPF's net assets as stated on the Statement of Financial Position and comprises Members' Contribution and Cumulative Surplus and Reserves.

2.22 Dividend Credited/Paid to Members

Annual dividend is calculated on the opening balance as at 1st January (less withdrawals) and plus contribution received and credited to the members' account at the end of the financial year. Dividend on withdrawals is calculated from the beginning of the year in which the withdrawal is made until the date the contribution account is debited. Dividend by EPF to the members is maximised after taking into account all the income received in the current year and expenditures incurred as well as Cost Write Down on Listed Equities as disclosed in Note 2.1(d)(iv) under Estimates and Assumptions, based on the EPF accounting policies which are approved by the Board.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.23 Reserve

Financial Assets at FVOCI Reserve

Financial Assets at FVOCI Reserve has been established to account for the movement in change of fair value of financial asset which is classified as Financial Assets at FVOCI. The Financial Assets at FVOCI Reserve account is credited when there is a positive change in the fair value of Financial Assets at FVOCI. On the contrary, this reserve account is debited when there is a negative change in the fair value of Financial Assets at FVOCI. On disposal of Financial Assets at FVOCI, the cumulative gains or losses are transferred to Cumulative Surplus.

Please refer to Note 2.1(d)(iv) under Estimates and Assumptions on accounting policy on Cost Write Down on Listed Equity.

2.24 Revenue Recognition

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group and EPF recognise revenue when (or as) they transfer control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group and EPF transfer control of a good or service at a point in time unless one of the following criteria for satisfaction of performance obligation over time is met:

(i) the customer simultaneously receives and consumes the benefits provided as the Group and EPF perform;

(ii) the Group's and EPF's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

(iii) EPF's performance does not create an asset with an alternative use to the entity and EPF has an enforceable right to payment for performance completed to date.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods or services in the ordinary course of the Group's activities. Revenue is recognised net value after tax, refunds, rebates and discounts and after eliminating intercompany sales. The Group's and EPF's revenue is described below:

Recognition of Income on Sale of Properties

Revenue from sale of completed properties is measured at the fixed transaction price agreed under the sales and purchase agreement net of expected liquidated ascertained damages (LAD) payment, based on the expected value method.

Revenue from sale of completed properties is recognised as and when the control of the asset is transferred to the customer and it is probable that the Group and EPF will receive the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer.

2.25 Financial Risk Management Objectives and Policies

The EPF's overall Financial Risk Management Policy is to optimise members retirement savings while managing the potential adverse impact arising from changes in market condition such as fluctuation of the interest rates and the unpredictability of the financial markets.

The EPF is required to ensure that its investment activities are balanced between achieving the targeted annual dividend and managing various financial risks.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT'D.)

2.25 Financial Risk Management Objectives and Policies (Cont'd.)

The EPF's overall risk management framework seeks to ensure that the financial risk taken is within EPF's risk tolerance. The EPF investments is guided by the Strategic Asset Allocation (SAA) which determines the long-term optimal allocation of investment asset across asset classes and markets. The SAA sets out the optimal allocation within EPF's risk appetite by taking into account the expected risk/return of each asset class and the correlation between each of the asset class. Varying the potential asset allocations will result in different magnitudes of risk. Based on the risks and returns for each candidate portfolio, the Investment Panel will be able to determine the optimal allocation for the EPF.

The SAA is the highest level of investment decision-making and is the most important step in the investment process as it determines the majority of the risk and return of EPF's investments.

The development of the SAA is subject to the EPF's Risk Appetite Statements as follows:

i. The EPF will not tolerate a greater than 18% chance of the dividend falling below 2.50% in any year over the next 10 years.

ii. The EPF will not tolerate a greater than 15% chance of Asset Value falling below 95% of the value of the Liabilities at the end of any year over the next 10 years.

The SAA is also developed to meet the following target return statement:

i. The EPF aims to generate an annual dividend greater then 10Y MGS + 0.5% over any rolling three (3) years period.

Another decision in the investment process is the Tactical Asset Allocation (TAA), which allows the EPF some deviation from the median allocation in the SAA while ensuring that the overall risk of the portfolio is within the approved risk level.

In order for the EPF to achieve its mission, it has to manage the various risks posed by ever changing business environment. These risks include operational risk and financial risk.

a. Operational Risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events including legal risk. In summary, operational risk are the chances and uncertainties an organisation faces in the course of conducting its daily business activities, procedures and systems.

b. Financial Risk

Financial Risks are risks associated with various changes in economic aspects which give impact to the EPF financial stability. There are three (3) types of financial risks the EPF is exposed to, as follows:

i. Market Risk (which comprises of price risk, interest rate risk and foreign currency exchange risk);

ii. Liquidity Risk; and

iii. Credit Risk.

Detailed policies pertaining to each type of financial risks as listed above are disclosed in Note 35.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

3. DEPOSITS WITH FINANCIAL INSTITUTIONS

3.1 GROUP

	Note	2024 (RM'000)	2023 (RM'000)
Time Deposits		**19,945,278**	22,293,250
Fixed Deposits		**3,745,069**	8,779,945
Murabahah Commodities		**20,652,084**	16,204,100
Statutory Deposits with Bank Negara Malaysia		**853,317**	822,661
Money Market Account with Bank Negara Malaysia	33	**244,267**	2,601,615
Money Market Account in Multi Currencies		**3,428,333**	2,368,709
Money Market Account Managed by External Fund Managers		**3,113,286**	3,528,175
	35.1a	**51,981,634**	56,598,455

The maturity structure of the Deposits with Financial Institutions, gross of allowance for impairment losses are as follows:

	Note	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months		**51,128,317**	55,774,623
Maturing after 12 Months		**853,317**	823,832
	35.1c	**51,981,634**	56,598,455

The non-interest bearing statutory deposits maintained by a subsidiary bank with Bank Negara Malaysia are in compliance with Section 26(2)(c) of the Central Bank of Malaysia Act, 2009 to satisfy the Statutory Reserve Requirement (SRR); which is determined at a set percentages of total eligible liabilities.

3.2 EPF

	Note	2024 (RM'000)	2023 (RM'000)
Time Deposits		**20,045,297**	22,509,990
Fixed Deposits		**2,197,375**	2,862,931
Murabahah Commodities		**22,958,780**	18,318,460
Money Market Account with Bank Negara Malaysia	33	**244,267**	2,601,615
Money Market Account in Multi Currencies		**3,428,332**	2,368,709
Money Market Account Managed by External Fund Managers		**3,158,938**	3,532,079
	35.1a	**52,032,989**	52,193,784

The maturity structure of the Deposits with Financial Institutions, gross of allowance for impairment losses are as follows:

	Note	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months		**52,032,989**	51,692,613
Maturing after 12 Months		**-**	501,171
	35.1c	**52,032,989**	52,193,784

3. DEPOSITS WITH FINANCIAL INSTITUTIONS (CONT'D.)

3.2 EPF (Cont'd.)

Time Deposits, Fixed Deposits, Murabahah Commodities, Money Market Account with Bank Negara Malaysia and Money Market Account in Multi Currencies as above amounting to RM47.10 billion (2023: RM41.44 billion) and RM46.44 billion (2023: RM36.30 billion) at Group and EPF level respectively have maturity of less than three (3) months from the date of placements, therefore are classified as cash and cash equivalents in the Statements of Cash Flows of the Group and EPF.

Details on Deposits with Financial Institutions which are assessed as impaired for the Group and EPF as at 31 December 2024 are disclosed in Note 35.1a. Movement in accumulated impairment loss is disclosed within Allowance for Impairment Losses in Note 35.1b.

4. RECEIVABLES, DEPOSITS AND PREPAYMENTS

4.1 GROUP

	Note	2024 (RM'000)	2023 (RM'000)
Endowment Fund		**26,535**	26,535
Prepayments		**199,368**	173,863
Rental Deposits		**46,066**	5,934
Rental Debtors		**129,518**	138,863
Foreclosed Properties		**39,552**	39,552
Trade Receivables		**233,475**	119,693
Tax Recoverable		**204,698**	256,473
Accruals on Miscellaneous Non-Investment Receivables and Deposits		**1,465,283**	1,355,452
Accrued Dividend Income		**476,610**	532,744
Accruals on Sale of Investments		**645,635**	4,043,382
Service Charge Receivables		**34,410**	6,344
		3,501,150	6,698,835
Allowance for Impairment Losses:			
Trade Receivables	35.1b	**(936)**	(77,331)
Others	35.1b	**(27,206)**	(50,881)
Foreclosed Properties		**(2,972)**	(2,972)
		3,470,036	6,567,651

The maturity structure of the Receivables, Deposits and Prepayments, gross of allowance for impairment losses are as follows:

	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months	**2,664,617**	6,064,657
Maturing after 12 Months	**836,533**	634,178
	3,501,150	6,698,835

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

4. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D.)

4.2 EPF

	Note	2024 (RM'000)	2023 (RM'000)
Endowment Fund		**26,535**	26,535
Prepayments		**31,927**	25,037
Rental Deposits		**2,192**	2,154
Rental Debtors		**9,558**	14,726
Amount Due from Subsidiaries		**23,332**	9,730
Tax Recoverable		**-**	8,491
Accruals on Miscellaneous Non-Investment Receivables and Deposits		**43,603**	45,355
Accrued Dividend Income		**875,534**	580,144
Accruals on Sale of Investments		**595,836**	3,994,223
Service Charge Receivables		**6,404**	6,344
		1,614,921	4,712,739
Allowance for Impairment Losses	35.1b	**(7,780)**	(6,072)
		1,607,141	4,706,667

The maturity structure of the Receivables, Deposits and Prepayments, gross of allowance for impairment losses are as follows:

	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months	**1,576,520**	4,671,767
Maturing after 12 Months	**38,401**	40,972
	1,614,921	4,712,739

Details on Receivables and Deposits (excluding Prepayments, Foreclosed Properties and Tax Recoverable) which are assessed as impaired for the Group and EPF as at 31 December 2024 are disclosed in Note 35.1a. Movement in accumulated impairment loss is disclosed within Allowance for Impairment Losses in Note 35.1b.

5. LOANS, ADVANCES AND FINANCING

5.1 GROUP

	Note	2024 (RM'000)	2023 (RM'000)
Loans and Financing	5.2a	**42,270,589**	43,825,862
Personal Financing		**18,589,281**	19,467,482
Property Financing and End Financing		**10,752,027**	9,636,637
Bridging Financing and Other Term Financing		**5,759,183**	7,075,767
Loans to Associates and Joint Ventures	5.1a	**1,738,509**	2,393,998
Trade Finance and Overdraft Facility		**3,724,614**	2,831,206
Revolving Credit		**413,644**	113,356
Hire Purchase and Auto Financing		**698,624**	786,752
Syndicated Term Loan		**1,908,884**	2,018,478
Margin Accounts		**1,107,530**	1,003,996
Staff Loans		**217,542**	224,897
		87,180,427	89,378,431
Allowance for Impairment Losses:			
Loans and Financing	35.1b	**(609)**	(355)
Corporate Loans and Financing	35.1b	**(550,705)**	(1,216,268)
Individual Loans and Financing	35.1b	**(295,814)**	(336,516)
Loans to Associates and Joint Ventures	35.1b	**(131)**	(139)
Staff Loans	35.1b	**(663)**	(328)
	35.1a	**86,332,505**	87,824,825

a. The Loans to Associates and Joint Ventures are unsecured and bear interest at a range of 3.90% to 8.00% (2023: 3.90% to 8.00%) per annum except for loans granted by EPF's subsidiary, KWASA Europe S.à r.l. to its joint ventures which have variable interest rates based on loan granted to Property Special Purpose Vehicles (SPV) less margin applicable for the relevant financial year.

These Loans to Associates and Joint Ventures have no fixed repayment terms except for loans granted by KWASA Europe S.à r.l. which will mature in 2025 and by Naungan Sentosa Sdn Bhd which are repayable at any time at the option of the associate.

The maturity structure of the Loans, Advances and Financing, gross of allowance for impairment losses are as follows:

	Note	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months		**10,600,074**	7,176,683
Maturing after 12 Months		**76,580,353**	82,201,748
	35.1c	**87,180,427**	89,378,431

5. LOANS, ADVANCES AND FINANCING (CONT'D.)

5.2 EPF

	Note	2024 (RM'000)	2023 (RM'000)
Loans and Financing	5.2a	**42,270,589**	43,825,862
Capital Advances to Subsidiaries	5.2b	**4,655,518**	4,746,471
Staff Loans		**188,710**	196,090
		47,114,817	48,768,423
Allowance for Impairment Losses:			
Loans and Financing	35.1b	**(609)**	(355)
Capital Advances to Subsidiaries	35.1b	**(9,572)**	(9,091)
Staff Loans	35.1b	**(663)**	(328)
	35.1a	**47,103,973**	48,758,649

a. These Loans and Financing are mainly extended to various agencies and companies which are guaranteed by the Government of Malaysia.

b. These Capital Advances to EPF's subsidiaries are unsecured and non-interest bearing except for Kwasa Singapore Duo Pte Ltd, Kwasa Singapore Trio Pte Ltd, Kwasa Global (Jersey) Limited, Kwasa Logistics Sdn Bhd and KLSB Business Services Sdn Bhd, a wholly-owned subsidiary of Kwasa Land Sdn Bhd, which bear interest ranging from 3.20% to 10.00% (2023: 3.20% to 10.00%) per annum.

These Capital Advances to Subsidiaries have no fixed repayment terms except for KWASA Europe S.à r.l., Kwasa Global (Jersey) Limited, KLSB Business Services Sdn Bhd, Kwasa Logistics Sdn Bhd and Kwasa Properties Sdn Bhd where the capital advances are repayable at the end of the loan period, which is 1 to 20 years (2023: 1 to 20 years) from the date of the capital advances agreement. Capital Advances to Subsidiaries which failed the Solely Payments of Principal and Interest (SPPI) test based on MFRS 9 are classified as Financial Assets at FVTPL (Note 6).

The maturity structure of the Loans, Advances and Financing, gross of allowance for impairment losses are as follows:

	Note	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months		**3,521,637**	2,185,905
Maturing after 12 Months		**43,593,180**	46,582,518
	35.1c	**47,114,817**	48,768,423

Details on Loans, Advances and Financing which are assessed as impaired for the Group and EPF as at 31 December 2024 are disclosed in Note 35.1a. Movement in accumulated impairment loss is disclosed within Allowance for Impairment Losses in Note 35.1b.

6. FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

6.1 GROUP

	Note	2024			2023		
		Notional Value (RM'000)	Fair Value		Notional Value (RM'000)	Fair Value	
			Assets (RM'000)	Liabilities (RM'000)		Assets (RM'000)	Liabilities (RM'000)
Investment Assets Held for Trading	35.1a	**-**	**21,607,624**	**-**	-	21,407,673	-
Equity Instruments		**-**	**8,216,165**	**-**	-	6,778,188	-
Debt Instruments	35.1a	**-**	**78,006,052**	**-**	-	74,432,510	-
Hedging Instruments:	6b, 35.1a						
- Forward Contract		**166,230,404**	**2,951,415**	**1,715,057**	121,312,308	1,467,618	578,372
- Cross Currency Swap		**1,731,521**	**22,548**	**38,037**	847,290	2,094	46,181
- Interest Rate Swap		**12,441,018**	**428,391**	**24,667**	13,246,599	687,182	56,721
Other Derivative Financial Assets	35.1a	**-**	**967,072**	**19,268**	-	760,944	-
		180,402,943	**112,199,267**	**1,797,029**	135,406,197	105,536,209	681,274

6.2 EPF

	Note	2024			2023		
		Notional Value (RM'000)	Fair Value		Notional Value (RM'000)	Fair Value	
			Assets (RM'000)	Liabilities (RM'000)		Assets (RM'000)	Liabilities (RM'000)
Debt Instruments	35.1a	**-**	**74,566,551**	**-**	-	70,820,355	-
Capital Advances to Subsidiaries	6a, 35.1a	**-**	**6,665,943**	**-**	-	7,780,168	-
Hedging Instruments:	6b, 35.1a						
- Forward Contract		**163,611,054**	**2,810,038**	**1,708,904**	118,004,174	1,417,479	541,310
- Cross Currency Swap		**1,694,580**	**18,578**	**38,037**	847,290	2,094	46,181
Other Derivative Financial Assets	35.1a	**-**	**962,044**	**-**	-	735,282	-
		165,305,634	**85,023,154**	**1,746,941**	118,851,464	80,755,378	587,491

6. FINANCIAL ASSETS/LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONT'D.)

a. Capital Advances to Subsidiaries represent capital advances which have failed the SPPI test based on MFRS 9. These Capital Advances are unsecured and bear interest ranging from 0.50% to 8.00% (2023: 0.50% to 8.00%) per annum, except for KWASA Capital Partners Limited and Pinggiran Ventures Sdn Bhd which are non-interest bearing on capital advances.

These Capital Advances to Subsidiaries have no fixed repayment terms except for Tanjung Wibawa Sdn Bhd, KWASA Europe S.à r.l. and KWASA Europe-I S.à r.l. where the capital advances are repayable at the end of the loan period, which is 5 to 27 years (2023: 5 to 27 years) from the date of the capital advances agreement.

b. Hedging instruments are measured at fair value and are utilised by the Group and EPF to hedge against changes in the fair value of financial assets as a result of changes in foreign currency exchange rates and market interest rates. All derivatives are treated as an asset when the fair value is positive and is treated as a liability when the fair value is negative. The fair value changes on revaluation of derivative contracts is recognised in Profit or Loss. The fair value of Forward Contract is determined by using forward exchange rates at the reporting date with the resulting value discounted back to present value.

Included in hedging instruments for the Group are the Subsidiaries' Interest Rate Swap which are assigned as hedging instruments carried at net fair value amounting to RM399.73 million (2023: RM612.58 million) and notional value amounting to RM10,654.98 million (2023: RM11,145.09 million). The Subsidiaries utilise these Interest Rate Swap instruments to manage exposures to interest rate movements on bank loans taken by exchanging part of the loans from floating rate to fixed rate.

These Interest Rate Swap for floating rate and fixed rate are settled on a monthly and quarterly basis respectively. The Subsidiaries will settle the differences between fixed rate and floating rate on a net basis. These Interest Rate Swap contracts which exchange the interest rate from floating rate to fixed rate reduce the exposure of the Subsidiaries' cash flows caused by variable interest rate on loans and are designated as cash flow hedges.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

7.1 GROUP

	2024 Fair Value (RM'000)	2023 Fair Value (RM'000)
QUOTED EQUITIES		
Domestic Equities Internally Managed	**148,610,901**	118,863,286
Domestic Equities Managed by External Fund Managers	**29,049,155**	20,656,140
Global Equities Internally Managed	**165,186,255**	150,883,178
Global Equities Managed by External Fund Managers	**115,218,772**	103,105,891
	458,065,083	393,508,495
UNQUOTED EQUITIES		
Domestic Unquoted Equities	**484,190**	414,937
Global Unquoted Equities	**2,930**	2,930
	487,120	417,867
PERPETUAL FIXED INCOME INSTRUMENTS		
Domestic Perpetual Fixed Income Instruments	**657,520**	777,003
Global Perpetual Fixed Income Instruments	**176,570**	179,253
	834,090	956,256
FIXED INCOME INSTRUMENTS		
Domestic Fixed Income Instruments Internally Managed	**57,348,374**	49,106,226
Domestic Fixed Income Instruments Managed by External Fund Managers	**32,575,129**	28,874,236
Global Fixed Income Instruments Internally Managed	**7,210,782**	7,082,436
Global Fixed Income Instruments Managed by External Fund Managers	**23,033,562**	23,368,475
	120,167,847	108,431,373
OTHER INSTRUMENTS		
Domestic Private Debt Securities Internally Managed	**24,842,084**	16,972,093
Global Private Debt Securities Internally Managed	**21,057,140**	18,568,169
	45,899,224	35,540,262
	625,453,364	538,854,253

The maturity structure of the Fixed Income Instruments and Other Instruments, gross of allowance for impairment losses within Financial Assets at FVOCI are as follows:

	Note	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months		**6,760,933**	5,245,528
Maturing after 12 Months		**159,306,138**	138,726,107
	35.1a	**166,067,071**	143,971,635

Details on Financial Assets at FVOCI which was assessed as impaired for Group as at 31 December 2024, are disclosed in Note 35.1a. The movement in Allowance for Impairment Losses within Financial Assets at FVOCI Reserve is disclosed in Note 35.1b.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D.)

7.1 GROUP (Cont'd.)

a. Group Has Designated The Following Equity Portfolios as FVOCI:

	2024 Fair Value (RM'000)	2023 Fair Value (RM'000)
EQUITY PORTFOLIOS DESIGNATED AT FVOCI		
Bursa Malaysia	**177,663,938**	139,519,426
NASDAQ	**54,267,297**	39,551,615
New York Stock Exchange	**39,687,412**	31,072,959
Hong Kong Stock Exchange	**23,568,532**	21,109,669
Tokyo Stock Exchange	**16,819,070**	15,649,484
Singapore Stock Exchange	**15,957,316**	16,577,566
Euronext Paris Exchange	**13,704,492**	12,313,784
Taiwan Stock Exchange	**13,314,803**	12,390,331
Thailand Stock Exchange	**13,088,491**	13,437,263
Indonesia Stock Exchange	**11,411,124**	11,599,924
South Korea Stock Exchange	**10,525,849**	10,804,219
London Stock Exchange	**8,879,460**	9,893,223
Frankfurt Stock Exchange	**7,389,151**	8,789,731
India Stock Exchange	**7,209,078**	4,758,498
Brazil Stock Exchange	**5,884,573**	7,460,831
Philippine Stock Exchange	**5,244,592**	5,023,949
Euronext Amsterdam Exchange	**5,196,184**	3,795,882
China Stock Exchange	**4,697,383**	3,724,345
Australian Securities Exchange	**4,338,495**	5,225,146
Vietnam Stock Exchange	**3,459,161**	3,488,020
SIX Swiss Exchange	**3,086,008**	2,979,377
Mexican Stock Exchange	**2,994,976**	3,546,984
Italian Stock Exchange	**2,945,205**	2,989,617
Madrid Stock Exchange	**2,073,924**	3,358,273
Other Quoted Equity Stock Exchanges	**4,658,569**	4,448,379
Unquoted Equities and Perpetual Fixed Income Instruments	**1,321,210**	1,374,123
	459,386,293	394,882,618

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D.)

7.2 EPF

	2024 Fair Value (RM'000)	2023 Fair Value (RM'000)
QUOTED EQUITIES		
Domestic Equities Internally Managed	**148,614,783**	118,863,609
Domestic Equities Managed by External Fund Managers	**29,049,155**	20,656,140
Global Equities Internally Managed	**165,186,255**	150,883,178
Global Equities Managed by External Fund Managers	**115,218,772**	103,105,891
	458,068,965	393,508,818
UNQUOTED EQUITIES		
Domestic Unquoted Equities	**482,804**	413,530
	482,804	413,530
PERPETUAL FIXED INCOME INSTRUMENTS		
Domestic Perpetual Fixed Income Instruments	**657,520**	777,003
Global Perpetual Fixed Income Instruments	**176,570**	179,253
	834,090	956,256
FIXED INCOME INSTRUMENTS		
Domestic Fixed Income Instruments Internally Managed	**47,593,476**	39,142,311
Domestic Fixed Income Instruments Managed by External Fund Managers	**32,692,626**	28,974,688
Global Fixed Income Instruments Internally Managed	**7,210,782**	7,082,436
Global Fixed Income Instruments Managed by External Fund Managers	**23,048,781**	23,383,566
	110,545,665	98,583,001
OTHER INSTRUMENTS		
Domestic Private Debt Securities Internally Managed	**21,839,810**	14,299,781
Global Private Debt Securities Internally Managed	**21,057,140**	18,568,169
	42,896,950	32,867,950
	612,828,474	526,329,555

The maturity structure of the Fixed Income Instruments and Other Instruments, gross of allowance for impairment losses within Financial Assets at FVOCI are as follows:

	Note	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months		**6,308,000**	3,744,171
Maturing after 12 Months		**147,134,615**	127,706,780
	35.1a	**153,442,615**	131,450,951

Details on Financial Assets at FVOCI which was assessed as impaired for EPF as at 31 December 2024, are disclosed in Note 35.1a. The movement in Allowance for Impairment Losses within Financial Assets at FVOCI Reserve is disclosed in Note 35.1b.

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D.)

7.2 EPF (Cont'd.)

a. EPF Has Designated The Following Equity Portfolios as FVOCI:

	2024 Fair Value (RM'000)	2023 Fair Value (RM'000)
EQUITY PORTFOLIOS DESIGNATED AT FVOCI		
Bursa Malaysia	**177,663,938**	139,519,749
NASDAQ	**54,267,297**	39,551,615
New York Stock Exchange	**39,687,412**	31,072,959
Hong Kong Stock Exchange	**23,568,532**	21,109,669
Tokyo Stock Exchange	**16,819,070**	15,649,484
Singapore Stock Exchange	**15,957,316**	16,577,566
Euronext Paris Exchange	**13,704,492**	12,313,784
Taiwan Stock Exchange	**13,314,803**	12,390,331
Thailand Stock Exchange	**13,088,491**	13,437,263
Indonesia Stock Exchange	**11,411,124**	11,599,924
South Korea Stock Exchange	**10,525,849**	10,804,219
London Stock Exchange	**8,879,460**	9,893,223
Frankfurt Stock Exchange	**7,389,151**	8,789,731
India Stock Exchange	**7,209,078**	4,758,498
Brazil Stock Exchange	**5,884,573**	7,460,831
Philippine Stock Exchange	**5,244,592**	5,023,949
Euronext Amsterdam Exchange	**5,196,184**	3,795,882
China Stock Exchange	**4,697,383**	3,724,345
Australian Securities Exchange	**4,338,495**	5,225,146
Vietnam Stock Exchange	**3,459,161**	3,488,020
SIX Swiss Exchange	**3,086,008**	2,979,377
Mexican Stock Exchange	**2,994,976**	3,546,984
Italian Stock Exchange	**2,945,205**	2,989,617
Madrid Stock Exchange	**2,073,924**	3,358,273
Other Quoted Equity Stock Exchanges	**4,662,451**	4,448,379
Unquoted Equities and Perpetual Fixed Income Instruments	**1,316,894**	1,369,786
	459,385,859	394,878,604

The Group and EPF elected to designate the above equity portfolios at FVOCI on the basis that the investments were made to preserve and enhance the value of capital from members' contribution as well as to maintain stable returns over the long term.

Dividends recognised on these equity instruments designated at FVOCI for the Group amounted to RM13,353.86 million (2023: RM12,429.47 million) and for the EPF amounted to RM13,350.43 million (2023: RM12,429.38 million) as disclosed in Note 24.

As part of the strategy to enhance the value of capital from members' contribution, the Group and EPF sold RM341,037.55 million (2023: RM226,402.05 million) of equity instruments designated at FVOCI which resulted in a net gain of RM31,266.92 million (2023: RM22,714.46 million) for both the Group and EPF which is included in other comprehensive income as disclosed in Note 23.2. This net gain has been transferred to Cumulative Surplus. The net impact on these disposed equity instruments will not have a material impact on the future dividend income.

8. INVESTMENT ASSETS AT AMORTISED COST

8.1 GROUP

	Note	2024 (RM'000)	2023 (RM'000)
Malaysian Government Securities		**153,836,830**	138,860,898
Government Investment Issues		**153,582,078**	141,209,828
Bonds and Sukuk		**72,886,306**	73,261,509
Negotiable Certificates		**502,823**	-
		380,808,037	353,332,235
Allowance for Impairment Losses	35.1b	**(8,693)**	(637,892)
	35.1a	**380,799,344**	352,694,343

The maturity structure of the Investment Assets at Amortised Cost, gross of allowance for impairment losses are as follows:

	Note	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months		**11,264,833**	14,170,511
Maturing after 12 Months		**369,543,204**	339,161,724
	35.1c	**380,808,037**	353,332,235

8.2 EPF

	Note	2024 (RM'000)	2023 (RM'000)
Malaysian Government Securities		**153,152,108**	138,194,231
Government Investment Issues		**152,466,670**	139,947,645
Bonds and Sukuk		**70,671,827**	70,903,457
Negotiable Certificates		**502,823**	-
		376,793,428	349,045,333
Allowance for Impairment Losses	35.1b	**(7,510)**	(636,043)
	35.1a	**376,785,918**	348,409,290

The maturity structure of the Investment Assets at Amortised Cost, gross of allowance for impairment losses are as follows:

	Note	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months		**10,765,333**	13,612,075
Maturing after 12 Months		**366,028,095**	335,433,258
	35.1c	**376,793,428**	349,045,333

Details on Investment Assets at Amortised Costs which was assessed as impaired for the Group and EPF as at 31 December 2024, are disclosed in Note 35.1a. Movement in accumulated impairment loss is disclosed within Allowance for Impairment Losses in Note 35.1b.

9. INVESTMENT IN JOINT VENTURES

9.1 GROUP

	2024 (RM'000)	2023 (RM'000)
Domestic Unquoted Equities	**98,758**	99,450
Global Unquoted Equities	**4,631,317**	4,761,733
Allowance for Impairment Losses	**(4,361)**	(4,361)
	4,626,956	4,757,372
(Loss)/Profit and Adjustments in Joint Ventures	**(144,610)**	260,870
	4,581,104	5,117,692

a. Details of Joint Ventures which the Group has material joint control are as follows:

Name of Company	Note	Measurement Method	Principal Activity	Country of Incorporation	Ownership Interest on Voting Rights		Carrying Amount	
					2024 %	2023 %	2024 (RM'000)	2023 (RM'000)
Battersea Project Holding Company Limited		Equity Accounting	Investment Holding Company	Jersey	**20.00**	20.00	**927,211**	1,363,257
PNB Kwasa International Holding Limited		Equity Accounting	Investment Holding Company	Jersey	**35.00**	35.00	**749,410**	852,360
Melati Asia Holdings Limited		Equity Accounting	Investment Holding Company	Cayman Island	**51.00**	51.00	**526,686**	624,195
Yarra Park City Pty Ltd		Equity Accounting	Investment Holding Company	Australia	**49.00**	49.00	**537,833**	606,777
Goodman Lidcombe Industrial Trust		Equity Accounting	Property Investment	Australia	**49.00**	49.00	**308,526**	374,539
The Arena Unit Trust		Equity Accounting	Investment Holding Company	Jersey	**50.00**	50.00	**594,873**	639,924
Goodman Slough Industrial Trust		Equity Accounting	Property Investment	Australia	**49.00**	49.00	**324,512**	321,881
PLUS Malaysia Berhad (PMB)	9.1a (i)	Equity Accounting	Investment Holding Company	Malaysia	**49.00**	49.00	**-**	-
Individually Immaterial Joint Ventures	9.1c						**612,053**	334,759
Total Investment in Joint Ventures							**4,581,104**	5,117,692

(i) The Group has discontinued the recognition of share of losses from PMB since 2017 after the carrying amount of the Group's investment in PMB had been reduced to zero in accordance with MFRS 128. As at 31 December 2024, the cumulative unrecognised amount of the Group's share of losses in PMB is RM4,919.19 million (2023: RM5,077.88 million).

9. INVESTMENT IN JOINT VENTURES (CONT'D.)

9.1 GROUP (Cont'd.)

b. The tables below provide summarised financial information for those Joint Ventures that are material to the Group. The information disclosed reflects the amounts presented in the Financial Statements of the relevant Joint Ventures and not the Group's share of those amounts. They have been revised to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy:

	Battersea Project Holding Company Limited		PNB Kwasa International Holding Limited		Melati Asia Holdings Limited	
	2024 (RM'000)	**2023 (RM'000)**	**2024 (RM'000)**	**2023 (RM'000)**	**2024 (RM'000)**	**2023 (RM'000)**
Summarised Statement of Financial Position						
Cash and Cash Equivalents	**255,015**	449,150	**133,368**	144,111	**4,528**	64,723
Other Assets	**7,518,324**	11,395,800	**8,315,412**	11,538,200	**1,069,734**	1,216,533
Total Assets	**7,773,339**	11,844,950	**8,448,780**	11,682,311	**1,074,262**	1,281,256
Total Liabilities	**(3,137,284)**	(5,028,666)	**(8,448,780)**	(9,246,996)	**(43,936)**	(59,735)
Total Net Assets	**4,636,055**	6,816,284	**-**	2,435,315	**1,030,326**	1,221,521
Extraction from Statement of Comprehensive Income						
Revenue	**1,127,862**	1,465,528	**511,777**	262,688	**-**	-
Interest Income	**-**	3,139	**-**	-	**-**	-
Depreciation and Amortisation	**-**	(5,624)	**-**	-	**-**	-
Interest Expense	**-**	(69,122)	**-**	-	**-**	-
Tax	**-**	(3,457)	**-**	-	**-**	-
Profit/(Loss) after Tax for the Financial Year	**(1,944,497)**	(175,400)	**(295,430)**	(523,143)	**(188,009)**	(42,162)
Other Comprehensive Income for the Financial Year	**-**	-	**-**	-	**(3,187)**	3,648
Total Comprehensive Income/ (Loss) for the Financial Year	**(1,944,497)**	(175,400)	**(295,430)**	(523,143)	**(191,196)**	(38,514)
Dividends Received from Joint Ventures for the Financial Year	**-**	-	**-**	-	**-**	29,856
Group's Share in %	**20%**	20%	**35%**	35%	**51%**	51%
Group's Share of Net Assets	**927,211**	1,363,257	**-**	852,360	**525,466**	624,195
Loan to Joint Ventures	**-**	-	**938,358**	-	**-**	-
Allocation of Losses	**-**	-	**(188,948)**	-	**-**	-
Goodwill	**-**	-	**-**	-	**1,220**	-
Carrying Amount	**927,211**	1,363,257	**749,410**	852,360	**526,686**	624,195
Group's Share of:						
Profit/(Loss) for the Financial Year	**(388,889)**	(35,080)	**(103,401)**	(183,100)	**(95,885)**	(21,503)
Other Comprehensive Income	**-**	-	**-**	-	**(1,625)**	1,860
Total Comprehensive Income/ (Loss)	**(388,889)**	(35,080)	**(103,401)**	(183,100)	**(97,510)**	(19,643)

9. INVESTMENT IN JOINT VENTURES (CONT'D.)

9.1 GROUP (Cont'd.)

b. The tables below provide summarised financial information for those Joint Ventures that are material to the Group. The information disclosed reflects the amounts presented in the Financial Statements of the relevant Joint Ventures and not the Group's share of those amounts. They have been revised to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy: (Cont'd.)

	Yarra Park City Pty Ltd		Goodman Lidcombe Industrial Trust		The Arena Unit Trust	
	2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Summarised Statement of Financial Position						
Cash and Cash Equivalents	**10,839**	6,758	**-**	-	**58,350**	46,916
Other Assets	**1,346,493**	1,350,360	**930,342**	1,131,638	**1,185,097**	2,329,399
Total Assets	**1,357,332**	1,357,118	**930,342**	1,131,638	**1,243,447**	2,376,315
Total Liabilities	**(300,264)**	(165,293)	**(300,697)**	(367,273)	**(1,095,708)**	(1,096,466)
Total Net Assets	**1,057,068**	1,191,825	**629,645**	764,365	**147,739**	1,279,849
Extraction from Statement of Comprehensive Income						
Revenue	**70,970**	134,432	**57,112**	46,981	**132,164**	138,912
Depreciation and Amortisation	**(5,510)**	(1,865)	**9,760**	(7,551)	**-**	(68,739)
Interest Expense	**-**	-	**16,756**	-	**-**	(40,031)
Tax	**5,404**	2,085	**-**	-	**-**	-
Profit/(Loss) after Tax for the Financial Year	**(12,745)**	(4,970)	**(3,250)**	6,839	**(18,087)**	(61,046)
Total Comprehensive Income/ (Loss) for the Financial Year	**(12,745)**	(4,970)	**(3,250)**	6,839	**(18,087)**	(61,046)
Dividends Received from Joint Ventures for the Financial Year	**-**	-	**25,067**	14,585	**8,442**	18,274
Group's Share in %	**49%**	49%	**49%**	49%	**50%**	50%
Group's Share of Net Assets	**517,963**	583,995	**308,526**	374,539	**73,870**	639,924
Loan to Joint Ventures	**-**	-	**-**	-	**521,370**	-
Allocation of Losses	**-**	-	**-**	-	**(367)**	-
Goodwill	**19,870**	22,782	**-**	-	**-**	-
Carrying Amount	**537,833**	606,777	**308,526**	374,539	**594,873**	639,924
Group's Share of: Profit/(Loss) for the Financial Year	**(6,245)**	(2,435)	**(1,593)**	3,351	**(9,044)**	(30,523)
Total Comprehensive Income/ (Loss)	**(6,245)**	(2,435)	**(1,593)**	3,351	**(9,044)**	(30,523)

9. INVESTMENT IN JOINT VENTURES (CONT'D.)

9.1 GROUP (Cont'd.)

b. The tables below provide summarised financial information for those Joint Ventures that are material to the Group. The information disclosed reflects the amounts presented in the Financial Statements of the relevant Joint Ventures and not the Group's share of those amounts. They have been revised to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy: (Cont'd.)

	Goodman Slough Industrial Trust		PLUS Malaysia Berhad	
	2024 (RM'000)	**2023 (RM'000)**	**2024 (RM'000)**	**2023 (RM'000)**
Summarised Statement of Financial Position				
Cash and Cash Equivalents	**-**	-	**5,290,465**	4,534,806
Other Assets	**1,002,478**	984,092	**23,093,875**	23,905,056
Total Assets	**1,002,478**	984,092	**28,384,340**	28,439,862
Total Liabilities	**(340,209)**	(327,191)	**(38,420,800)**	(38,800,167)
Total Net Assets	**662,269**	656,901	**(10,036,460)**	(10,360,305)
Extraction from Statement of Comprehensive Income				
Revenue	**47,492**	49,420	**3,873,235**	3,779,058
Interest Income	**-**	-	**216,234**	199,795
Depreciation and Amortisation	**9,998**	(7,371)	**(565,796)**	(532,785)
Interest Expense	**19,248**	-	**(1,790,315)**	(1,801,050)
Tax	**-**	-	**(17,522)**	(23,537)
Profit/(Loss) after Tax for the Financial Year	**(16,069)**	2,781	**323,845**	(148,349)
Total Comprehensive Income/(Loss) for the Financial Year	**(16,069)**	2,781	**323,845**	(148,349)
Dividends Received from Joint Ventures for the Financial Year	**-**	12,534	**-**	-
Group's Share in %	**49%**	49%	**49%**	49%
Group's Share of Net Assets	**324,512**	321,881	**-**	-
Carrying Amount	**324,512**	321,881	**-**	-
Group's Share of:				
Profit/(Loss) for the Financial Year	**(7,874)**	1,363	**-**	-
Total Comprehensive Income/(Loss)	**(7,874)**	1,363	**-**	-

9. INVESTMENT IN JOINT VENTURES (CONT'D.)

9.1 GROUP (Cont'd.)

c. Individually Immaterial Joint Ventures

In addition to the interests in Joint Ventures disclosed as above, the Group also has interests in a number of individually immaterial Joint Ventures using the equity accounting method as follows:

	2024 (RM'000)	2023 (RM'000)
Total Carrying Amount of Individually Immaterial Joint Ventures	**612,053**	334,759
Aggregate Amount of the Group's Share of:		
Profit/(Loss) for the Financial Year	**45,652**	(72,121)
Total Comprehensive Income/(Loss)	**45,652**	(72,121)

9.2 EPF

	2024	2023
	Cost/Book Value (RM'000)	Cost/Book Value (RM'000)
Domestic Unquoted Equities	**24,500**	24,500
	24,500	24,500

List of Joint Ventures is disclosed in Note 39.

10. INVESTMENT IN ASSOCIATES

10.1 GROUP

	2024	2023
	Cost/Book Value (RM'000)	Cost/Book Value (RM'000)
Domestic Quoted Equities	**10,369,414**	10,055,722
Domestic Unquoted Equities	**2,792,342**	2,620,188
Allowance for Impairment Losses	**(291,662)**	(55,159)
	2,500,680	2,565,029
Global Unquoted Equities	**845,484**	1,311,206
Allowance for Impairment Losses	**(3,978)**	(90,020)
	841,506	1,221,186
Profit and Adjustments in Associates	**4,711,292**	4,284,168
	18,422,892	18,126,105

a. Details of Associates which the Group has material significant influence are as follows:

Name of Company	Note	Measurement Method	Principal Activity	Country of Incorporation	Ownership Interest on Voting Rights		Market Price		Carrying Amount	
					2024 %	2023 %	2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
RHB Bank Berhad		Equity Accounting	Banking	Malaysia	**39.20**	40.24	**11,074,629**	9,401,418	**13,703,471**	13,296,864
Malaysian Resources Corporation Berhad		Equity Accounting	Investment holding and conduct activities relating to construction, property development and management services to its subsidiaries	Malaysia	**36.21**	36.21	**849,180**	719,781	**1,808,019**	1,800,556
Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd		Equity Accounting	Highway concession operator	Malaysia	**40.00**	40.00	**-**	-	**1,144,177**	1,115,045
Individually Immaterial Associates	10.1c								**1,767,225**	1,913,640
Total Investment in Associates									**18,422,892**	18,126,105

10. INVESTMENT IN ASSOCIATES (CONT'D.)

10.1 GROUP (Cont'd.)

b. The tables below provide summarised financial information for those Associates that are material to the Group. The information disclosed reflects the amounts presented in the Financial Statements of the relevant Associates and not the Group's share of those amounts. They have been revised to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy:

	RHB Bank Berhad		Malaysian Resources Corporation Berhad		Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd	
	2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Summarised Statement of Financial Position						
Total Assets	**349,914,647**	328,692,111	**9,033,978**	8,844,549	**4,685,680**	4,711,727
Total Liabilities	**(317,383,283)**	(297,781,074)	**(4,413,810)**	(4,244,857)	**(2,163,712)**	(2,262,589)
Total Net Assets	**32,531,364**	30,911,037	**4,620,168**	4,599,692	**2,521,968**	2,449,138
Non-Controlling Interests (NCI)	**(39,145)**	(36,497)	**(5,470)**	(5,594)	**-**	-
Total Net Assets excluding NCI	**32,492,219**	30,874,540	**4,614,698**	4,594,098	**2,521,968**	2,449,138
Extraction from Statement of Comprehensive Income						
Income	**8,578,702**	7,744,165	**1,645,415**	2,537,490	**277,604**	254,117
Profit after Tax for the Financial Year	**3,124,115**	2,810,499	**63,546**	101,085	**72,829**	36,262
Other Comprehensive Income/(Loss) for the Financial Year	**(105,998)**	843,364	**1,611**	6,563	**-**	-
Total Comprehensive Income for the Financial Year	**3,018,117**	3,653,863	**65,157**	107,648	**72,829**	36,262
Dividend Received from Associates for the Financial Year	**688,063**	690,902	**16,175**	16,175	**-**	-
Group's Share in %	**39.20%**	40.24%	**36.21%**	36.21%	**40.00%**	40.00%
Group's Share of Net Assets	**12,736,950**	12,423,915	**1,670,982**	1,663,523	**1,008,787**	979,655
Goodwill	**966,521**	872,949	**137,037**	137,033	**135,390**	135,390
Carrying Amount	**13,703,471**	13,296,864	**1,808,019**	1,800,556	**1,144,177**	1,115,045
Group's Share of:						
Profit for the Financial Year	**1,251,460**	1,141,324	**23,055**	36,583	**29,132**	14,505
Other Comprehensive Income/ (Loss)	**(53,739)**	345,165	**583**	2,725	**-**	-
Total Comprehensive Income	**1,197,721**	1,486,489	**23,638**	39,308	**29,132**	14,505

10. INVESTMENT IN ASSOCIATES (CONT'D.)

10.1 GROUP (Cont'd.)

c. Individually Immaterial Associates

In addition to the interests in Associates disclosed as above, the Group also has interests in a number of individually immaterial Associates using the equity accounting method as follows:

	2024 (RM'000)	2023 (RM'000)
Total Carrying Amount of Individually Immaterial Associates	**1,767,225**	1,913,640
Aggregate Amount of the Group's Share of:		
Profit for the Financial Year	**134,613**	35,564
Other Comprehensive Income	**285**	-
Total Comprehensive Income	**134,898**	35,564

10.2 EPF

	2024	2023
	Cost/Book Value (RM'000)	Cost/Book Value (RM'000)
Domestic Quoted Equities	**10,369,553**	10,055,751
Domestic Unquoted Equities	**2,098,526**	2,117,725
Allowance for Impairment Losses	**(91,531)**	(90,857)
	2,006,995	2,026,868
Global Unquoted Equities	**178,500**	178,500
	12,555,048	12,261,119
Market Price		
Domestic Quoted Equities	**11,923,809**	10,121,199

List of Associates is disclosed in Note 39.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

11. INVESTMENT IN SUBSIDIARIES

	Note	EPF	
		2024	2023
		Cost/Book Value (RM'000)	Cost/Book Value (RM'000)
Domestic Quoted Equities	11a	**4,949,781**	5,059,672
Domestic Unquoted Equities	11b	**4,912,307**	4,635,722
Allowance for Impairment Losses		**(196,250)**	(11,993)
		4,716,057	4,623,729
Global Unquoted Equities	11b, 11c, 11d	**37,299,234**	34,325,067
Allowance for Impairment Losses		**(210,616)**	(78,898)
		37,088,618	34,246,169
		46,754,456	43,929,570
Market Price			
Domestic Quoted Equities		**3,440,718**	3,353,999

a. No impairment loss has been recognised for Domestic Quoted Equities even though the market price is lower than the carrying amount as at the reporting date. This is due to the recoverable amount for Domestic Quoted Equities is higher than the carrying amount when measured using a valuation technique based on EPF's accounting policy as approved by the Board.

List of Subsidiaries is disclosed in Note 38.

Details of significant transactions on Investment in Subsidiaries involving new/additional capital injection and decrease in investment via share redemption or return of capital during the financial year ended 2024 are as follows:

b. Additional Capital Injection

i. Naungan Sentosa Sdn Bhd

During the year, Naungan Sentosa Sdn Bhd has increased its equity by RM191.35 million mainly from the capitalisation of its loan to equity amounting to RM177.35 million.

ii. KWASA US

During the year, EPF injected capital amounting to USD38.71 million or RM174.69 million into KWASA US mainly for fund under KWASA Madison, KWASA PCCP and KWASA BMF V amounting to USD37.71 million or RM170.23 million and the remaining capital for its other fund investments.

11. INVESTMENT IN SUBSIDIARIES (CONT'D.)

b. Additional Capital Injection (Cont'd.)

iii. KWASA Singapore (Duo) Pte Ltd

During the year, KWASA Singapore (Duo) Pte Ltd has increased its equity by SGD36.27 million or RM121.01 million mainly from the capitalisation of its loan to equity amounting to SGD36.18 million or RM120.70 million.

iv. KWASA Asia

During the year, EPF injected capital amounting to USD7.81 million or RM34.28 million into Kwasa Asia mainly for investment in a hotel in Japan.

c. Return of Capital

i. KWASA US

During the year, EPF had received return of capital of USD6.66 million or RM28.99 million from KWASA US mainly from investment fund under KWASA PCCP and KWASA AG.

d. Injection and Return of Capital from Fund-of-Funds Subsidiaries

During the year, EPF had injected additional capital and received return of capital amounting to RM3,662.71 million and RM940.79 million respectively.

Details of significant transactions on new/additional capital injection and return of capital during the financial year ended 2024 for Fund-of-Funds Subsidiaries are as follows:

i. Additional Capital Injection

(1) GIP Ashshams, L.P. – RM928.18 million
(2) Meranti Fund III L.P. – RM465.77 million
(3) LOGOS Tuas South Venture L.P. – RM427.50 million
(4) Cendana I L.P. – RM334.89 million
(5) Nour Fund I L.P. – RM261.71 million
(6) Qamar Direct Infrastructure I, L.P. – RM250.23 million
(7) Cengal Private Equity Investments IV plc – RM242.76 million
(8) Salam Private Opportunities Feeder Fund L.P. – RM215.05 million
(9) Akasia I, L.P. – RM206.68 million

ii. Return of Capital

(1) Meranti Fund L.P. – RM190.76 million
(2) Cengal Private Equity Investments II plc – RM187.13 million
(3) Jati Private Equity Fund III L.P. – RM114.07 million
(4) Jati Private Equity Fund II L.P. – RM98.02 million
(5) Meranti Fund II L.P. – RM90.31 million
(6) Merbau Investors Offshore L.P. – RM58.27 million

11. INVESTMENT IN SUBSIDIARIES (CONT'D.)

11.1 NON-CONTROLLING INTERESTS

Set out below are summarised financial information of MBSB Berhad (MBSB), a 56.55% (2023: 57.45%) subsidiary which has Non-Controlling Interests that are material to the Group.

The summarised financial information are presented before the intra-group eliminations and is presented together with the amount attributable to Non-Controlling Interests as follows:

	2024 (RM'000)	2023 (RM'000)
Summarised Statement of Financial Position		
Total Assets	**64,264,014**	66,663,286
Total Liabilities	**(54,485,934)**	(56,825,020)
Total Net Assets	**9,778,080**	9,838,266
Accumulated Non-Controlling Interests	**4,248,708**	4,186,319
Summarised Statement of Comprehensive Income		
Revenue	**3,599,707**	3,098,688
Profit before Tax and Zakat	**586,349**	559,723
Tax and Zakat	**(179,573)**	(67,914)
Profit after Tax and Zakat	**406,776**	491,809
Other Comprehensive Income	**46,933**	224,243
Total Comprehensive Income	**453,709**	716,052
Total Comprehensive Income Attributable to Non-Controlling Interests	**197,134**	304,680
Dividend Paid to Non-Controlling Interests	**220,693**	208,041
Summarised Statement of Cash Flows		
Cash Flows from Operating Activities	**554,521**	1,719,541
Cash Flows (used in)/from Investing Activities	**(324,485)**	896,157
Cash Flows (used in)/from Financing Activities	**(4,574,315)**	785,666
(Decrease)/Increase in Cash and Cash Equivalents	**(4,344,279)**	3,401,364
Cash and Cash Equivalents as at 1 January	**5,607,314**	2,205,950
Cash and Cash Equivalents as at 31 December	**1,263,035**	5,607,314

11. INVESTMENT IN SUBSIDIARIES (CONT'D.)

11.2 Acquisition of New Subsidiaries

a. Acquisition of Malaysian Industrial Development Finance Berhad (MIDF)

On 2 October 2023, MBSB, a subsidiary of EPF has completed the acquisition of 100% shareholding in MIDF with a total purchase consideration of RM772.36 million. The purchase consideration was satisfied through issuance of 1,050,828,629 shares at market value of RM0.735 per share.

The acquisition resulted in a gain on bargain purchase amounting to RM354.38 million which has been included in Capital Gain from Investment in Subsidiaries, Associates and Joint Ventures in Note 24 due to the consideration of RM772.36 million being lower than the net assets acquired amounting to RM1,126.74 million.

During the year, MBSB has completed its allocation of the assets acquired and liabilities assumed. The fair value adjustments and intangible assets identified on the acquisition were based on finalised purchase price allocation and fair value exercise. This has resulted in gain amounting to RM3.19 million which has been included in Capital Gain from Investment in Subsidiaries, Associates and Joint Ventures in Note 24 for financial year 2024.

b. Acquisition of Vita Warwick 2 Limited and Vita Warwick Operating Company Limited

On 4 August 2023, Kwasa Global Jersey Limited, a subsidiary of EPF has acquired 100% of the shareholding in Vita Warwick 2 Limited (now known as KWASA Warwick Limited) and Vita Warwick Operating Company Limited (now known as KWASA Warwick Opco Limited) with a total purchase consideration of GBP173.32 million or RM987.26 million satisfied through cash.

The Group has applied the concentration test in MFRS 3 Business Combination and concluded that it constitutes an acquisition of asset as substantially all of the fair value is concentrated in a single asset.

12. ASSETS HELD FOR SALE

	Note	Group		EPF	
		2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Net Book Value					
At 1 January		**151,542**	74,619	**14,839**	16,516
Additions		**172,043**	–	**-**	–
Disposals		**(136,703)**	(2,948)	**-**	(1,677)
Reclassification from Loans, Advances and Financing		**-**	14	**-**	–
Reclassification from Investment Properties	15	**91,836**	79,656	**91,836**	–
Reclassification from Property, Plant and Equipment	17	**-**	201	**-**	–
At 31 December		**278,718**	151,542	**106,675**	14,839

The fair value of Assets Held for Sale of the Group and EPF as at the reporting date amounting to RM403.05 million and RM231.01 million (2023: RM251.40 million and RM24.00 million) respectively, were based on valuation carried out during the year.

Asset Held for Sale recorded by the Group as at 31 December 2024 is related to the unfulfilled conditions precedents of a put option exercise on investment in joint venture. The conditions precedents were completed on 18 February 2025.

In addition, EPF has recorded a total of seventeen (17) office buildings in all states of Malaysia as Assets Held for Sale as at 31 December 2024.

13. INVENTORIES

	Note	Group	
		2024 (RM'000)	2023 (RM'000)
Land Held for Development			
At 1 January		**3,051,160**	3,052,416
Additions		**108,208**	25,214
Sales		**(366,019)**	(100,616)
Reclassification from Investment Properties	15	**13,573**	78,141
Reclassification to Investment Properties	15	**-**	(139,096)
Adjustments		**15,604**	135,101
At 31 December	13a	**2,822,526**	3,051,160

a. Below is the breakdown of the Land Held for Development:

	Group	
	2024 (RM'000)	2023 (RM'000)
Freehold Land	**648,638**	478,231
Leasehold Land	**2,051,306**	2,408,945
Development Cost	**122,582**	163,984
	2,822,526	3,051,160

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

14. INTANGIBLE ASSETS

14.1 GROUP

	Note	Goodwill (RM'000)	License and Information Technology Software (RM'000)	Banking License (RM'000)	Core Deposits (RM'000)	Total (RM'000)
Cost						
At 1 January 2023		148,031	456,561	47,415	6,216	658,223
Addition from Acquisition of Subsidiaries		–	33,415	–	–	33,415
Additions		–	19,689	–	–	19,689
Reclassification from Property, Plant and Equipment	17.1	–	21,893	–	–	21,893
At 31 December 2023/ At 1 January 2024		**148,031**	**531,558**	**47,415**	**6,216**	**733,220**
Additions		**-**	**25,029**	**-**	**-**	**25,029**
Reclassification from Property, Plant and Equipment	17.1	**-**	**29,625**	**-**	**-**	**29,625**
Write-Off		**-**	**(3,652)**	**-**	**-**	**(3,652)**
At 31 December 2024		**148,031**	**582,560**	**47,415**	**6,216**	**784,222**
Accumulated Amortisation						
At 1 January 2023		–	351,057	–	5,094	356,151
Addition from Acquisition of Subsidiaries		–	25,752	–	–	25,752
Current Year Amortisation	29	–	47,231	–	1,036	48,267
At 31 December 2023/ At 1 January 2024		**-**	**424,040**	**-**	**6,130**	**430,170**
Current Year Amortisation	29	**-**	**48,127**	**-**	**86**	**48,213**
Write-Offs		**-**	**(3,630)**	**-**	**-**	**(3,630)**
At 31 December 2024		**-**	**468,537**	**-**	**6,216**	**474,753**
Net Book Value						
At 31 December 2023		148,031	107,518	47,415	86	303,050
At 31 December 2024		**148,031**	**114,023**	**47,415**	**-**	**309,469**

Goodwill arose from the acquisition of MBSB Bank Berhad in February 2018 by MBSB, a subsidiary of EPF. There is no impairment to goodwill since acquisition.

14. INTANGIBLE ASSETS (CONT'D.)

14.1 GROUP (Cont'd.)

a. Impairment Testing for Cash-Generating Unit Containing Goodwill and Banking License

For the purpose of impairment testing, banking license and goodwill are allocated to the Group's operating divisions which represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The recoverable amount of cash-generating units (CGU) is determined based on value-in-use (VIU) calculations. These calculations used pre-tax cash flow projections based on the 2025 financial budget, approved by the Board of Directors with a further projection of two (2) years (2023: 2 years). Cash flows beyond the three (3) years period are extrapolated using an estimated growth rate of 4.0% (2023: 4.0%) representing the forecasted Gross Domestic Product (GDP) growth rate of the country for all CGUs.

The cash flow projections are derived based on a number of key factors including past performance and management's expectation of market developments. The discount rates used are pre-tax and reflect specific risks relating to the CGUs.

In addition, the recoverable amount is assessed by incorporating multiple scenarios with variation in the assumptions used including discount rate and growth rates to estimate the expected cash flow, to allow assessment on the sensitivity of goodwill recoverable amount taking into consideration assumed probabilities of different future events and/or scenarios, in view of the uncertain economic condition.

The estimated terminal growth rates and discount rates used for VIU calculations are as follows:

	Terminal Growth Rate		Discount Rate	
	2024	**2023**	**2024**	**2023**
Corporate Banking	**4.0%**	4.0%	**8.6%**	10.1%
Retail Banking	**4.0%**	4.0%	**8.5%**	10.3%

Based on the impairment test performed, the Management believes that no reasonable possible change in any of the key assumptions would cause the carrying value of any CGU to exceed its recoverable amount.

14. INTANGIBLE ASSETS (CONT'D.)

14.2 EPF

	Note	License and Information Technology Software (RM'000)
Cost		
At 1 January 2023		131,900
Reclassification from Property, Plant and Equipment	17.2	6,175
At 31 December 2023/At 1 January 2024		**138,075**
Reclassification from Property, Plant and Equipment	17.2	**722**
At 31 December 2024		**138,797**
Accumulated Amortisation		
At 1 January 2023		115,548
Current Year Amortisation	29	6,598
At 31 December 2023/At 1 January 2024		**122,146**
Current Year Amortisation	29	**7,026**
At 31 December 2024		**129,172**
Net Book Value		
At 31 December 2023		15,929
At 31 December 2024		**9,625**

15. INVESTMENT PROPERTIES

	Note	Group		EPF	
		2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Cost					
At 1 January		**30,342,500**	26,277,665	**1,594,726**	1,543,560
Addition from Acquisition of Subsidiaries		**-**	1,003,899	**-**	-
Additions		**791,877**	576,837	**-**	13,865
Lease Modification		**11,297**	(24,471)	**-**	-
Disposals		**(521,629)**	(7,000)	**-**	-
Reclassification to Assets Held for Sale	12	**(161,974)**	(94,948)	**(161,973)**	-
Reclassification from Inventories	13	**-**	139,096	**-**	-
Reclassification to Inventories	13	**(13,573)**	(78,141)	**-**	-
Reclassification from Right-of-Use Assets	16	**-**	38,342	**-**	38,342
Reclassification to Right-of-Use Assets	16	**(3,838)**	-	**(3,839)**	-
Reclassification from Property, Plant and Equipment	17	**110,756**	-	**109,555**	-
Reclassification to Property, Plant and Equipment	17	**(167,704)**	(8,637)	**(167,199)**	(1,041)
Foreign Currency Translation Differences		**(1,396,936)**	2,384,169	**-**	-
Adjustments/Reclassifications		**22,837**	135,689	**-**	-
At 31 December		**29,013,613**	30,342,500	**1,371,270**	1,594,726
Accumulated Depreciation					
At 1 January		**(5,553,748)**	(4,565,507)	**(590,373)**	(548,276)
Addition from Acquisition of Subsidiaries		**-**	(2,148)	**-**	-
Current Year Depreciation	29	**(666,127)**	(576,623)	**(32,602)**	(34,911)
Disposals		**136,003**	2,648	**-**	-
Reclassification to Assets Held for Sale	12	**70,137**	15,292	**70,137**	-
Reclassification from Right-of-Use Assets	16	**-**	(7,741)	**-**	(7,741)
Reclassification to Right-of-Use Assets	16	**1,143**	-	**1,143**	-
Reclassification from Property, Plant and Equipment	17	**(82,504)**	-	**(82,437)**	-
Reclassification to Property, Plant and Equipment	17	**78,388**	555	**78,388**	555
Foreign Currency Translation Differences		**259,657**	(420,224)	**-**	-
Adjustments/Reclassifications		**(3,866)**	-	**-**	-
At 31 December		**(5,760,917)**	(5,553,748)	**(555,744)**	(590,373)
Accumulated Impairment Loss					
At 1 January		**(490,648)**	(410,985)	**(15,088)**	(15,731)
Current Year Impairment Loss	29	**(5,400)**	(37,890)	**-**	-
Write-back of Impairment Loss	29	**-**	643	**-**	643
Foreign Currency Translation Differences		**22,777**	(42,416)	**-**	-
At 31 December		**(473,271)**	(490,648)	**(15,088)**	(15,088)
Net Book Value as at 31 December		**22,779,425**	24,298,104	**800,438**	989,265

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

15. INVESTMENT PROPERTIES (CONT'D.)

The Profit or Loss shows the following amounts relating to Investment Properties:

	Note	Group		EPF	
		2024 (RM'000)	**2023 (RM'000)**	**2024 (RM'000)**	**2023 (RM'000)**
Rental Income		**1,972,299**	1,783,834	**86,305**	97,986
Variable Rental Income		**4,763**	4,627	**4,763**	4,627
Operating Expenditures:					
– Depreciation	29	**(666,127)**	(576,623)	**(32,602)**	(34,911)
– Current Year Impairment Loss	29	**(5,400)**	(37,890)	**-**	-
– Write-back of Impairment Loss	29	**-**	643	**-**	643
– Miscellaneous		**(101,097)**	(81,255)	**(25,274)**	(27,192)
Net Profit Related to Investment Properties		**1,204,438**	1,093,336	**33,192**	41,153

The Investment Properties of the Group are stated at cost, including transaction costs. The fair value of the Investment Properties of the Group as at 31 December 2024 amounted to RM33,036.29 million (2023: RM37,355.57 million) and for the EPF amounted to RM1,770.40 million (2023: RM1,729.35 million) have been determined based on the latest valuations performed.

Based on the impairment assessment performed as at 31 December 2024, there was an impairment loss of RM5.40 million (2023: RM37.89 million) on the Investment Properties for the Group mainly due to the decline in property prices.

During the year, there was no write back of impairment loss (2023: RM0.64 million) due to the recoverable amount is higher than carrying amount.

As at financial year ended 31 December 2024, the Group's Investment Properties amounting to RM13,650.33 million (2023: RM14,344.15 million) were pledged by EPF's subsidiaries as collateral for bank borrowings as disclosed in Note 21.1.

16. LEASES

Information pertaining to Right-of-Use Assets, Lease Liabilities, expenses and cash flows related to Leases are shown below:

(i) Amounts recognised in the Statements of Financial Position

a) Right-of-Use Assets

Group	Note	Leasehold Land (RM'000)	Building (RM'000)	Office Equipment (RM'000)	Computer Software and Hardware (RM'000)	Total (RM'000)
Cost						
At 1 January 2023		383,601	145,483	1,904	26,467	557,455
Additions		22,996	30,596	225	-	53,817
Addition from Acquisition of Subsidiaries		289	22,371	-	-	22,660
Disposals		-	(764)	-	-	(764)
Reclassification to Investment Properties	15	(38,342)	-	-	-	(38,342)
Lease Modification		-	(2,175)	-	-	(2,175)
Foreign Currency Translation Differences		35,130	-	-	-	35,130
At 31 December 2023/At 1 January 2024		**403,674**	**195,511**	**2,129**	**26,467**	**627,781**
Additions		**-**	**22,198**	**-**	**-**	**22,198**
Asset Retirement Obligation		**-**	**-**	**-**	**(26,467)**	**(26,467)**
Reclassification from Investment Properties	15	**3,838**	**-**	**-**	**-**	**3,838**
Lease Modification		**(45,046)**	**(1,124)**	**-**	**-**	**(46,170)**
Foreign Currency Translation Differences		**(15,447)**	**-**	**-**	**-**	**(15,447)**
At 31 December 2024		**347,019**	**216,585**	**2,129**	**-**	**565,733**
Accumulated Depreciation						
At 1 January 2023		23,237	78,260	1,469	15,439	118,405
Addition from Acquisition of Subsidiaries		39	20,509	-	-	20,548
Current Year Depreciation	29	3,645	25,224	340	8,823	38,032
Disposals		-	(85)	-	-	(85)
Reclassification to Investment Properties	15	(7,741)	-	-	-	(7,741)
Foreign Currency Translation Differences		1,328	-	-	-	1,328
At 31 December 2023/At 1 January 2024		**20,508**	**123,908**	**1,809**	**24,262**	**170,487**
Current Year Depreciation	29	**3,083**	**24,659**	**243**	**2,206**	**30,191**
Asset Retirement Obligation		**-**	**-**	**-**	**(26,468)**	**(26,468)**
Reclassification from Investment Properties	15	**1,143**	**-**	**-**	**-**	**1,143**
Foreign Currency Translation Differences		**(809)**	**-**	**-**	**-**	**(809)**
At 31 December 2024		**23,925**	**148,567**	**2,052**	**-**	**174,544**
Net Book Value						
At 31 December 2023		383,166	71,603	320	2,205	457,294
At 31 December 2024		**323,094**	**68,018**	**77**	**-**	**391,189**

16. LEASES (CONT'D.)

a) Right-of-Use Assets (Cont'd.)

EPF	Note	Leasehold Land (RM'000)	Building (RM'000)	Total (RM'000)
Cost				
At 1 January 2023		56,738	634,509	691,247
Additions		–	3,676	3,676
Disposals		–	(765)	(765)
Reclassification to Investment Properties	15	(38,342)	–	(38,342)
Lease Modification		–	(31,674)	(31,674)
At 31 December 2023/At 1 January 2024		**18,396**	**605,746**	**624,142**
Reclassification from Investment Properties	15	**3,839**	**-**	**3,839**
Lease Modification		**-**	**(14,583)**	**(14,583)**
At 31 December 2024		**22,235**	**591,163**	**613,398**
Accumulated Depreciation				
At 1 January 2023		11,521	50,563	62,084
Current Year Depreciation	29	417	42,964	43,381
Disposals		–	(85)	(85)
Reclassification to Investment Properties	15	(7,741)	–	(7,741)
At 31 December 2023/At 1 January 2024		**4,197**	**93,442**	**97,639**
Current Year Depreciation	29	**205**	**42,515**	**42,720**
Reclassification from Investment Properties	15	**1,143**	**-**	**1,143**
At 31 December 2024		**5,545**	**135,957**	**141,502**
Net Book Value				
At 31 December 2023		14,199	512,304	526,503
At 31 December 2024		**16,690**	**455,206**	**471,896**

The Group and EPF lease several assets including leasehold land, buildings, office equipment and computer software and hardware. The leasehold land lease terms for Group and EPF are between 59 to 250 years and 59 years respectively while for the other leased assets are between one (1) to 15 years and three (3) to 15 years respectively.

16. LEASES (CONT'D.)

b) Lease Liabilities

Group	Note	Leasehold Land (RM'000)	Building (RM'000)	Office Equipment (RM'000)	Computer Software and Hardware (RM'000)	Total (RM'000)
At 1 January 2023		554,466	72,862	458	11,306	639,092
Additions		22,993	30,483	225	–	53,701
Addition from Acquisition of Subsidiaries		–	1,963	–	–	1,963
Profit Expense on Lease Liabilities	29	25,280	2,751	17	207	28,255
Lease Modification		(24,471)	(2,175)	–	–	(26,646)
Lease Payments		(17,366)	(27,398)	(368)	(9,219)	(54,351)
Disposals		–	(771)	–	–	(771)
Foreign Currency Translation Differences		49,626	–	–	–	49,626
At 31 December 2023/At 1 January 2024		**610,528**	**77,715**	**332**	**2,294**	**690,869**
Additions		**-**	**22,111**	**-**	**-**	**22,111**
Profit Expense on Lease Liabilities	29	**21,430**	**2,917**	**7**	**11**	**24,365**
Lease Modification		**(33,749)**	**(1,201)**	**-**	**-**	**(34,950)**
Lease Payments		**(19,070)**	**(26,982)**	**(258)**	**(2,305)**	**(48,615)**
Foreign Currency Translation Differences		**(32,719)**	**-**	**-**	**-**	**(32,719)**
At 31 December 2024		**546,420**	**74,560**	**81**	**-**	**621,061**

EPF	Note	Leasehold Land (RM'000)	Building (RM'000)	Total (RM'000)
At 1 January 2023		38,540	598,447	636,987
Additions		–	3,676	3,676
Profit Expense on Lease Liabilities	29	1,792	24,148	25,940
Lease Modification		–	(31,674)	(31,674)
Lease Payments		(1,120)	(49,272)	(50,392)
Disposals		–	(771)	(771)
At 31 December 2023/At 1 January 2024		**39,212**	**544,554**	**583,766**
Profit Expense on Lease Liabilities	29	**1,823**	**23,908**	**25,731**
Lease Modification		**-**	**(14,583)**	**(14,583)**
Lease Payments		**(1,120)**	**(51,037)**	**(52,157)**
At 31 December 2024		**39,915**	**502,842**	**542,757**

16. LEASES (CONT'D.)

b) Lease Liabilities (Cont'd.)

The maturity structure of Lease Liabilities are as follows:

	Group		EPF	
	2024 (RM'000)	**2023 (RM'000)**	**2024 (RM'000)**	**2023 (RM'000)**
Maturing within 12 Months	**40,750**	19,371	**26,790**	23,884
Maturing after 12 Months	**580,311**	671,498	**515,967**	559,882
	621,061	690,869	**542,757**	583,766

(ii) Amounts recognised in the Statements of Comprehensive Income

The Profit or Loss shows the following amounts relating to Leases:

	Group		EPF	
	2024 (RM'000)	**2023 (RM'000)**	**2024 (RM'000)**	**2023 (RM'000)**
Gain on Termination of Lease Contracts	**-**	91	**-**	91
Items Included in Rent and Assessments:				
– Expense Relating to Short-Term Leases	**-**	28	**-**	28
– Expense Relating to Variable Lease Payments Not Included in Lease Liabilities	**86**	3,847	**-**	–
	86	3,966	**-**	119

(iii) Amounts recognised in the Statements of Cash Flows

The total cash outflow for Leases in 2024 are RM48.62 million (2023: RM54.35 million) and RM52.16 million (2023: RM50.39 million) for the Group and EPF respectively.

17. PROPERTY, PLANT AND EQUIPMENT

17.1 GROUP

	Note	Freehold Land (RM'000)	Building (RM'000)	Building, Plant and Machinery (RM'000)	Office and Building Renovation (RM'000)	Furniture, Fixtures and Fittings (RM'000)	Motor Vehicles (RM'000)	Office Equipment (RM'000)	Computer Software and Hardware (RM'000)	Work in Progress (RM'000)	Total (RM'000)
Cost											
At 1 January 2023		65,309	1,043,181	66,503	291,541	90,992	8,941	48,531	399,996	43,137	2,058,131
Additions		-	11,632	1,398	22,200	6,916	7,993	1,751	10,931	62,471	125,292
Addition from Acquisition of Subsidiaries		-	2,166	-	8,099	11,509	2,850	-	18,619	7,656	50,899
Disposals		-	-	-	(157)	(295)	(2,207)	(2,631)	(4,106)	-	(9,396)
Foreign Currency Translation Differences		-	-	1	-	38	-	60	-	-	99
Reclassifications		-	-	7,251	13,127	6,384	-	(1,214)	32,363	(57,911)	-
Write-Off		-	-	-	(550)	(113)	-	(997)	(4,534)	-	(6,194)
Reclassification to Assets Held for Sale	12	-	(794)	-	(951)	-	-	-	-	-	(1,745)
Reclassification to Intangible Assets	14.1	-	-	-	-	-	-	-	-	(21,893)	(21,893)
Reclassification from Investment Properties	15	-	8,637	-	-	-	-	-	-	-	8,637
At 31 December 2023/ At 1 January 2024		**65,309**	**1,064,822**	**75,153**	**333,309**	**115,431**	**17,577**	**45,500**	**453,269**	**33,460**	**2,203,830**
Additions		**-**	**16,998**	**34**	**20,019**	**2,091**	**7,906**	**2,186**	**10,637**	**92,097**	**151,968**
Disposals		**-**	**(1,488)**	**-**	**(537)**	**(4,814)**	**(2,036)**	**(5,240)**	**(19,786)**	**-**	**(33,901)**
Foreign Currency Translation Differences		**-**	**-**	**(1)**	**-**	**(81)**	**-**	**(1)**	**-**	**-**	**(83)**
Reclassifications		**-**	**-**	**6,547**	**41,324**	**4,032**	**-**	**1,776**	**7,561**	**(61,240)**	**-**
Adjustments		**-**	**-**	**(270)**	**(594)**	**-**	**-**	**-**	**-**	**-**	**(864)**
Write-Off		**-**	**-**	**-**	**(6,593)**	**(10,719)**	**-**	**(103)**	**(12,667)**	**-**	**(30,082)**
Reclassification to Intangible Assets	14.1	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(29,625)**	**(29,625)**
Reclassification to Investment Properties	15	**(7,423)**	**(102,133)**	**(1,200)**	**-**	**-**	**-**	**-**	**-**	**-**	**(110,756)**
Reclassification from Investment Properties	15	**9,321**	**158,383**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**167,704**
At 31 December 2024		**67,207**	**1,136,582**	**80,263**	**386,928**	**105,940**	**23,447**	**44,118**	**439,014**	**34,692**	**2,318,191**

17. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

17.1 GROUP (Cont'd.)

	Note	Freehold Land (RM'000)	Building (RM'000)	Building, Plant and Machinery (RM'000)	Office and Building Renovation (RM'000)	Furniture, Fixtures and Fittings (RM'000)	Motor Vehicles (RM'000)	Office Equipment (RM'000)	Computer Software and Hardware (RM'000)	Work in Progress (RM'000)	Total (RM'000)
Accumulated Depreciation and Impairment Losses											
At 1 January 2023											
Accumulated Depreciation		-	176,681	17,079	228,097	74,129	7,048	35,633	272,549	-	811,216
Accumulated Impairment Losses		-	277	-	-	-	-	-	-	-	277
		-	176,958	17,079	228,097	74,129	7,048	35,633	272,549	-	811,493
Current Year Depreciation	29	-	25,165	4,409	24,437	6,276	1,266	3,932	64,228	-	129,713
Addition from Acquisition of Subsidiaries		-	1,635	-	7,525	11,351	1,961	-	17,409	-	39,881
Disposals		-	-	-	(156)	(292)	(1,902)	(2,631)	(4,106)	-	(9,087)
Foreign Currency Translation Differences		-	-	-	-	6	-	60	-	-	66
Reclassifications		-	-	-	-	882	-	(900)	18	-	-
Write-Off		-	-	-	(256)	(113)	-	(997)	(4,440)	-	(5,806)
Reclassification to Assets Held for Sale	12	-	(592)	-	(952)	-	-	-	-	-	(1,544)
Reclassification from Investment Properties	15	-	555	-	-	-	-	-	-	-	555
At 31 December 2023/ At 1 January 2024		**-**	**203,721**	**21,488**	**258,695**	**92,239**	**8,373**	**35,097**	**345,658**	**-**	**965,271**
Analysed as:											
Accumulated Depreciation		**-**	**203,444**	**21,488**	**258,695**	**92,239**	**8,373**	**35,097**	**345,658**	**-**	**964,994**
Accumulated Impairment Losses		**-**	**277**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**277**
		-	**203,721**	**21,488**	**258,695**	**92,239**	**8,373**	**35,097**	**345,658**	**-**	**965,271**

17. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

17.1 GROUP (Cont'd.)

	Note	Freehold Land (RM'000)	Building (RM'000)	Building, Plant and Machinery (RM'000)	Office and Building Renovation (RM'000)	Furniture, Fixtures and Fittings (RM'000)	Motor Vehicles (RM'000)	Office Equipment (RM'000)	Computer Software and Hardware (RM'000)	Work in Progress (RM'000)	Total (RM'000)
Current Year Depreciation	29	-	19,046	5,022	32,193	7,707	2,872	3,414	57,743	-	127,997
Disposals		-	(109)	-	(537)	(4,805)	(1,984)	(4,863)	(19,786)	-	(32,084)
Foreign Currency Translation Differences		-	-	(1)	-	(51)	-	-	-	-	(52)
Reclassifications		-	-	-	(13)	13	-	-	-	-	-
Write-Off		-	-	-	(6,518)	(10,713)	-	(103)	(12,636)	-	(29,970)
Reclassification to Investment Properties	15	-	(82,437)	(67)	-	-	-	-	-	-	(82,504)
Reclassification from Investment Properties	15	-	78,388	-	-	-	-	-	-	-	78,388
At 31 December 2024		-	218,609	26,442	283,820	84,390	9,261	33,545	370,979	-	1,027,046
Analysed as:											
Accumulated Depreciation		-	218,332	26,442	283,820	84,390	9,261	33,545	370,979	-	1,026,769
Accumulated Impairment Losses		-	277	-	-	-	-	-	-	-	277
		-	218,609	26,442	283,820	84,390	9,261	33,545	370,979	-	1,027,046
Net Book Value											
At 31 December 2023		65,309	861,101	53,665	74,614	23,192	9,204	10,403	107,611	33,460	1,238,559
At 31 December 2024		**67,207**	**917,973**	**53,821**	**103,108**	**21,550**	**14,186**	**10,573**	**68,035**	**34,692**	**1,291,145**

17. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

17.2 EPF

	Note	Freehold Land (RM'000)	Building (RM'000)	Building, Plant and Machinery (RM'000)	Office and Building Renovation (RM'000)	Furniture, Fixtures and Fittings (RM'000)	Motor Vehicles (RM'000)	Office Equipment (RM'000)	Computer Software and Hardware (RM'000)	Work in Progress (RM'000)	Total (RM'000)
Cost											
At 1 January 2023		14,002	249,848	18,452	195,993	32,116	6,696	43,964	291,449	35,608	888,128
Additions		-	-	288	1,164	162	7,993	1,427	6,358	29,737	47,129
Disposals		-	-	-	-	(295)	(1,653)	(2,546)	(4,106)	-	(8,600)
Reclassifications		-	-	7,251	7,549	6,384	-	(1,214)	30,797	(50,767)	-
Write-Off		-	-	-	(408)	(60)	-	(144)	(3,640)	-	(4,252)
Reclassification to Intangible Assets	14.2	-	-	-	-	-	-	-	-	(6,175)	(6,175)
Reclassification from Investment Properties	15	-	1,041	-	-	-	-	-	-	-	1,041
At 31 December 2023/ At 1 January 2024		**14,002**	**250,889**	**25,991**	**204,298**	**38,307**	**13,036**	**41,487**	**320,858**	**8,403**	**917,271**
Additions		**-**	**-**	**-**	**-**	**238**	**7,855**	**1,514**	**5,331**	**67,411**	**82,349**
Disposals		**-**	**-**	**-**	**-**	**(4,587)**	**(1,005)**	**(4,297)**	**(19,785)**	**-**	**(29,674)**
Reclassifications		**-**	**-**	**6,547**	**41,324**	**4,049**	**-**	**1,760**	**5,573**	**(59,253)**	**-**
Adjustments		**-**	**-**	**(270)**	**(594)**	**-**	**-**	**-**	**-**	**-**	**(864)**
Write-Off		**-**	**-**	**-**	**(106)**	**(111)**	**-**	**(103)**	**(47)**	**-**	**(367)**
Reclassification to Intangible Assets	14.2	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(722)**	**(722)**
Reclassification to Investment Properties	15	**(7,423)**	**(102,132)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(109,555)**
Reclassification from Investment Properties	15	**9,321**	**157,878**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**167,199**
At 31 December 2024		**15,900**	**306,635**	**32,268**	**244,922**	**37,896**	**19,886**	**40,361**	**311,930**	**15,839**	**1,025,637**

17. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

17.2 EPF (Cont'd.)

	Note	Freehold Land (RM'000)	Building (RM'000)	Building, Plant and Machinery (RM'000)	Office and Building Renovation (RM'000)	Furniture, Fixtures and Fittings (RM'000)	Motor Vehicles (RM'000)	Office Equipment (RM'000)	Computer Software and Hardware (RM'000)	Work in Progress (RM'000)	Total (RM'000)
Accumulated Depreciation											
At 1 January 2023		-	142,136	11,936	170,758	21,125	5,374	31,740	202,651	-	585,720
Current Year Depreciation	29	-	5,386	1,164	8,540	4,335	977	3,747	50,680	-	74,829
Disposals		-	-	-	-	(293)	(1,653)	(2,546)	(4,105)	-	(8,597)
Reclassifications		-	-	-	(2)	886	-	(900)	16	-	-
Write-Off		-	-	-	(114)	(60)	-	(144)	(3,546)	-	(3,864)
Reclassification from Investment Properties	15	-	555	-	-	-	-	-	-	-	555
At 31 December 2023/ At 1 January 2024		**-**	**148,077**	**13,100**	**179,182**	**25,993**	**4,698**	**31,897**	**245,696**	**-**	**648,643**
Current Year Depreciation	29	**-**	**6,101**	**1,735**	**11,282**	**4,998**	**2,501**	**3,181**	**44,323**	**-**	**74,121**
Disposals		**-**	**-**	**-**	**-**	**(4,579)**	**(954)**	**(4,289)**	**(19,787)**	**-**	**(29,609)**
Reclassifications		**-**	**-**	**-**	**(13)**	**13**	**-**	**-**	**-**	**-**	**-**
Write-Off		**-**	**-**	**-**	**(30)**	**(111)**	**-**	**(103)**	**(38)**	**-**	**(282)**
Reclassification to Investment Properties	15	**-**	**(82,437)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(82,437)**
Reclassification from Investment Properties	15	**-**	**78,388**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**78,388**
At 31 December 2024		**-**	**150,129**	**14,835**	**190,421**	**26,314**	**6,245**	**30,686**	**270,194**	**-**	**688,824**
Net Book Value											
At 31 December 2023		14,002	102,812	12,891	25,116	12,314	8,338	9,590	75,162	8,403	268,628
At 31 December 2024		**15,900**	**156,506**	**17,433**	**54,501**	**11,582**	**13,641**	**9,675**	**41,736**	**15,839**	**336,813**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

18. DEFERRED TAX

	Note	Group	
		2024 (RM'000)	2023 (RM'000)
At 1 January		**26,695**	70,764
Adjustments		**(1,006)**	–
Addition from Acquisition of Subsidiaries		**-**	14,417
Amount Recognised in Profit or Loss			
– Income Tax	31	**29,233**	17,579
Amount Recognised in Other Comprehensive Income		**(15,480)**	(71,297)
Foreign Currency Translation Differences		**6,894**	(4,768)
At 31 December		**46,336**	26,695
Deferred Tax Assets:			
– Settled more than 12 Months		**173,364**	144,395
	18.1a	**173,364**	144,395
Deferred Tax Liabilities:			
– Settled within 12 Months		**(2,435)**	–
– Settled more than 12 Months		**(124,593)**	(117,700)
	18.1b	**(127,028)**	(117,700)

Deferred Tax Assets and Liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when the deferred taxes relate to the same authority.

18. DEFERRED TAX (CONT'D.)

The components and movements in Deferred Tax Assets and Liabilities before offsetting during the financial year comprise of the followings:

18.1 DEFERRED TAX ASSETS

	Note	Unutilised Tax Losses (RM'000)	Financial Assets at FVOCI Reserve (RM'000)	Property, Plant and Equipment (RM'000)	Investment Properties (RM'000)	Loans, Advances and Financing (RM'000)	Others (RM'000)	Total (RM'000)
At 1 January 2023		3,555	107,816	–	6,949	25,192	17,324	160,836
Addition from Acquisition of Subsidiaries		–	3,996	–	–	1,979	9,123	15,098
Amount Recognised in Profit or Loss		(2,534)	–	–	3,593	55,202	(8,755)	47,506
Amount Recognised in Other Comprehensive Income		–	(71,110)	–	–	–	–	(71,110)
Foreign Currency Translation Differences		132	–	–	648	65	268	1,113
At 31 December 2023/ At 1 January 2024		**1,153**	**40,702**	**-**	**11,190**	**82,438**	**17,960**	**153,443**
Adjustments		**-**	**-**	**-**	**-**	**-**	**(3,995)**	**(3,995)**
Amount Recognised in Profit or Loss		**(698)**	**-**	**(11)**	**3,359**	**19,304**	**24,516**	**46,470**
Amount Recognised in Other Comprehensive Income		**-**	**(15,568)**	**-**	**-**	**-**	**-**	**(15,568)**
Foreign Currency Translation Differences		**(65)**	**-**	**-**	**(1,155)**	**(162)**	**(550)**	**(1,932)**
At 31 December 2024	18.1a	**390**	**25,134**	**(11)**	**13,394**	**101,580**	**37,931**	**178,418**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

18. DEFERRED TAX (CONT'D.)

The components and movements in Deferred Tax Assets and Liabilities before offsetting during the financial year comprise of the followings: (Cont'd.)

18.1 DEFERRED TAX LIABILITIES

	Note	Unutilised Tax Losses (RM'000)	Financial Assets at FVOCI Reserve (RM'000)	Property, Plant and Equipment (RM'000)	Investment Properties (RM'000)	Loans, Advances and Financing (RM'000)	Others (RM'000)	Total (RM'000)
At 1 January 2023		–	–	(27,392)	(35,990)	(12,180)	(14,510)	(90,072)
Addition from Acquisition of Subsidiaries		–	–	(655)	–	–	(26)	(681)
Amount Recognised in Profit or Loss		–	–	22,209	(8,614)	(185)	(43,337)	(29,927)
Amount Recognised in Other Comprehensive Income		–	–	–	–	–	(187)	(187)
Foreign Currency Translation Differences		–	–	–	(3,336)	(894)	(1,651)	(5,881)
At 31 December 2023/ At 1 January 2024		**-**	**-**	**(5,838)**	**(47,940)**	**(13,259)**	**(59,711)**	**(126,748)**
Adjustments		**-**	**-**	**-**	**-**	**-**	**2,232**	**3,277**
Amount Recognised in Profit or Loss		**-**	**-**	**(2,077)**	**(15,873)**	**(1,000)**	**472**	**(19,523)**
Amount Recognised in Other Comprehensive Income		**-**	**-**	**-**	**(785)**	**-**	**1,875**	**1,090**
Foreign Currency Translation Differences		**-**	**-**	**-**	**3,656**	**1,216**	**4,950**	**9,822**
At 31 December 2024	18.1b	**-**	**-**	**(7,915)**	**(60,942)**	**(13,043)**	**(50,182)**	**(132,082)**

18. DEFERRED TAX (CONT'D.)

18.1a DEFERRED TAX ASSETS

	Note	Group 2024 (RM'000)	Group 2023 (RM'000)
Deferred Tax Assets (Before Offsetting)			
Unutilised Tax Losses		**390**	1,153
Financial Assets at FVOCI Reserve		**25,134**	40,702
Property, Plant and Equipment		**(11)**	–
Investment Properties		**13,394**	11,190
Loans, Advances and Financing		**101,580**	82,438
Others		**37,931**	17,960
	18.1	**178,418**	153,443
Offsetting		**(5,054)**	(9,048)
Deferred Tax Assets (After Offsetting)	18	**173,364**	144,395

18.1b DEFERRED TAX LIABILITIES

	Note	Group 2024 (RM'000)	Group 2023 (RM'000)
Deferred Tax Liabilities (Before Offsetting)			
Property, Plant and Equipment		**(7,915)**	(5,838)
Investment Properties		**(60,942)**	(47,940)
Loans, Advances and Financing		**(13,043)**	(13,259)
Others		**(50,182)**	(59,711)
	18.1	**(132,082)**	(126,748)
Offsetting		**5,054**	9,048
Deferred Tax Liabilities (After Offsetting)	18	**(127,028)**	(117,700)

18.2 No deferred tax assets have been recognised in respect of the following items:

	Group 2024 (RM'000)	Group 2023 (RM'000)
Unutilised Tax Losses	**798,226**	760,651
Unabsorbed Capital Allowances	**1,834**	1,626
Deductible Temporary Differences	**107,557**	100,150
	907,617	862,427
Deferred Tax Assets Not Recognised at Applicable Tax Rate of 24% (2023: 24%)	**217,828**	206,983

Deferred tax assets are not recognised by certain subsidiaries in respect of the above temporary differences as the Group is of the view that it is not probable that sufficient taxable profits will be available to allow utilisation of the deferred tax assets.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

18. DEFERRED TAX (CONT'D.)

18.2 No deferred tax assets have been recognised in respect of the following items: (Cont'd.)

The unutilised tax losses amounting to RM798.23 million (2023: RM760.65 million) for which no deferred tax assets are recognised will expire in the following year:

	Group	
	2024 (RM'000)	**2023 (RM'000)**
Financial Year:		
2028	**515,845**	516,757
2029	**20,606**	21,018
2030	**21,357**	21,681
2031	**67,020**	74,940
2032	**58,626**	71,781
2033	**46,285**	54,474
2034	**68,487**	-
	798,226	760,651

19. PAYABLES AND ACCRUED LIABILITIES

19.1 GROUP

	Note	2024 (RM'000)	2023 (RM'000)
Rent Received in Advance		**387,226**	315,722
Accruals on Administrative and Miscellaneous Non-Investment Payments	19.1a	**2,438,576**	2,482,529
Accruals on Investment Payments	19.1b	**3,420,401**	3,684,802
		6,246,203	6,483,053

a. Included in Accruals on Administrative and Miscellaneous Non-Investment Payments is the contract liabilities for advance payments received from customers on contracts for the Group amounting to RM114.63 million (2023: RM125.91 million).

19. PAYABLES AND ACCRUED LIABILITIES (CONT'D.)

19.1 GROUP (Cont'd.)

b. Included in Accruals on Investment Payments is the Allowance for Impairment Losses on commitments and contingencies of the Group that are recognised in accordance with MFRS 9 as per the table below:

2024	Note	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**28,221**	**5,179**	**1,850**	**35,250**
Movement with Profit or Loss Impact	26	**(12,781)**	**(2,579)**	**(372)**	**(15,732)**
Transfers:					
Transfer from Stage 1 to Stage 2		**(1,363)**	**1,363**	**-**	**-**
Transfer from Stage 1 to Stage 3		**(1,414)**	**-**	**1,414**	**-**
Transfer from Stage 2 to Stage 1		**260**	**(260)**	**-**	**-**
Transfer from Stage 2 to Stage 3		**-**	**(47)**	**47**	**-**
Transfer from Stage 3 to Stage 1		**49**	**-**	**(49)**	**-**
Transfer from Stage 3 to Stage 2		**-**	**161**	**(161)**	**-**
New Financial Assets Originated or Purchased		**10,604**	**101**	**-**	**10,705**
Derecognised Financial Assets		**(9,088)**	**(2,630)**	**(395)**	**(12,113)**
Changes in PDs/LGDs/EADs		**(11,829)**	**(1,267)**	**(1,228)**	**(14,324)**
Write-Off		**-**	**-**	**(7)**	**(7)**
At 31 December		**15,440**	**2,600**	**1,471**	**19,511**

2023	Note	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		15,278	32,440	5,055	52,773
Addition from Acquisition of Subsidiaries		1,307	–	–	1,307
Movement with Profit or Loss Impact	26	11,709	(27,160)	(2,910)	(18,361)
Transfers:					
Transfer from Stage 1 to Stage 2		(913)	913	–	–
Transfer from Stage 1 to Stage 3		(8)	–	8	–
Transfer from Stage 2 to Stage 1		1,935	(1,935)	–	–
Transfer from Stage 2 to Stage 3		–	(356)	356	–
Transfer from Stage 3 to Stage 1		13	–	(13)	–
Transfer from Stage 3 to Stage 2		–	37	(37)	–
New Financial Assets Originated or Purchased		12,223	255	68	12,546
Derecognised Financial Assets		(3,743)	(8,937)	(3,963)	(16,643)
Changes in PDs/LGDs/EADs		2,202	(17,137)	671	(14,264)
Write-Off		(73)	(101)	(295)	(469)
At 31 December		28,221	5,179	1,850	35,250

19. PAYABLES AND ACCRUED LIABILITIES (CONT'D.)

19.1 GROUP (CONT'D.)

The maturity structure of Payables and Accrued Liabilities are as follows:

	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months	**5,032,825**	5,391,458
Maturing after 12 Months	**1,213,378**	1,091,595
	6,246,203	6,483,053

19.2 EPF

	2024 (RM'000)	2023 (RM'000)
Rent Received in Advance	**2,634**	3,608
Accruals on Administrative and Miscellaneous Non-Investment Payments	**608,765**	529,343
Accruals on Investment Payments	**2,750,050**	2,965,432
Amount due to Subsidiaries	**12,858**	1,385
	3,374,307	3,499,768

The maturity structure of Payables and Accrued Liabilities are as follows:

	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months	**3,312,494**	3,437,955
Maturing after 12 Months	**61,813**	61,813
	3,374,307	3,499,768

20. DEPOSITS AND ADVANCES

20.1 GROUP

	2024 (RM'000)	2023 (RM'000)
Employers Instalment	**53,031**	59,507
Remittance Suspense	**141,886**	47,720
Deposits on Office Rentals	**106,747**	78,869
Customers Deposits	**46,943,611**	45,252,924
Transit for Late Processing of Contributions	**331,717**	293,637
Deposits on Sales of Property	**2,524**	–
Miscellaneous	**1,798**	3,751
	47,581,314	45,736,408

The maturity structure of the Deposits and Advances are as follows:

	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months	**45,027,842**	42,635,992
Maturing after 12 Months	**2,553,472**	3,100,416
	47,581,314	45,736,408

20.2 EPF

	2024 (RM'000)	2023 (RM'000)
Employers Instalment	**53,031**	59,507
Remittance Suspense	**141,886**	47,720
Deposits on Office Rentals	**8,501**	12,086
Transit for Late Processing of Contributions	**331,717**	293,637
Deposits on Sales of Property	**2,524**	–
Miscellaneous	**1,423**	3,381
	539,082	416,331

The maturity structure of the Deposits and Advances are as follows:

	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months	**461,369**	330,535
Maturing after 12 Months	**77,713**	85,796
	539,082	416,331

21. LOANS AND OVERDRAFTS

	Group	
	2024 (RM'000)	**2023 (RM'000)**
Bank Borrowings and Overdrafts	**17,831,342**	20,158,165
Recourse Obligations on Loan Sold to Cagamas	**2,090,032**	4,031,732
Other Borrowings	**1,097,264**	1,703,297
	21,018,638	25,893,194

The maturity structure of Loans and Overdrafts are as follows:

	Group	
	2024 (RM'000)	**2023 (RM'000)**
Maturing within 12 Months	**8,431,478**	7,127,510
Maturing after 12 Months	**12,587,160**	18,765,684
	21,018,638	25,893,194

21.1 Existing Bank Borrowings

The followings are details in respect of significant loans by the Group as reported in the Statement of Financial Position:

a. On 30 September 2020, a global subsidiary entered into a loan facility agreement with Standard Chartered Bank for an amount of GBP800.00 million (RM4,261.92 million) to refinance the initial loan with the bank upon its maturity. The loan is repayable after five (5) years and is secured against the subsidiary's investment properties. The loan carries interest at LIBOR rate plus 1%. On 10 September 2021, the global subsidiary entered into an amendment agreement to amend the benchmark rate from GBP LIBOR to GBP SONIA. The interest has been fixed at 0.2435% per annum. The amendments were effective on 31 March 2022.

b. On 29 March 2021, a global subsidiary entered into a loan facility agreement with Citigroup Global Markets Asia Limited for an amount of GBP136.00 million (RM778.37 million) to refinance the initial loan with the bank upon its maturity. The loan will mature on 7 April 2026 and is secured against the subsidiary's investment properties. The loan carries interest at GBP SONIA rate plus 0.83%.

c. On 3 July 2017, eight (8) global subsidiaries entered into a loan facility agreement with The Hongkong and Shanghai Banking Corporation Limited for an amount of EUR268.20 million (RM1,311.71 million), with a maturity date of 17 June 2022. On 31 March 2022, the loan facility was refinanced with a new loan agreement for an amount of EUR293.29 million (RM1,376.50 million) with the Standard Chartered Bank, maturing after three (3) years and bearing interest of Euribor + 1.40%.

d. On 31 July 2019, three (3) global subsidiaries entered into a loan facility agreement with Standard Chartered Bank for an amount of EUR328.00 million (RM1,509.55 million). The interest rate in effect is three (3) month Euribor plus a margin of 0.75%. This facility was fully paid on 31 July 2024. On the same day, the global subsidiaries entered into a new loan facility agreement for the same amount with Citigroup Global Markets Asia Limited, Citibank N.A. Labuan, Bank of China (Malaysia) Berhad, Affin Bank Berhad and Bank of China (Hong Kong) Limited. The interest rate in effect is three (3) month Euribor plus a margin of 0.73% and will expire after five (5) years.

21. LOANS AND OVERDRAFTS (CONT'D.)

21.1 Existing Bank Borrowings (Cont'd.)

The followings are details in respect of significant loans by the Group as reported in the Statement of Financial Position: (Cont'd.)

e. On 3 December 2020, a global subsidiary entered into a loan facility agreement with OCBC Bank for an amount of GBP186.20 million (RM1,015.91 million). The loan will mature after seven (7) years and is secured against the subsidiary's investment properties. The loan carries interest at GBP SONIA rate plus a margin of 1.36% and a credit adjustment of 0.1193%. There was a loan repayment of GBP25.00 million (RM136.42 million) to OCBC Bank in 2023, resulting in a new outstanding loan balance of GBP161.18 million (RM879.49 million).

f. On 17 December 2021, a global subsidiary entered into a loan facility agreement with OCBC Bank (Malaysia) Berhad for an amount of GBP290.46 million (RM1,632.15 million) to refinance the loan with another bank upon its maturity. The loan will mature after five (5) years and is secured against the subsidiary's investment properties. The loan carries interest at GBP SONIA rate plus a margin of 1.25%. There was a loan repayment of GBP14.00 million (RM78.67 million) to OCBC Bank (Malaysia) Berhad in 2023, resulting in a new outstanding loan balance of GBP276.46 million (RM1,553.48 million).

g. On 14 April 2022, a global subsidiary entered into a loan facility agreement with CIMB Bank Berhad for an amount of GBP134.40 million (RM747.43 million) to refinance the initial loan with another bank upon its maturity. The loan will mature on 20 April 2027 and charges interest at GBP SONIA rate plus margin of 0.90%.

h. On 5 October 2023, a global subsidiary entered into a loan facility agreement with RHB Bank (L) Ltd for an amount of GBP188.00 million (RM1,077.94 million) to refinance the initial loan with another bank upon its maturity. The loan will mature on 6 October 2028 and charges interest at GBP SONIA rate plus margin of 0.95%.

i. A global subsidiary entered into revolving loan facility agreements with various banks with outstanding balance of GBP180.50 million (RM1,001.55 million) which are secured against the subsidiary's investment properties in Australia. The loans bear interest at a base rate from 4.37% to 4.44% and a margin between 1.20% to 1.50% with maturity dates ranging from 1 July 2027 to 29 April 2028.

Bank borrowings that are secured by the Group's Investment Properties are not to be pledged as securities for other borrowings or to be disposed to another entity.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

21. LOANS AND OVERDRAFTS (CONT'D.)

21.1 Existing Bank Borrowings (Cont'd.)

The table below shows reconciliation of Group's Loans and Overdrafts arising from financing activities and are classified in the Group's Statements of Cash Flows as cash flows from financing activities:

	Group	
	2024 (RM'000)	**2023 (RM'000)**
At 1 January	**25,893,194**	21,416,970
Cash Flow's Changes from Operating Activities:		
Interest Paid	**(1,195,745)**	(375,139)
Cash Flow's Changes from Financing Activities:		
Proceeds from Borrowings	**2,414,429**	5,304,983
Repayments of Borrowings	**(6,419,471)**	(2,605,444)
Non-Cash Changes:		
Accrued Interest	**1,288,534**	432,645
Amortisation of Loan Acquisition Costs	**14,357**	54,022
Loan Capitalisation	**14,490**	(30)
Addition from Acquisition of Subsidiaries	**-**	225,092
Foreign Currency Translation Differences	**(991,150)**	1,440,095
At 31 December	**21,018,638**	25,893,194

22. EMPLOYEE BENEFITS

	Note	Group		
		Post-Retirement Medical Benefit (RM'000)	**Post-Retirement Gratuity (RM'000)**	**Total (RM'000)**
At 1 January 2023		31,381	297,213	328,594
Addition from Acquisition of Subsidiaries		–	12,971	12,971
Provisions Made during the Financial Year Recognised in the Profit or Loss	29	1,311	66,539	67,850
Loss from Actuarial Valuation on Employee Benefits Plan Recognised as Other Comprehensive Income		6,791	28,085	34,876
Benefits Paid during the Year		(11,108)	(13,735)	(24,843)
At 31 December 2023/At 1 January 2024		**28,375**	**391,073**	**419,448**
Provisions Made during the Financial Year Recognised in the Profit or Loss	29	**3,919**	**16,937**	**20,856**
Loss from Actuarial Valuation on Employee Benefits Plan Recognised as Other Comprehensive Income		**11,289**	**7,304**	**18,593**
Benefits Paid during the Year		**(13,618)**	**(17,473)**	**(31,091)**
At 31 December 2024	22.1 & 22.2	**29,965**	**397,841**	**427,806**

22. EMPLOYEE BENEFITS (CONT'D.)

The maturity structure of Employee Benefits are as follows:

	Group	
	2024 (RM'000)	**2023 (RM'000)**
Maturing within 12 Months	**16,990**	20,142
Maturing after 12 Months	**410,816**	399,306
	427,806	419,448

	Note	EPF		
		Post-Retirement Medical Benefit (RM'000)	**Post-Retirement Gratuity (RM'000)**	**Total (RM'000)**
At 1 January 2023		31,381	297,213	328,594
Provisions Made during the Financial Year Recognised in the Profit or Loss	29	1,311	66,172	67,483
Loss from Actuarial Valuation on Employee Benefits Plan Recognised as Other Comprehensive Income		6,791	27,058	33,849
Benefits Paid during the Year		(11,108)	(13,341)	(24,449)
At 31 December 2023/At 1 January 2024		**28,375**	**377,102**	**405,477**
Provisions Made during the Financial Year Recognised in the Profit or Loss	29	**3,919**	**15,796**	**19,715**
Loss from Actuarial Valuation on Employee Benefits Plan Recognised as Other Comprehensive Income		**11,289**	**6,917**	**18,206**
Benefits Paid during the Year		**(13,618)**	**(16,178)**	**(29,796)**
At 31 December 2024	22.1 & 22.2	**29,965**	**383,637**	**413,602**

The maturity structure of Employee Benefits are as follows:

	EPF	
	2024 (RM'000)	**2023 (RM'000)**
Maturing within 12 Months	**16,990**	20,142
Maturing after 12 Months	**396,612**	385,335
	413,602	405,477

22. EMPLOYEE BENEFITS (CONT'D.)

22.1 Post-Retirement Medical Benefit

a. The movements of present value in the unfunded obligations are as follows:

	Note	Group and EPF	
		2024 (RM'000)	2023 (RM'000)
At 1 January		**28,375**	31,381
Interest Cost		**3,919**	1,311
Benefits Paid during the Year		**(13,618)**	(11,108)
Net Actuarial Loss		**11,289**	6,791
At 31 December	22	**29,965**	28,375

b. The amounts in the Statements of Financial Position are as follows:

	Group and EPF	
	2024 (RM'000)	2023 (RM'000)
Present Value of Unfunded Obligations	**29,965**	28,375
Net Liabilities as at 31 December	**29,965**	28,375

c. The amounts recognised in Profit or Loss and Other Comprehensive Income are as follows:

	Group and EPF	
	2024 (RM'000)	2023 (RM'000)
Interest Cost	**3,919**	1,311
Total Post-Retirement Costs Recognised in Profit or Loss	**3,919**	1,311
Net Actuarial Loss	**11,289**	6,791
Total Post-Retirement Costs Recognised in Other Comprehensive Income	**11,289**	6,791
Total Post-Retirement Costs Recognised in Profit or Loss and Other Comprehensive Income	**15,208**	8,102

d. The amounts in the Statements of Financial Position are reconciled as follows:

	Group and EPF	
	2024 (RM'000)	2023 (RM'000)
Present Value of Unfunded Obligations	**28,375**	31,381
Total Post-Retirement Costs Recognised in Profit or Loss and Other Comprehensive Income	**15,208**	8,102
Benefits Paid during the Year	**(13,618)**	(11,108)
Net Liabilities as at 31 December	**29,965**	28,375

22. EMPLOYEE BENEFITS (CONT'D.)

22.1 Post-Retirement Medical Benefit (Cont'd.)

e. The principal actuarial assumptions used were as follows:

	Group and EPF	
	2024	**2023**
Discount Rate (%)	**4.10**	4.18
Medical Cost Inflation Rate (%):		
Outpatient	**2.04**	3.56
Inpatient	**0.10**	1.47
Average Life Expectancy Rate (Years):		
Male	**81**	81
Female	**87**	87

f. The sensitivity analysis below have been determined based on a method that extrapolates reasonable changes during the actuarial valuation at the Statements of Financial Position, holding other assumptions are constant:

	Group and EPF		
	2024		
	(RM'000)	**Increase (+) (RM'000)**	**Decrease (-) (RM'000)**
Benefit Obligations as at 31 December	**29,965**		
Discount Rate (1% Movement)		**(1,459)**	**1,653**
Average Life Expectancy (1 Year Movement)		**430**	**(206)**

	Group and EPF		
	2023		
	(RM'000)	**Increase (+) (RM'000)**	**Decrease (-) (RM'000)**
Benefit Obligations as at 31 December	28,375		
Discount Rate (1% Movement)		(1,643)	1,875
Average Life Expectancy (1 Year Movement)		885	(959)

Although the analysis does not account for full cash distribution expected under the plan, it does provide approximation of sensitivity assumptions used.

22. EMPLOYEE BENEFITS (CONT'D.)

22.2 Post-Retirement Gratuity

a. The movements of present value in the unfunded obligations are as follows:

	Note	Group		EPF	
		2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
At 1 January		**391,073**	297,213	**377,102**	297,213
Addition from Acquisition of Subsidiaries		**-**	12,971	**-**	-
Current Service Cost		**882**	53,748	**334**	53,748
Interest Cost		**16,055**	12,790	**15,462**	12,424
Benefits Paid during the Year		**(17,473)**	(13,735)	**(16,178)**	(13,341)
Net Actuarial Loss		**7,304**	28,086	**6,917**	27,058
At 31 December	22	**397,841**	391,073	**383,637**	377,102

b. The amounts in the Statements of Financial Position are as follows:

	Group		EPF	
	2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Present Value of Unfunded Obligations	**397,841**	391,073	**383,637**	377,102
Net Liabilities as at 31 December	**397,841**	391,073	**383,637**	377,102

c. The amounts recognised in Profit or Loss and Other Comprehensive Income are as follows:

	Group		EPF	
	2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Current Service Cost	**882**	53,748	**334**	53,748
Interest Cost	**16,055**	12,790	**15,462**	12,424
Total Post-Retirement Costs Recognised in Profit or Loss	**16,937**	66,538	**15,796**	66,172
Net Actuarial Loss	**7,304**	28,086	**6,917**	27,058
Total Post-Retirement Costs Recognised in Other Comprehensive Income	**7,304**	28,086	**6,917**	27,058
Total Post-Retirement Costs Recognised in Profit or Loss and Other Comprehensive Income	**24,241**	94,624	**22,713**	93,230

22. EMPLOYEE BENEFITS (CONT'D.)

22.2 Post-Retirement Gratuity (Cont'd.)

d. The amounts in the Statements of Financial Position are reconciled as follows:

	Group		EPF	
	2024 (RM'000)	**2023 (RM'000)**	**2024 (RM'000)**	**2023 (RM'000)**
Present Value of Unfunded Obligations	**391,073**	297,213	**377,102**	297,213
Addition from Acquisition of Subsidiaries	**-**	12,971	**-**	-
Total Post-Retirement Costs Recognised in Profit or Loss and Other Comprehensive Income	**24,241**	94,624	**22,713**	93,230
Benefits Paid during the Year	**(17,473)**	(13,735)	**(16,178)**	(13,341)
Net Liabilities as at 31 December	**397,841**	391,073	**383,637**	377,102

e. The principal actuarial assumptions used were as follows:

	Group		EPF	
	2024	**2023**	**2024**	**2023**
Discount Rate (%)	**4.10 - 4.15**	4.18 - 4.40	**4.10**	4.18
Annual Salary Increment Rate (%)	**4.20 - 5.00**	4.20 - 5.00	**4.20**	4.20
Salary Adjustment Rate (%)	**0.01 - 8.00**	0.02 - 8.00	**8.00**	8.00

f. The sensitivity analysis below have been determined based on a method that extrapolates reasonable changes during the actuarial valuation at the Statements of Financial Position, holding other assumptions are constant:

	Group		
	2024		
	(RM'000)	**Increase (+) (RM'000)**	**Decrease (-) (RM'000)**
Benefit Obligations as at 31 December	**397,841**		
Discount Rate (1% Movement)		**(39,229)**	**46,013**
Annual Salary Increment Rate (1% Movement)		**3,243**	**(7,348)**

	Group		
	2023		
	(RM'000)	**Increase (+) (RM'000)**	**Decrease (-) (RM'000)**
Benefit Obligations as at 31 December	391,073		
Discount Rate (1% Movement)		(39,270)	42,380
Annual Salary Increment Rate (1% Movement)		1,465	(3,686)

22. EMPLOYEE BENEFITS (CONT'D.)

22.2 Post-Retirement Gratuity (Cont'd.)

f. The sensitivity analysis below have been determined based on a method that extrapolates reasonable changes during the actuarial valuation at the Statements of Financial Position, holding other assumptions are constant: (Cont'd.)

	EPF		
	2024		
	(RM'000)	Increase (+) (RM'000)	Decrease (-) (RM'000)
Benefit Obligations as at 31 December	**383,637**		
Discount Rate (1% Movement)		**(38,347)**	**45,087**
Annual Salary Increment Rate (1% Movement)		**2,329**	**(6,468)**

	EPF		
	2023		
	(RM'000)	Increase (+) (RM'000)	Decrease (-) (RM'000)
Benefit Obligations as at 31 December	377,102		
Discount Rate (1% Movement)		(36,712)	43,194
Annual Salary Increment Rate (1% Movement)		2,285	(6,248)

Although the analysis does not account for full cash distribution expected under the plan, it does provide approximation of sensitivity assumptions used.

23. NET ASSETS ATTRIBUTABLE TO MEMBERS

	Note	Group		EPF	
		2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Allocated to Members					
Contributions	23.1	**1,269,683,265**	1,146,777,786	**1,269,683,265**	1,146,777,786
Unallocated to Members	23a				
Cumulative Surplus and Reserves:					
Cumulative Surplus	23.2	**17,795,455**	22,143,739	**16,419,366**	19,065,629
Financial Assets at FVOCI Reserve	23.3	**(40,170,699)**	(29,643,441)	**(40,038,573)**	(29,445,521)
Other Reserves	23.4	**2,316,006**	3,654,703	**-**	-
		(20,059,238)	(3,844,999)	**(23,619,207)**	(10,379,892)
Net Assets Attributable to Members		**1,249,624,027**	1,142,932,787	**1,246,064,058**	1,136,397,894

a. The entire profit after taxation and zakat and other comprehensive income are attributed to EPF members. The increase in Net Assets Attributable to Members during the year amounted to RM60.33 billion (2023: RM82.11 billion).

Meanwhile, Cumulative Surplus amounting to RM17.80 billion (2023: RM22.14 billion) and RM16.42 billion (2023: RM19.07 billion) for the Group and EPF respectively are the amounts yet to be allocated to EPF members' Contribution Accounts as at the reporting date.

The amount unallocated to EPF members as at the reporting date also comprise of Financial Assets at FVOCI Reserve and Other Reserves.

The allocation of these Cumulative Surplus and Reserves to EPF members will be by way of distributions which are subject to approval by the EPF Board and the Minister as per Section 27 of the EPF Act 1991. The Financial Assets at FVOCI Reserve is only distributable upon realisation of gains from the disposals of Financial Assets at FVOCI based on EPF's investment strategy.

The maturity structure of the Net Assets Attributable to Members are as follows:

	Group		EPF	
	2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Maturing within 12 Months	**413,561,039**	356,744,027	**413,561,039**	356,744,027
Maturing after 12 Months	**836,062,988**	786,188,760	**832,503,019**	779,653,867
	1,249,624,027	1,142,932,787	**1,246,064,058**	1,136,397,894

The amount maturing within 12 months comprise of balances which are eligible to be withdrawn by members aged 50, 55, 60, members who have portion of their contribution balances exceeding RM1 million and members who have savings in Flexible Account in accordance with EPF Act 1991.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

23.NET ASSETS ATTRIBUTABLE TO MEMBERS (CONT'D.)

23.1 Contributions

	Note	Group and EPF 2024 (RM'000)	Group and EPF 2023 (RM'000)
At 1 January		**1,146,777,786**	1,036,665,630
Add:			
Contribution Received and Adjustments			
Contribution Received from Employers		**108,223,405**	97,560,824
Redemption of Investment in Unit Trusts		**9,677,660**	4,530,509
Redemption/Cancellation of Annuity Scheme		**33,704**	34,237
Reinstatement/Adjustment		**8,057**	712,283
		117,942,826	102,837,853
Less:			
Withdrawals			
55 Years		**20,238,682**	19,459,405
50 Years		**3,851,113**	4,184,409
60 Years		**9,982,499**	8,691,551
Incapacitation		**419,934**	424,538
Leaving Country		**673,643**	583,438
Housing		**1,482,594**	1,698,980
Reduction/Redemption of Housing Loan/Monthly Housing Loan		**2,599,609**	2,512,658
Medical		**83,397**	93,539
Death		**3,243,031**	3,050,682
Periodical Payment		**291**	326
Member Investment Option		**8,074,280**	5,163,240
Pensionable Employee		**1,420,672**	1,303,542
Education		**842,754**	807,432
Monthly Payment		**67**	68
Saving Exceeding RM1 Million		**2,922,699**	2,393,746
Hajj		**3,959**	1,986
Flexible Account		**12,168,667**	-
		68,007,891	50,369,540
Facilities			
i-Lindung		**24,637**	16,365
Account 2 Support Facility		**89,588**	6,167
		114,225	22,532
Contribution Refunds			
Refund to Employers/Members - Rule 33(1), EPF Regulations & Rules 1991		**12,332**	12,238
Refund of Employers Share to Pension Trust Fund - Section 56, EPF Act 1991		**143,659**	162,819
		155,991	175,057
		68,278,107	50,567,129
Add:			
Dividend Distributions to Members			
Dividend Credited: SK - 6.30% (2023: 5.50%) & SS - 6.30% (2023: 5.40%)	23.2c	**73,233,374**	57,806,496
Adjustment on Dividend for Prior Year		**7,386**	34,936
		73,240,760	57,841,432
At 31 December	23	**1,269,683,265**	1,146,777,786

23. NET ASSETS ATTRIBUTABLE TO MEMBERS (CONT'D.)

23.1 Contributions (Cont'd.)

Member Investment Option

The cumulative amount invested by the EPF members with the approved Fund Management Institutions is not disclosed in the Statements of Financial Position as the risk and reward of the investment is borne by the members.

23.2 Cumulative Surplus

	Note	Group	
		2024 (RM'000)	2023 (RM'000)
At 1 January		**22,143,739**	17,035,539
Adjustment on Employee Benefits for the Financial Year		**(27,231)**	(36,966)
Profit Attributable to Members		**38,902,402**	41,460,867
Net Realised Gain on Investment in Equity Instruments at FVOCI	7.2a	**31,266,917**	22,714,460
Tax Paid on Global Investments	32.3	**(254,991)**	(178,465)
Shariah Non-Compliant Income from Excess Gain on Securities which had been Reclassified from Shariah to Conventional	32.3	**4,928**	8,532
Dividend on Contribution Withdrawals and Adjustment on Dividend for Prior Year		**(336,879)**	(326,721)
Cost Write Down on Listed Equities	23.3	**(720,690)**	(400,339)
Dividend Distributions to Members	23.2c	**(73,233,374)**	(57,806,496)
Movement between Reserves		**26,345**	(40,846)
Share of Other Comprehensive Income from Associates and Joint Ventures		**430**	398
Net Asset Movement from Changes in Equity Holdings in Subsidiaries		**23,859**	(286,224)
At 31 December	23	**17,795,455**	22,143,739

	Note	EPF	
		2024 (RM'000)	2023 (RM'000)
At 1 January		**19,065,629**	13,755,385
Adjustment on Employee Benefits for the Financial Year		**(27,509)**	(36,267)
Profit Attributable to Members		**40,655,335**	41,335,540
Net Realised Gain on Investment in Equity Instruments at FVOCI	7.2a	**31,266,917**	22,714,460
Tax Paid on Global Investments	32.3	**(254,991)**	(178,465)
Shariah Non-Compliant Income from Excess Gain on Securities which had been Reclassified from Shariah to Conventional	32.3	**4,928**	8,532
Dividend on Contribution Withdrawals and Adjustment on Dividend for Prior Year		**(336,879)**	(326,721)
Cost Write Down on Listed Equities	23.3	**(720,690)**	(400,339)
Dividend Distributions to Members	23.2c	**(73,233,374)**	(57,806,496)
At 31 December	23	**16,419,366**	19,065,629

23. NET ASSETS ATTRIBUTABLE TO MEMBERS (CONT'D.)

23.2 Cumulative Surplus (Cont'd.)

a. Included in the closing balance of the Group's and EPF's Cumulative Surplus is the net unrealised gain generated from the revaluation of Financial Assets at FVTPL and the movement of foreign exchange upon revaluation of financial assets amounting to RM15.76 billion (2023: RM18.62 billion). These unrealised gains will only be reclassified as net realised gain upon sale or maturity of the assets for the purpose of dividend distributions in the following years.

b. During the year, the unrealised fair value losses amounting to RM0.72 billion (2023: RM0.40 billion) were transferred from Financial Assets at FVOCI Reserve to Cumulative Surplus due to Cost Write Down on Listed Equity policy as explained in Note 2.1d (iv) under Estimates and Assumptions.

c. The closing balance of the EPF's Cumulative Surplus as stated above has taken into account the provision for annual dividend as follows:

	Note	EPF	
		2024 (RM'000)	2023 (RM'000)
Provision for Annual Dividend:			
Simpanan Konvensional – 6.30% (2023: 5.50%)	32.2	**63,046,311**	50,326,283
Simpanan Shariah – 6.30% (2023: 5.40%)	32.2	**10,187,063**	7,480,213
	23.1	**73,233,374**	57,806,496

Dividend rates declared for Simpanan Konvensional and Simpanan Shariah were based on the actual financial performance of these two (2) saving funds during the financial year under review after taking into account the EPF's accounting policies as approved by the Board consistently.

23. NET ASSETS ATTRIBUTABLE TO MEMBERS (CONT'D.)

23.3 Financial Assets at FVOCI Reserve

	Note	Group	
		2024 (RM'000)	2023 (RM'000)
At 1 January		**(29,643,441)**	(48,186,332)
Net Changes in Fair Value of Debt Instruments at FVOCI Reclassified to Profit or Loss on Disposal		**17,965**	(2,217,908)
Net Changes in Loss Allowance on Investment in Debt Instruments at FVOCI		**(14,539)**	8,533
Net Unrealised Gain on Fair Value Revaluation on Investment in Debt Instruments at FVOCI		**330,207**	6,565,683
Net Unrealised (Loss)/Gain on Fair Value Revaluation on Investment in Equity Instruments at FVOCI		**(11,621,263)**	13,433,782
Cost Write Down on Listed Equities	23.2	**720,690**	400,339
Movement between Reserves		**-**	49,861
Share of Other Comprehensive Income from Associates and Joint Ventures		**36,566**	263,259
Net Changes in Reserves Reclassified to Profit or Loss on Changes in Equity Shareholdings in Associates and Joint Ventures		**2,072**	10,600
Net Asset Movement from Changes in Equity Holdings in Subsidiaries		**1,044**	28,742
At 31 December	23	**(40,170,699)**	(29,643,441)

	Note	EPF	
		2024 (RM'000)	2023 (RM'000)
At 1 January		**(29,445,521)**	(48,108,870)
Net Changes in Fair Value of Debt Instruments at FVOCI Reclassified to Profit or Loss on Disposal		**(18,871)**	(2,335,207)
Net Changes in Loss Allowance on Investment in Debt Instruments at FVOCI		**(4,856)**	(3,856)
Net Unrealised Gain on Fair Value Revaluation on Investment in Debt Instruments at FVOCI		**331,248**	6,566,848
Net Unrealised (Loss)/Gain on Fair Value Revaluation on Investment in Equity Instruments at FVOCI		**(11,621,263)**	14,035,225
Cost Write Down on Listed Equities	23.2	**720,690**	400,339
At 31 December	23	**(40,038,573)**	(29,445,521)

23. NET ASSETS ATTRIBUTABLE TO MEMBERS (CONT'D.)

23.3 Financial Assets at FVOCI Reserve (Cont'd.)

Changes in Financial Assets at FVOCI Reserve arose from the movement in accumulated net unrealised fair value gain/(loss) of Financial Assets at FVOCI upon revaluation and disposal.

During the year, the unrealised fair value losses amounting to RM720.69 million (2023: RM400.34 million) were transferred from Financial Assets at FVOCI Reserve to Cumulative Surplus due to Cost Write Down on Listed Equity policy as explained in Note 2.1d (iv) under Estimates and Assumptions.

The closing balance of Financial Assets at FVOCI Reserve represents the net position after taking into account the transfer of cumulative net realised gain arising from disposal of Financial Assets at FVOCI from Financial Assets at FVOCI Reserve to Cumulative Surplus amounting to RM31.27 billion (2023: RM22.71 billion) for the Group and EPF.

Included in Group's and EPF's closing balance of Financial Assets at FVOCI Reserve in the year 2024 is loss allowance on investment in debt instrument classified as Financial Assets at FVOCI amounting to RM341.47 million (2023: RM356.01 million) and RM338.98 million (2023: RM343.83 million) respectively.

23.4 Other Reserves

	Note	Group	
		2024 (RM'000)	2023 (RM'000)
Cash Flow Hedging Reserve	23.4a	**419,151**	612,128
Foreign Currency Translation Reserve	23.4b	**2,067,104**	3,320,874
Other Reserves	23.4c	**(170,249)**	(278,299)
	23	**2,316,006**	3,654,703

a. Cash Flow Hedging Reserve represents the movement of net accumulated gain/(loss) arising from the effective portion of gain/(loss) on hedging instruments in a cash flow hedge.

b. Foreign Currency Translation Reserve relates to exchange differences arising from the translation of foreign operations that have a functional currency different from the presentation currency of EPF (Ringgit Malaysia – RM).

c. Included in the Other Reserves is Regulatory Reserve arising from the share of other comprehensive income in an associate.

24. GROSS INVESTMENT INCOME

	Note	Group		EPF	
		2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Interest and Profit from Investments:	24a				
Loans, Advances and Financing		**4,844,612**	4,296,550	**1,997,634**	1,966,585
Financial Assets at FVTPL		**306,782**	286,471	**240,841**	294,819
Financial Assets at FVOCI		**6,208,270**	4,880,904	**5,762,505**	4,498,356
Investment Assets at Amortised Cost		**18,537,228**	16,975,480	**18,317,017**	16,922,097
		29,896,892	26,439,405	**26,317,997**	23,681,857
Dividend from Investments:					
Financial Assets at FVTPL		**4,737,550**	2,684,184	**4,249,407**	2,440,407
Financial Assets at FVOCI	7.2a	**13,353,863**	12,429,471	**13,350,426**	12,429,378
Investment in Subsidiaries, Associates and Joint Ventures		**29,779**	67,894	**2,559,775**	2,556,595
		18,121,192	15,181,549	**20,159,608**	17,426,380
Capital (Loss)/Gain from Investments:					
Financial Assets at FVTPL		**(237,351)**	509,273	**(1,375,708)**	(954,943)
Debt Instruments at FVOCI		**83,691**	(545,191)	**71,668**	(495,072)
Investment Assets at Amortised Cost		**(344,507)**	439,991	**(344,552)**	439,976
Investment in Subsidiaries, Associates and Joint Ventures		**(191,762)**	158,732	**1,822,449**	1,939,010
		(689,929)	562,805	**173,857**	928,971
		47,328,155	42,183,759	**46,651,462**	42,037,208
Net (Loss)/Gain on Foreign Exchange					
– Realised		**(3,635,626)**	3,138,057	**(3,626,999)**	3,150,177
– Unrealised		**(3,688,436)**	3,029,256	**(3,506,395)**	2,936,963
Net Gain/(Loss) from Financial Assets at FVTPL					
– Realised		**1,974,683**	(6,403,676)	**1,757,069**	(6,407,510)
– Unrealised		**2,465,980**	4,420,237	**2,448,278**	2,780,197
Rental Income from Investment Properties		**2,114,413**	1,919,766	**99,168**	111,400
Interest and Profit on Bank Balances		**74,933**	48,037	**22,302**	20,815
Gain on Disposal of Investment Properties		**245,990**	8,148	**-**	-
Miscellaneous		**205,870**	574,197	**68,113**	45,155
		47,085,962	48,917,781	**43,912,998**	44,674,405

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

24. GROSS INVESTMENT INCOME (CONT'D.)

	Group		EPF	
	2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Internally Managed	**40,003,178**	35,820,276	**40,789,157**	36,843,794
Externally Managed	**7,324,977**	6,363,483	**5,862,305**	5,193,414
Total Interest and Profit, Dividend and Capital Gain	**47,328,155**	42,183,759	**46,651,462**	42,037,208

a. Interest and Profit from Investments derived from the Group's and EPF's investments on fixed income instruments include net accretion of discount and amortisation of premium using the effective yield method.

25. INVESTMENT EXPENDITURES

	Group		EPF	
	2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
External Fund Manager Fees	**681,137**	586,379	**601,709**	505,524
Custodian Fees	**38,972**	50,329	**38,972**	50,329
Technical Services Fees on Investments	**80,094**	101,507	**87,113**	106,931
Interest on Bank Borrowings and Overdrafts	**652,052**	461,330	**-**	-
Withholding Tax on Global Investments	**1,137,162**	998,620	**1,002,750**	894,725
Performance Fees	**77,070**	33,090	**-**	-
Miscellaneous	**9,087**	16,520	**7,893**	15,153
	2,675,574	2,247,775	**1,738,437**	1,572,662

26. NET WRITE-BACK OF IMPAIRMENT/(IMPAIRMENT) ON FINANCIAL INVESTMENT ASSETS

	Note	Group		EPF	
		2024 (RM'000)	**2023 (RM'000)**	**2024 (RM'000)**	**2023 (RM'000)**
Write-back of Impairment on Deposits with Financial Institutions		**-**	1	**-**	1
		-	1	**-**	1
Impairment on Rent Receivables		**(8,261)**	(19,054)	**(8,261)**	(4,000)
Write-back of Impairment on Rent Receivables		**26,953**	8,651	**6,554**	2,743
		18,692	(10,403)	**(1,707)**	(1,257)
Impairment on Loans, Advances and Financing		**(184,167)**	(133,274)	**(1,818)**	(1,007)
Write-back of Impairment on Loans, Advances and Financing		**12,132**	15,740	**754**	5,310
		(172,035)	(117,534)	**(1,064)**	4,303
Impairment on Financial Assets at FVOCI		**(57,503)**	(40,658)	**(59,029)**	(40,449)
Write-back of Impairment on Financial Assets at FVOCI		**56,071**	30,838	**55,924**	30,851
		(1,432)	(9,820)	**(3,105)**	(9,598)
Impairment on Investment Assets at Amortised Cost		**(15,114)**	(52,525)	**(15,131)**	(52,526)
Write-back of Impairment on Investment Assets at Amortised Cost		**644,303**	1,045	**643,654**	782
		629,189	(51,480)	**628,523**	(51,744)
Write-back of Impairment on Commitments and Contingencies	19	**15,732**	18,361	**-**	-
		15,732	18,361	**-**	-
		490,146	(170,875)	**622,647**	(58,295)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

27. NET (IMPAIRMENT)/WRITE-BACK OF IMPAIRMENT ON INVESTMENT IN SUBSIDIARIES AND ASSOCIATES

	Group		EPF	
	2024 (RM'000)	**2023 (RM'000)**	**2024 (RM'000)**	**2023 (RM'000)**
Impairment on Investment in Associates	**(253,211)**	(99,482)	**(20,500)**	(4,656)
Write-back of Impairment on Investment in Associates	**12,730**	–	**19,826**	–
	(240,481)	(99,482)	**(674)**	(4,656)
Impairment on Investment in Subsidiaries	**-**	–	**(315,973)**	(71,996)
Write-back of Impairment on Investment in Subsidiaries	**-**	–	**-**	85,524
	-	–	**(315,973)**	13,528
	(240,481)	(99,482)	**(316,647)**	8,872

The Group and EPF impair their Investment in Subsidiaries and Associates when the carrying amount exceeds its recoverable amount and write back the impairment amount when the recoverable amount improves over time. The impairment assessment has been performed based on the appropriate valuation techniques depending on the nature of the business as disclosed in Note 2.1d.

28. OTHER INCOME

	Group		EPF	
	2024 (RM'000)	**2023 (RM'000)**	**2024 (RM'000)**	**2023 (RM'000)**
Interest and Profit from Staff Loans	**6,577**	7,364	**6,577**	7,364
Dividend on Arrears of Contribution	**40,178**	47,713	**40,178**	47,713
Gain on Disposal:				
- Foreclosed Properties	**-**	3,980	**-**	–
- Assets Held for Sale	**493**	4,369	**-**	3,038
- Right-of-Use Assets	**-**	92	**-**	92
- Property, Plant and Equipment	**2,270**	449	**383**	608
Rental income from Non-Investment Properties	**7,629**	–	**7,629**	–
Service Charges	**148,039**	107,304	**68,132**	65,583
Shariah Non-Compliant Income	**6,587**	48,510	**6,654**	48,510
Late Payment Charges from Employers due to Late Payment of Contributions	**31,478**	–	**31,478**	–
Penalty Fees	**12,401**	20,949	**3**	8
Miscellaneous	**59,389**	57,707	**3,599**	9,965
	315,041	298,437	**164,633**	182,881

29. OPERATING EXPENDITURES

	Note	Group		EPF	
		2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
Salaries, Allowances and Staff Costs	29a	**1,970,237**	1,690,448	**1,409,379**	1,285,558
Employee Benefits	22	**20,856**	67,850	**19,715**	67,483
Allowances/Fees for Board of Directors and Investment Panel		**3,261**	3,208	**3,261**	3,208
Allowances/Fees for Directors of Subsidiaries		**7,018**	5,542	**-**	-
Technical Services		**72,339**	42,031	**71,799**	41,385
Interest on Customers Deposits and Other Borrowings		**1,963,815**	1,723,732	**-**	-
Fees and Professional Charges		**872,031**	677,338	**34,691**	27,011
Audit Fees		**25,427**	19,017	**1,072**	1,072
Repairs and Maintenance		**295,402**	235,012	**113,663**	109,288
Postal and Telephone Charges		**17,000**	33,790	**12,333**	28,365
Rent and Assessments		**10,573**	10,987	**5,722**	5,259
Travelling and Transportation		**20,779**	21,063	**15,921**	16,409
Printing and Stationeries		**4,154**	4,986	**2,572**	2,177
Advertisements and Publishing		**34,006**	38,677	**20,476**	22,491
Non-Capitalised Renovation Expenses		**1,005**	1,810	**1,005**	1,810
Insurance		**3,927**	3,267	**1,293**	1,186
Amortisation of Intangible Assets	14	**48,213**	48,267	**7,026**	6,598
Depreciation of Investment Properties	15	**666,127**	576,623	**32,602**	34,911
Depreciation of Right-of-Use Assets	16a	**30,191**	38,032	**42,720**	43,381
Depreciation of Property, Plant and Equipment	17	**127,997**	129,713	**74,121**	74,829
Net Impairment on Other Receivables		**3,949**	19,597	**69**	90
Net Impairment/(Write-back of Impairment) on Investment Properties	15	**5,400**	37,247	**-**	(643)
Impairment on Miscellaneous Rental Receivables		**55**	-	**55**	-
Profit Expense on Lease Liabilities	16b	**24,365**	28,255	**25,731**	25,940
Write-offs of Receivables		**5**	65	**-**	32
Miscellaneous		**30,186**	19,495	**14,960**	11,949
		6,258,318	5,476,052	**1,910,186**	1,809,789

a. Included in Salaries, Allowances and Staff Costs is EPF contribution expenditures amounting to RM210.40 million (2023: RM187.98 million).

30. STATUTORY CHARGES

	Note	Group and EPF	
		2024 (RM'000)	2023 (RM'000)
Death Benefit – Section 58(1)	30a	**67,515**	66,863
Incapacitation Benefit – Section 58(2)	30a	**4,010**	4,265
Invocation Cost – Section 50(3)	30b	**8,148**	18,744
		79,673	89,872

Statutory charges are costs borne by the EPF in accordance with the EPF Act 1991 as follows:

a. Death Benefit (Under Section 58(1)) and Incapacitation Benefit (Under Section 58(2))

Death Benefit and Incapacitation Benefit are provided for under the Section 58(1) and 58(2) of the EPF Act 1991 respectively where additional payment is made to the next of kin or the member upon withdrawals made under death and incapacitation schemes. This additional payment will be charged against the income during the year end is not paid out from the member's credits in the contribution account.

b. Invocation Cost (Under Section 50(3))

Invocation Cost under the Section 50(3), EPF Act 1991, is for the purpose of crediting employee contribution which has been deducted from the employee's salary as well as dividend attributable on the said contribution should the employer fails to pay such contribution to EPF.

31. TAX AND ZAKAT

	Note	Group 2024 (RM'000)	Group 2023 (RM'000)
Malaysian Income Tax		**227,533**	82,092
Foreign Tax		**146,692**	204,593
		374,225	286,685
Under Provision of Previous Years:			
– Malaysian Income Tax		**14,371**	51,407
– Foreign Tax		**86,771**	23,118
		101,142	74,525
Deferred Tax Recognised in the Financial Year	18	**(29,233)**	(17,579)
Tax Expenses for the Financial Year		**446,134**	343,631
Zakat		**7,104**	8,392
Total Tax Expenses and Zakat for the Financial Year		**453,238**	352,023

A reconciliation of income tax expenses applicable to profit before tax at the applicable income tax rate of the Group is as follows:

	Note	Group 2024 (RM'000)	Group 2023 (RM'000)
Profit before Tax		**39,522,206**	42,020,090
Tax at Applicable Tax Rate of 24% (2023: 24%)	31a	**9,485,329**	10,121,503
Different Tax Rates on Real Property Gains Tax (RPGT)		**34,439**	–
Income Not Subject to Tax		**(9,500,510)**	(10,056,185)
Expenses Not Deductible for Tax Purposes		**337,889**	213,214
Utilisation of Unutilised Tax Losses and Unabsorbed Capital Allowance Previously Not Recognised		**(362)**	(847)
Temporary Differences Not Recognised in Current Year		**6,514**	5,179
Under Provision of Taxation in Prior Years		**85,874**	74,525
Over Provision of Deferred Taxation in Prior Years		**(3,039)**	(13,758)
Tax Expenses for the Financial Year		**446,134**	343,631
Zakat		**7,104**	8,392
Total Tax Expenses and Zakat for the Financial Year		**453,238**	352,023

a. The Group's applicable tax rate is derived from the consolidation of tax rates of all entities within the Group based on their respective local tax jurisdictions. EPF is exempted from Income Tax on its income under paragraph 20 - Schedule 6, Part I, Income Tax Act 1967 as stated in Note 2.16a.

32. SIMPANAN SHARIAH DISCLOSURES

32.1 Investment Assets

EPF	Note	2024			2023		
		Simpanan Konvensional (RM'000)	Simpanan Shariah (RM'000)	Total (RM'000)	Conventional (RM'000)	Shariah (RM'000)	Total (RM'000)
Deposits with Financial Institutions							
Gross Deposits with Financial Institutions		**46,708,554**	**4,176,942**	**50,885,496**	28,046,515	24,147,269	52,193,784
Loans, Advances and Financing (Note a)							
Gross Loans, Advances and Financing		**39,894,655**	**7,031,452**	**46,926,107**	27,039,296	21,533,037	48,572,333
Allowance for Impairment Losses		**(7,307)**	**(2,874)**	**(10,181)**	(1,214)	(8,232)	(9,446)
	5.2	**39,887,348**	**7,028,578**	**46,915,926**	27,038,082	21,524,805	48,562,887
Financial Assets at FVTPL	6.2	**82,361,501**	**2,661,653**	**85,023,154**	77,681,577	3,073,801	80,755,378
Financial Assets at FVOCI							
i) Equity Instruments							
Domestic		**146,545,729**	**31,601,012**	**178,146,741**	58,540,403	81,392,876	139,933,279
Global		**238,338,828**	**42,066,199**	**280,405,027**	132,559,037	121,430,032	253,989,069
		384,884,557	**73,667,211**	**458,551,768**	191,099,440	202,822,908	393,922,348
ii) Perpetual Fixed Income Instruments							
Domestic		**635,452**	**22,069**	**657,521**	627,148	149,855	777,003
Global		**173,470**	**3,099**	**176,569**	169,496	9,757	179,253
		808,922	**25,168**	**834,090**	796,644	159,612	956,256

32. SIMPANAN SHARIAH DISCLOSURES (CONT'D.)

32.1 Investment Assets (Cont'd.)

EPF	Note	2024 Simpanan Konvensional (RM'000)	2024 Simpanan Shariah (RM'000)	2024 Total (RM'000)	2023 Conventional (RM'000)	2023 Shariah (RM'000)	2023 Total (RM'000)
Financial Assets at FVOCI (Cont'd.)							
iii) Fixed Income Instruments							
Domestic		**70,547,301**	**9,738,801**	**80,286,102**	40,927,253	27,189,746	68,116,999
Global		**25,954,183**	**4,305,380**	**30,259,563**	17,052,089	13,413,913	30,466,002
		96,501,484	**14,044,181**	**110,545,665**	57,979,342	40,603,659	98,583,001
iv) Other Instruments							
Domestic		**18,918,179**	**2,921,632**	**21,839,811**	7,757,631	6,542,150	14,299,781
Global		**19,374,471**	**1,682,669**	**21,057,140**	14,037,876	4,530,293	18,568,169
		38,292,650	**4,604,301**	**42,896,951**	21,795,507	11,072,443	32,867,950
	7.2	**520,487,613**	**92,340,861**	**612,828,474**	271,670,933	254,658,622	526,329,555
Investment Assets at Amortised Cost							
Gross Investment Assets at Amortised Cost		**327,351,757**	**49,441,671**	**376,793,428**	191,647,648	157,397,685	349,045,333
Allowance for Impairment Losses		**(5,662)**	**(1,848)**	**(7,510)**	(1,583)	(634,460)	(636,043)
	8.2	**327,346,095**	**49,439,823**	**376,785,918**	191,646,065	156,763,225	348,409,290
Investment in Joint Ventures							
Domestic Unquoted Equities	9.2	**16,646**	**7,854**	**24,500**	-	24,500	24,500
Investment in Associates							
Domestic Equities		**11,665,525**	**802,554**	**12,468,079**	9,670,384	2,503,092	12,173,476
Allowance for Impairment Losses		**(84,959)**	**(6,572)**	**(91,531)**	(90,857)	-	(90,857)
		11,580,566	**795,982**	**12,376,548**	9,579,527	2,503,092	12,082,619
Global Equities		**-**	**178,500**	**178,500**	-	178,500	178,500
	10.2	**11,580,566**	**974,482**	**12,555,048**	9,579,527	2,681,592	12,261,119

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

32. SIMPANAN SHARIAH DISCLOSURES (CONT'D.)

32.1 Investment Assets (Cont'd.)

EPF	Note	2024			2023		
		Simpanan Konvensional (RM'000)	Simpanan Shariah (RM'000)	Total (RM'000)	Conventional (RM'000)	Shariah (RM'000)	Total (RM'000)
Investment in Subsidiaries							
Domestic Equities		**7,443,065**	**2,419,023**	**9,862,088**	2,072,528	7,622,866	9,695,394
Allowance for Impairment Losses		**(196,223)**	**(27)**	**(196,250)**	(11,908)	(85)	(11,993)
		7,246,842	**2,418,996**	**9,665,838**	2,060,620	7,622,781	9,683,401
Global Equities		**31,952,992**	**5,346,242**	**37,299,234**	30,531,607	3,793,460	34,325,067
Allowance for Impairment Losses		**(207,368)**	**(3,248)**	**(210,616)**	(68,769)	(10,129)	(78,898)
		31,745,624	**5,342,994**	**37,088,618**	30,462,838	3,783,331	34,246,169
	11	**38,992,466**	**7,761,990**	**46,754,456**	32,523,458	11,406,112	43,929,570
Assets Held For Sale	12	**19,709**	**86,966**	**106,675**	-	14,839	14,839
Investment Properties	15	**653,654**	**146,784**	**800,438**	-	989,265	989,265
Total Investment Assets		**1,068,054,152**	**164,625,933**	**1,232,680,085**	638,186,157	475,284,030	1,113,470,187

a. For the purpose of Note 32.1, staff loan is not included in Loans, Advances and Financing as above.

b. Investment Liabilities

EPF	Note	2024			2023		
		Simpanan Konvensional (RM'000)	Simpanan Shariah (RM'000)	Total (RM'000)	Conventional (RM'000)	Shariah (RM'000)	Total (RM'000)
Financial Liabilities at FVTPL	6.2	**1,472,455**	**274,486**	**1,746,941**	448,367	139,124	587,491

EPF has embarked on a full separation of its investment portfolios (Shariah and Conventional) by type of members' funds (Simpanan Shariah and Simpanan Konvensional) effective 1 January 2024. Consequently, the current year's Investments Assets and Investment Liabilities disclosure above has been updated to reflect the assets and liabilities by members' funds. As at the financial year ended 31 December 2024, investment assets and liabilities are disclosed by Simpanan Shariah and Simpanan Konvensional.

32. SIMPANAN SHARIAH DISCLOSURES (CONT'D.)

32.2 Contributions Account

EPF	Note	2024			2023		
		Simpanan Konvensional (RM'000)	Simpanan Shariah (RM'000)	Total (RM'000)	Simpanan Konvensional (RM'000)	Simpanan Shariah (RM'000)	Total (RM'000)
At 1 January		**995,272,080**	**150,478,472**	**1,145,750,552**	909,625,157	127,040,473	1,036,665,630
Add:							
Contribution Transferred from Simpanan Konvensional		**-**	**8,974,419**	**8,974,419**	-	9,287,875	9,287,875
Contribution Received and Adjustments		**95,094,743**	**22,760,603**	**117,855,346**	84,958,612	17,879,241	102,837,853
Dividend Credited to Members:							
- Simpanan Konvensional: 6.30% (2023: 5.50%)	23.2	**63,046,311**	**-**	**63,046,311**	50,326,283	-	50,326,283
- Simpanan Shariah: 6.30% (2023: 5.40%)	23.2	**-**	**10,187,063**	**10,187,063**	-	7,480,213	7,480,213
Adjustments on Dividend for Prior Year		**5,089**	**1,786**	**6,875**	33,304	1,632	34,936
		1,153,418,223	**192,402,343**	**1,345,820,566**	1,044,943,356	161,689,434	1,206,632,790
Less:							
Contribution Transferred to Simpanan Shariah		**(8,974,419)**	**-**	**(8,974,419)**	(9,287,875)	-	(9,287,875)
Contribution Withdrawals and Refunds		**(52,164,360)**	**(16,113,747)**	**(68,278,107)**	(39,378,663)	(11,188,466)	(50,567,129)
At 31 December		**1,092,279,444**	**176,288,596**	**1,268,568,040**	996,276,818	150,500,968	1,146,777,786

Effective 1 January 2024, post implementation of the separation of Simpanan Shariah and Simpanan Konvensional funds, contributions which have yet to be matched to individual members due to timing is classified as contribution in transit for processing. On 1 January 2024, this balance amounted to RM1,027.23 million. As at financial year end, total contributions including contributions in transit for processing amounting to RM1,115.23 million is RM1,269.68 billion (2023: RM1,146.78 billion).

32. SIMPANAN SHARIAH DISCLOSURES (CONT'D.)

32.3 Statement of Profit or Loss

EPF	Note	2024			2023		
		Simpanan Konvensional (RM'000)	Simpanan Shariah (RM'000)	Total (RM'000)	Simpanan Konvensional (RM'000)	Simpanan Shariah (RM'000)	Total (RM'000)
INCOME							
Gross Investment Income	24	**38,428,685**	**5,484,313**	**43,912,998**	39,797,889	4,876,516	44,674,405
Investment Expenditure	25	**(1,544,540)**	**(193,897)**	**(1,738,437)**	(1,401,575)	(171,087)	(1,572,662)
Net Write-back of Impairment/ (Impairment) on Financial Investment Assets	26	**428,324**	**194,323**	**622,647**	(42,702)	(15,593)	(58,295)
Net (Impairment)/Write-back of Impairment on Investment in Subsidiaries and Associates	27	**(310,076)**	**(6,571)**	**(316,647)**	(10,893)	19,765	8,872
Net Investment Income		**37,002,393**	**5,478,168**	**42,480,561**	38,342,719	4,709,601	43,052,320
Other Income	28	**127,509**	**37,124**	**164,633**	158,370	24,511	182,881
Total Income		**37,129,902**	**5,515,292**	**42,645,194**	38,501,089	4,734,112	43,235,201
EXPENDITURE							
Operating Expenditures	29	**(1,640,618)**	**(269,568)**	**(1,910,186)**	(1,566,429)	(243,360)	(1,809,789)
Statutory Charges	30	**(69,545)**	**(10,128)**	**(79,673)**	(78,036)	(11,836)	(89,872)
Total Expenditure		**(1,710,163)**	**(279,696)**	**(1,989,859)**	(1,644,465)	(255,196)	(1,899,661)
Net Profit Attributable to Members		**35,419,739**	**5,235,596**	**40,655,335**	36,856,624	4,478,916	41,335,540

32. SIMPANAN SHARIAH DISCLOSURES (CONT'D.)

32.3 Statement of Comprehensive Income

EPF	Note	2024		
		Simpanan Konvensional (RM'000)	Simpanan Shariah (RM'000)	Total (RM'000)
Other Comprehensive Income:				
Items that will not be Reclassified Subsequently to Profit or Loss				
Adjustment on Employee Benefits for the Financial Year	23.2	**(23,674)**	**(3,835)**	**(27,509)**
Net Unrealised (Loss)/Gain on Fair Value Revaluation on Investment in Equity Instruments at Fair Value through Other Comprehensive Income	23.3	**(7,125,787)**	**(4,495,476)**	**(11,621,263)**
Shariah Non-Compliant Income from Excess Gain on Securities which had been Reclassified from Shariah to Conventional	23.2	**-**	**4,928**	**4,928**
Net Realised Gain on Investment in Equity Instruments at Fair Value through Other Comprehensive Income	23.2	**25,724,683**	**5,542,234**	**31,266,917**
Tax Paid on Global Investments	23.2	**(226,159)**	**(28,832)**	**(254,991)**
		18,349,063	**1,019,019**	**19,368,082**
Items that may be Reclassified Subsequently to Profit or Loss				
Net Unrealised Gain on Fair Value Revaluation on Investment in Debt Instruments at Fair Value through Other Comprehensive Income	23.3	**274,258**	**56,990**	**331,248**
Net Changes in Fair Value of Debt Instruments at Fair Value through Other Comprehensive Income Reclassified to Profit or Loss on Disposal	23.3	**(33,915)**	**15,044**	**(18,871)**
Net Changes in Loss Allowance on Investment in Debt Instruments at Fair Value through Other Comprehensive Income	23.3	**(11,137)**	**6,281**	**(4,856)**
		229,206	**78,315**	**307,521**
Total Other Comprehensive Income Attributable to Members		**18,578,269**	**1,097,334**	**19,675,603**
Increase in Net Assets Attributable to Members		**53,998,008**	**6,332,930**	**60,330,938**

Effective 1 January 2024, post implementation of the separation of Simpanan Shariah and Simpanan Konvensional funds, other comprehensive income of Simpanan Shariah and Simpanan Konvensional funds for the year ended 31 December 2024 are as above.

32. SIMPANAN SHARIAH DISCLOSURES (CONT'D.)

32.4 Shariah Disclosure in Relation to Shariah Non-Compliant Income

Any income derived from the operation and investment transactions of the EPF Simpanan Shariah that are Shariah non-compliant due to certain reasons as determined by the Shariah Advisory Committee of EPF (SAC) will be expended for such purposes as advised by the SAC pursuant to Rule 10 of the EPF (Simpanan Shariah Account) Rules 2016.

The SAC has resolved that the Shariah Non-Compliant Income can only be utilised for allowable expenses i.e. charitable activities such as payment of death benefit, incapacitation benefit and invocation cost and any excess Shariah Non-Compliant Income may be utilised for operating expenditure and indirect investment expenditure. Effective 1 January 2024, post implementation of the separation of Simpanan Shariah and Simpanan Konvensional funds, Non-Compliant Income will be utilised only for the Simpanan Shariah portion of aforementioned allowable expenses.

The actual total Statutory Charges for Simpanan Shariah in 2024 amounted to RM10.13 million (2023: RM11.84 million) as stated in Note 32.3 (Simpanan Shariah Disclosure – Statement of Profit or Loss).

33. CASH AND CASH EQUIVALENTS

	Note	Group	
		2024 (RM'000)	2023 (RM'000)
Bank and Cash Balances		**12,593,780**	17,302,127
Bank Balances Maintained with Custodians		**8,414,559**	9,631,349
		21,008,339	26,933,476
Deposits and Placements with Financial Institutions		**46,854,984**	38,837,860
Money Market Account with Bank Negara Malaysia	3.1	**244,267**	2,601,615
		68,107,590	68,372,951

	Note	EPF	
		2024 (RM'000)	2023 (RM'000)
Bank and Cash Balances		**7,835,894**	13,083,313
Bank Balances Maintained with Custodians		**8,414,559**	9,631,349
		16,250,453	22,714,662
Deposits and Placements with Financial Institutions		**46,194,186**	33,693,866
Money Market Account with Bank Negara Malaysia	3.2	**244,267**	2,601,615
		62,688,906	59,010,143

34. CAPITAL COMMITMENTS

	Note	Group		EPF	
		2024 (RM'000)	2023 (RM'000)	2024 (RM'000)	2023 (RM'000)
a. Capital Commitments for Projects					
Approved and Contracted for		**71,766**	77,963	**28,816**	19,290
Approved but Not Contracted for		**171,615**	194,539	**171,616**	194,539
		243,381	272,502	**200,432**	213,829
b. Capital Commitments for Investment in Funds					
Approved and Contracted for	34i	**29,469,084**	24,075,858	**29,469,084**	24,075,858
c. Capital Commitments for Investment in Subsidiaries, Associates and Joint Ventures					
Approved and Contracted for	34i	**25,872,280**	22,839,701	**25,872,280**	22,839,701
d. Operational Commitments	34ii				
Direct Credit Substitutes		**112,516**	80,589	**-**	**-**
Trade-Related Contingencies		**137,735**	69,139	**-**	**-**
Short Term Self Liquidating Trade-Related Contingencies		**94,406**	56,657	**-**	-
Irrevocable Commitments to Extend Credit:					
- Within One Year		**2,525,296**	1,789,696	**-**	**-**
- One to Five Years		**2,243,115**	1,839,478	**-**	**-**
- Over Five Years		**792,497**	361,078	**-**	-
Interest Rate Related Contracts:					
- One to Five Years		**50,000**	300,000	**-**	-
Foreign Exchange Related Contracts:					
- Within One Year		**1,665,015**	2,820,048	**-**	-
		63,205,325	54,504,746	**55,541,796**	47,129,388

i. Capital commitments for investment in Funds and investment in Subsidiaries, Associates and Joint Ventures represent the remaining uncalled capital as at the reporting date. These payments are released progressively upon receipt of capital call notices from fund managers or general partners based on the agreed investment terms.

ii. The Group undertakes various commitments and assumes certain contingent liabilities with legal recourse to its customers in the normal course of business. No material losses are anticipated as a result of these transactions.

35. FINANCIAL RISK

35.1 Credit Risk

Credit Risk is the risk of loss caused by a counterparty's or an obligor's failure to meet its payment obligations. Exposure to credit risk arises from its lending, hedging, trading and investing activities. The maximum exposure to credit risk represented by the carrying amount in the Statements of Financial Position.

The EPF maintains an average portfolio rating of AAA for its debt securities and loans.

As a matter of policy, the EPF invests only in debt securities with lowest rating of A band for domestic and BBB band for global investments. However, the EPF may also invest in unrated assets in which a rating is assigned using internal rating model that is consistent with the approach used by external rating agency.

The counterparty credit risk which arises from deposit placement with a financial institution is managed by setting limits in which all deposits are to be held with a financial institution rating of A3/A- band or higher.

The objective of credit risk management is to keep the credit risk exposure within the EPF's risk appetite statements and to ensure that the returns commensurate with the risk taken.

a. Credit Quality

The EPF has developed tools to measure credit risk such as the Credit Portfolio Management System which computes portfolio Credit Value at Risk (CVaR) for credit related assets and various credit systems to evaluate the creditworthiness of corporate borrowers.

The EPF's debt portfolios are managed by internal as well as external fund managers appointed by the Investment Panel. Both portfolios are subject to maximum exposure to ensure the portfolios are diversified.

The EPF also invests in short-term instruments and global bond/sukuk instruments within the approved universe. The universe facilitates the trading process and provides assurance to the EPF that the exposure to short-term papers and global bond/sukuk papers are only limited to rated issuers.

The EPF conducts regular review on the credit counterparties and monitor the rating transition to ensure credit quality is within the EPF's investment parameters.

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

a. Credit Quality (Cont'd.)

The EPF classifies debt securities and loans into internal rating scales which are consistent with domestic and foreign rating agencies. The credit quality classifications are as follows:

Quality Classifications

i. Rating for Long-Term Financial Obligations

Long-Term Rating	Domestic Credit Rating	Global Credit Rating	Definition of Quality Classifications
Sovereign	Sovereign	Sovereign	Issued by Government of Malaysia or its Special Purpose Vehicles (SPV); or guaranteed by Government of Malaysia.
Strong	AAA and AA	AAA to A	Superior/high capacity to meet its financial obligations.
Moderate	A	BBB	Adequate capacity to meet its financial obligations.
Sub-Standard	BBB and below	BB and below	Low capacity to meet its financial obligations.

ii. Rating for Short Term Financial Obligations

Short Term Rating	Domestic Credit Rating	Definition of Quality Classifications
Strong	P1/MARC-1	Strong capacity to meet its short term financial obligations.
Moderate	P2/MARC-2	Adequate capacity to meet its short term financial obligations.

Short Term Rating	Global Credit Rating	Definition of Quality Classifications
Strong	A-1/P-1/F1	Strong capacity to meet its short term financial obligations.
Moderate	A-2/P-2/F2	Satisfactory capacity to meet its short term financial obligations.
Sub-Standard	A-3/P-3/F3	Adequate capacity to meet its short term financial obligations.

iii. Non-Rated Financial Assets

This refers to financial assets such as receivables, deposits, accrued interest and dividend, which do not have credit rating.

iv. Impaired Financial Assets

Exposure assessed individually which is considered impaired based on the EPF's accounting policies.

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

a. Credit Quality (Cont'd.)

Maximum exposure to credit risk - Financial instruments subject to impairment

The following table contains an analysis of the credit risk exposure of financial instruments for which Expected Credit Loss Allowance is recognised. The gross carrying amount of financial assets below also represents the Group's and EPF's maximum exposure to credit risk on these assets.

(i) Deposits with Financial Institutions at Amortised Cost

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
Sovereign		**2,246,784**	**-**	**-**	**2,246,784**	6,995,258	-	-	6,995,258
Strong		**46,955,496**	**-**	**-**	**46,955,496**	45,545,767	-	-	45,545,767
Moderate		**2,716,263**	**-**	**-**	**2,716,263**	2,610,797	-	-	2,610,797
Non - Rated		**63,091**	**-**	**-**	**63,091**	1,446,633	-	-	1,446,633
Gross Carrying Amount		**51,981,634**	**-**	**-**	**51,981,634**	56,598,455	-	-	56,598,455
Allowance for Impairment Losses	35.1b (i)	**-**	**-**	**-**	**-**	-	-	-	-
Net Carrying Amount	3.1	**51,981,634**	**-**	**-**	**51,981,634**	56,598,455	-	-	56,598,455

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
Sovereign		**1,393,467**	**-**	**-**	**1,393,467**	6,172,597	-	-	6,172,597
Strong		**45,494,824**	**-**	**-**	**45,494,824**	39,700,193	-	-	39,700,193
Moderate		**5,141,340**	**-**	**-**	**5,141,340**	4,874,472	-	-	4,874,472
Non - Rated		**3,358**	**-**	**-**	**3,358**	1,446,522	-	-	1,446,522
Gross Carrying Amount		**52,032,989**	**-**	**-**	**52,032,989**	52,193,784	-	-	52,193,784
Allowance for Impairment Losses	35.1b (i)	**-**	**-**	**-**	**-**	-	-	-	-
Net Carrying Amount	3.2	**52,032,989**	**-**	**-**	**52,032,989**	52,193,784	-	-	52,193,784

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

a. Credit Quality (Cont'd.)

(ii) Receivables and Deposits

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
Strong		**31,581**	**-**	**-**	**31,581**	32,596	-	-	32,596
Moderate		**594,995**	**1,168**	**-**	**596,163**	514,648	3,342	-	517,990
Sub - Standard		**4,651**	**-**	**3,689**	**8,340**	27,544	-	5,616	33,160
Non - Rated		**2,336,778**	**41**	**63,759**	**2,400,578**	5,475,018	(207)	77,494	5,552,305
Impaired		**-**	**-**	**20,870**	**20,870**	-	-	92,896	92,896
Gross Carrying Amount		**2,968,005**	**1,209**	**88,318**	**3,057,532**	6,049,806	3,135	176,006	6,228,947
Allowance for Impairment Losses	4.1, 35.1b (ii)	**(3,299)**	**(98)**	**(24,745)**	**(28,142)**	(7,768)	(407)	(120,037)	(128,212)
Net Carrying Amount		**2,964,706**	**1,111**	**63,573**	**3,029,390**	6,042,038	2,728	55,969	6,100,735

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
Non - Rated		**1,575,214**	**-**	**-**	**1,575,214**	4,673,139	-	-	4,673,139
Impaired		**-**	**-**	**7,780**	**7,780**	-	-	6,072	6,072
Gross Carrying Amount		**1,575,214**	**-**	**7,780**	**1,582,994**	4,673,139	-	6,072	4,679,211
Allowance for Impairment Losses	4.2, 35.1b (ii)	**-**	**-**	**(7,780)**	**(7,780)**	-	-	(6,072)	(6,072)
Net Carrying Amount		**1,575,214**	**-**	**-**	**1,575,214**	4,673,139	-	-	4,673,139

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

a. Credit Quality (Cont'd.)

(iii) Loans, Advances and Financing at Amortised Cost

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
Sovereign		**5,897,165**	**-**	**-**	**5,897,165**	5,897,321	-	-	5,897,321
Strong		**38,614,254**	**40,047**	**-**	**38,654,301**	40,587,463	2,334	-	40,589,797
Moderate		**3,285,846**	**154,664**	**-**	**3,440,510**	3,204,994	62,774	-	3,267,768
Sub - Standard		**6,778,225**	**435,162**	**-**	**7,213,387**	5,412,638	457,113	-	5,869,751
Non - Rated		**27,723,688**	**1,960,718**	**-**	**29,684,406**	29,475,756	1,222,324	-	30,698,080
Impaired		**-**	**-**	**2,290,658**	**2,290,658**	-	-	3,055,714	3,055,714
Gross Carrying Amount		**82,299,178**	**2,590,591**	**2,290,658**	**87,180,427**	84,578,172	1,744,545	3,055,714	89,378,431
Allowance for Impairment Losses	35.1b (iii)	**(134,976)**	**(215,709)**	**(497,237)**	**(847,922)**	(345,139)	(80,059)	(1,128,408)	(1,553,606)
Net Carrying Amount	5.1	**82,164,202**	**2,374,882**	**1,793,421**	**86,332,505**	84,233,033	1,664,486	1,927,306	87,824,825

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
Sovereign		**5,897,165**	**-**	**-**	**5,897,165**	5,897,321	-	-	5,897,321
Strong		**40,321,467**	**-**	**-**	**40,321,467**	41,879,705	-	-	41,879,705
Moderate		**639,504**	**-**	**-**	**639,504**	600,423	-	-	600,423
Non - Rated		**188,710**	**-**	**-**	**188,710**	196,090	-	-	196,090
Impaired		**-**	**-**	**67,971**	**67,971**	-	-	194,884	194,884
Gross Carrying Amount		**47,046,846**	**-**	**67,971**	**47,114,817**	48,573,539	-	194,884	48,768,423
Allowance for Impairment Losses	35.1b (iii)	**(1,879)**	**-**	**(8,965)**	**(10,844)**	(1,574)	-	(8,200)	(9,774)
Net Carrying Amount	5.2	**47,044,967**	**-**	**59,006**	**47,103,973**	48,571,965	-	186,684	48,758,649

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

a. Credit Quality (Cont'd.)

(iv) Fixed Income Instruments and Other Instruments at FVOCI

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
Sovereign		**75,740,849**	**-**	**-**	**75,740,849**	61,985,935	-	-	61,985,935
Strong		**72,028,460**	**101,720**	**-**	**72,130,180**	61,762,247	57,521	-	61,819,768
Moderate		**16,907,226**	**415,135**	**-**	**17,322,361**	18,533,875	426,308	-	18,960,183
Sub - Standard		**-**	**-**	**-**	**-**	-	3,747	-	3,747
Non - Rated		**711,966**	**-**	**-**	**711,966**	1,004,296	-	20,960	1,025,256
Impaired		**-**	**-**	**161,715**	**161,715**	-	-	176,746	176,746
Gross Carrying Amount		**165,388,501**	**516,855**	**161,715**	**166,067,071**	143,286,353	487,576	197,706	143,971,635
Allowance for Impairment Losses		**-**	**-**	**-**	**-**	-	-	-	-
Net Carrying Amount	7.1	**165,388,501**	**516,855**	**161,715**	**166,067,071**	143,286,353	487,576	197,706	143,971,635

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
Sovereign		**66,679,786**	**-**	**-**	**66,679,786**	52,863,791	-	-	52,863,791
Strong		**69,113,067**	**40,150**	**-**	**69,153,217**	59,282,182	57,521	-	59,339,703
Moderate		**17,029,706**	**415,135**	**-**	**17,444,841**	18,639,202	426,308	-	19,065,510
Sub - Standard		**-**	**-**	**-**	**-**	-	3,747	-	3,747
Non - Rated		**3,056**	**-**	**-**	**3,056**	1,454	-	-	1,454
Impaired		**-**	**-**	**161,715**	**161,715**	-	-	176,746	176,746
Gross Carrying Amount		**152,825,615**	**455,285**	**161,715**	**153,442,615**	130,786,629	487,576	176,746	131,450,951
Allowance for Impairment Losses		**-**	**-**	**-**	**-**	-	-	-	-
Net Carrying Amount	7.2	**152,825,615**	**455,285**	**161,715**	**153,442,615**	130,786,629	487,576	176,746	131,450,951

In line with MFRS 9, the impairment allowance for Fixed Income Instruments and Other Instruments is no longer disclosed in Financial Assets at FVOCI but is accounted for at Financial Assets at FVOCI Reserve. Details on the impairment allowance is shown at Note 35.1b(iv).

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

a. Credit Quality (Cont'd.)

(v) Investment Assets at Amortised Cost

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
Sovereign		**339,970,379**	**-**	**-**	**339,970,379**	312,670,967	-	-	312,670,967
Strong		**38,119,366**	**-**	**-**	**38,119,366**	36,624,070	-	-	36,624,070
Moderate		**785,944**	**-**	**-**	**785,944**	823,358	-	-	823,358
Non - Rated		**1,382,841**	**205,266**	**-**	**1,588,107**	1,567,648	205,231	-	1,772,879
Impaired		**-**	**-**	**344,241**	**344,241**	-	-	1,440,961	1,440,961
Gross Carrying Amount		**380,258,530**	**205,266**	**344,241**	**380,808,037**	351,686,043	205,231	1,440,961	353,332,235
Allowance for Impairment Losses	35.1b (v)	**(8,622)**	**(71)**	**-**	**(8,693)**	(8,128)	(147)	(629,617)	(637,892)
Net Carrying Amount	8.1	**380,249,908**	**205,195**	**344,241**	**380,799,344**	351,677,915	205,084	811,344	352,694,343

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
Sovereign		**339,234,251**	**-**	**-**	**339,234,251**	311,990,985	-	-	311,990,985
Strong		**36,853,224**	**-**	**-**	**36,853,224**	35,246,348	-	-	35,246,348
Moderate		**101,222**	**-**	**260,490**	**361,712**	106,511	-	-	106,511
Impaired		**-**	**-**	**344,241**	**344,241**	-	-	1,701,489	1,701,489
Gross Carrying Amount		**376,188,697**	**-**	**604,731**	**376,793,428**	347,343,844	-	1,701,489	349,045,333
Allowance for Impairment Losses	35.1b (v)	**(7,510)**	**-**	**-**	**(7,510)**	(6,426)	-	(629,617)	(636,043)
Net Carrying Amount	8.2	**376,181,187**	**-**	**604,731**	**376,785,918**	347,337,418	-	1,071,872	348,409,290

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

a. Credit Quality (Cont'd.)

Maximum exposure to credit risk - Financial instruments not subject to impairment

The following table contains an analysis of the maximum credit risk exposure for financial assets not subject to impairment:

Group	Note	Maximum Exposure to Credit Risk	
		2024 (RM'000)	2023 (RM'000)
Financial Assets			
Investment Assets Held for Trading	6	**21,607,624**	21,407,673
Debt Instruments	6	**78,006,052**	74,432,510
Derivatives	6	**4,369,426**	2,917,838
		103,983,102	98,758,021

EPF	Note	Maximum Exposure to Credit Risk	
		2024 (RM'000)	2023 (RM'000)
Financial Assets			
Debt Instruments		**74,566,551**	70,820,355
Capital Advance to Subsidiaries		**6,665,943**	7,780,168
Derivatives		**3,790,660**	2,154,855
	6	**85,023,154**	80,755,378

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

b. Financial Assets subject to Expected Credit Losses

Movement in the Allowance for Expected Credit Losses

The movement in Allowance for Expected Credit Losses recognised during the period is due to the following factors:

(a) Transfers between Stage 1 and Stage 2 or 3 due to financial instruments experiencing significant increase in credit risk or becoming credit-impaired during the period and vice-versa.
(b) New financial assets purchased during the period.
(c) Financial assets derecognised during the period.

The following tables explain the movement in the Allowance for Expected Credit Losses between the beginning and the end of the financial period:

(i) Deposits with Financial Institutions at Amortised Cost

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		-	-	-	-	1	-	-	1
Movements with Profit or Loss Impact									
Derecognised Financial Assets		-	-	-	-	(1)	-	-	(1)
At 31 December	3.1	-	-	-	-	-	-	-	-

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		-	-	-	-	1	-	-	1
Movements with Profit or Loss Impact									
Derecognised Financial Assets		-	-	-	-	(1)	-	-	(1)
At 31 December	3.2	-	-	-	-	-	-	-	-

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

b. Financial Assets subject to Expected Credit Losses (Cont'd.)

Movement in the Allowance for Expected Credit Losses (Cont'd.)

(ii) Receivables and Deposits

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**7,768**	**407**	**120,037**	**128,212**	1,126	-	92,288	93,414
Movements with Profit or Loss Impact									
Transfer:									
Transfer from Stage 1 to Stage 3		**(129)**	**-**	**129**	**-**	(649)	-	649	-
New Financial Assets Originated or Purchased		**-**	**-**	**8,473**	**8,473**	7,118	397	124,933	132,448
Derecognised Financial Assets		**(3,924)**	**(289)**	**(102,577)**	**(106,790)**	(5)	-	(8,730)	(8,735)
Changes in PDs/LGDs/ EADs		**29**	**-**	**(155)**	**(126)**	(17)	-	7,092	7,075
Foreign Exchange and Other Movements		**(445)**	**(20)**	**(1,162)**	**(1,627)**	195	10	(96,195)	(95,990)
At 31 December	4.1	**3,299**	**98**	**24,745**	**28,142**	7,768	407	120,037	128,212

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**-**	**-**	**6,072**	**6,072**	-	-	4,818	4,818
Movements with Profit or Loss Impact									
New Financial Assets Originated or Purchased		**-**	**-**	**8,473**	**8,473**	-	-	4,094	4,094
Derecognised Financial Assets		**-**	**-**	**(6,765)**	**(6,765)**	-	-	(2,840)	(2,840)
At 31 December	4.2	**-**	**-**	**7,780**	**7,780**	-	-	6,072	6,072

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

b. Financial Assets subject to Expected Credit Losses (Cont'd.)

Movement in the Allowance for Expected Credit Losses (Cont'd.)

(iii) Loans, Advances and Financing at Amortised Cost

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**345,139**	**80,059**	**1,128,408**	**1,553,606**	296,200	337,893	994,161	1,628,254
Movements with Profit or Loss Impact									
Transfer:									
Transfer from Stage 1 to Stage 2		**(9,766)**	**9,766**	**-**	**-**	(4,752)	4,752	-	-
Transfer from Stage 1 to Stage 3		**(3,980)**	**-**	**3,980**	**-**	(2,418)	-	2,418	-
Transfer from Stage 2 to Stage 1		**24,766**	**(24,766)**	**-**	**-**	91,777	(91,777)	-	-
Transfer from Stage 2 to Stage 3		**-**	**(8,650)**	**8,650**	**-**	-	(80,799)	80,799	-
Transfer from Stage 3 to Stage 1		**9,453**	**-**	**(9,453)**	**-**	53,906	-	(53,906)	-
Transfer from Stage 3 to Stage 2		**-**	**135,833**	**(135,833)**	**-**	-	29,580	(29,580)	-
New Financial Assets Originated or Purchased		**72,031**	**8,544**	**24,799**	**105,374**	112,083	12,803	166,228	291,114
Derecognised Financial Assets		**(129,997)**	**16,700**	**(26,032)**	**(139,329)**	(208,215)	(105,958)	(411,073)	(725,246)
Changes in PDs/LGDs/EADs		**(174,449)**	**(1,164)**	**388,005**	**212,392**	7,143	(26,435)	378,227	358,935
Foreign Exchange and Other Movements		**1,779**	**(613)**	**(885,287)**	**(884,121)**	(585)	-	1,134	549
At 31 December	5.1	**134,976**	**215,709**	**497,237**	**847,922**	345,139	80,059	1,128,408	1,553,606

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**1,574**	**-**	**8,200**	**9,774**	567	-	13,510	14,077
Movements with Profit or Loss Impact									
New Financial Assets Originated or Purchased		**200**	**-**	**-**	**200**	-	-	-	-
Derecognised Financial Assets		**(120)**	**-**	**-**	**(120)**	(2)	-	-	(2)
Changes in PDs/LGDs/EADs		**(95)**	**-**	**765**	**670**	670	-	(4,950)	(4,280)
Foreign Exchange and Other Movements		**320**	**-**	**-**	**320**	339	-	(360)	(21)
At 31 December	5.2	**1,879**	**-**	**8,965**	**10,844**	1,574	-	8,200	9,774

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

b. Financial Assets subject to Expected Credit Losses (Cont'd.)

Movement in the Allowance for Expected Credit Losses (Cont'd.)

(iv) Fixed Income Instruments and Other Instruments at FVOCI

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**13,842**	**7,174**	**334,990**	**356,006**	46,187	9,503	291,783	347,473
Movements with Profit or Loss Impact									
Transfer:									
Transfer from Stage 1 to Stage 2		**(587)**	**587**	**-**	**-**	1,148	(1,148)	-	-
Transfer from Stage 2 to Stage 1		**349**	**(349)**	**-**	**-**	416	(416)	-	-
Transfer from Stage 2 to Stage 3		**-**	**-**	**-**	**-**	-	(3,705)	3,705	-
New Financial Assets Originated or Purchased		**20,989**	**264**	**-**	**21,253**	1,375	-	20,960	22,335
Derecognised Financial Assets		**(5,115)**	**(3,726)**	**(49,622)**	**(58,463)**	(22,040)	(1,290)	(3,212)	(26,542)
Changes in PDs/LGDs/EADs		**31,936**	**(1,045)**	**826**	**31,717**	(12,606)	3,335	21,637	12,366
Foreign Exchange and Other Movements		**(683)**	**(421)**	**(7,942)**	**(9,046)**	(638)	895	117	374
At 31 December	23.3	**60,731**	**2,484**	**278,252**	**341,467**	13,842	7,174	334,990	356,006

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**22,629**	**7,176**	**314,030**	**343,835**	46,403	9,505	291,783	347,691
Movements with Profit or Loss Impact									
Transfer:									
Transfer from Stage 1 to Stage 2		**(554)**	**554**	**-**	**-**	1,148	(1,148)	-	-
Transfer from Stage 2 to Stage 1		**349**	**(349)**	**-**	**-**	416	(416)	-	-
Transfer from Stage 2 to Stage 3		**-**	**-**	**-**	**-**	-	(3,705)	3,705	-
New Financial Assets Originated or Purchased		**21,163**	**264**	**-**	**21,427**	841	-	-	841
Derecognised Financial Assets		**(4,763)**	**(3,726)**	**(49,622)**	**(58,111)**	(12,875)	(1,290)	(3,212)	(17,377)
Changes in PDs/LGDs/EADs		**33,129**	**(1,045)**	**826**	**32,910**	(12,667)	3,335	21,637	12,305
Foreign Exchange and Other Movements		**(681)**	**(421)**	**20**	**(1,082)**	(637)	895	117	375
At 31 December	23.3	**71,272**	**2,453**	**265,254**	**338,979**	22,629	7,176	314,030	343,835

The impairment allowance for Fixed Income Instruments and Other Instruments at FVOCI is accounted for at Financial Assets at FVOCI Reserve.

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

b. Financial Assets subject to Expected Credit Losses (Cont'd.)

Movement in the Allowance for Expected Credit Losses (Cont'd.)

(v) Investment Assets at Amortised Cost

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**8,128**	**147**	**629,617**	**637,892**	7,990	238	577,172	585,400
Movements with Profit or Loss Impact									
Transfer:									
New Financial Assets Originated or Purchased		**187**	**-**	**-**	**187**	1,158	-	-	1,158
Derecognised Financial Assets		**(758)**	**-**	**(629,617)**	**(630,375)**	(283)	-	-	(283)
Changes in PDs/LGDs/ EADs		**1,065**	**(76)**	**-**	**989**	(737)	(91)	52,445	51,617
At 31 December	8.1	**8,622**	**71**	**-**	**8,693**	8,128	147	629,617	637,892

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**6,426**	**-**	**629,617**	**636,043**	7,127	-	577,172	584,299
Movements with Profit or Loss Impact									
New Financial Assets Originated or Purchased		**128**	**-**	**-**	**128**	63	-	-	63
Derecognised Financial Assets		**(287)**	**-**	**(629,617)**	**(629,904)**	(252)	-	-	(252)
Changes in PDs/LGDs/ EADs		**1,243**	**-**	**-**	**1,243**	(512)	-	52,445	51,933
At 31 December	8.2	**7,510**	**-**	**-**	**7,510**	6,426	-	629,617	636,043

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

c. Movement in Gross Amount

The following table shows an analysis of the movement in carrying amount by asset class, gross of allowance for expected credit losses, for the same portfolio of assets subject to allowance for expected credit losses disclosed in Note 35.1(b):

(i) Deposits with Financial Institutions at Amortised Cost

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**56,598,455**	**-**	**-**	**56,598,455**	48,854,149	-	-	48,854,149
Movements with Profit or Loss Impact									
New Financial Assets Originated or Purchased		**1,443,377,462**	**-**	**-**	**1,443,377,462**	841,514,978	-	-	841,514,978
Derecognised Financial Assets		**(1,448,042,471)**	**-**	**-**	**(1,448,042,471)**	(834,050,666)	-	-	(834,050,666)
Movement of Accrued Interest		**7,725**	**-**	**-**	**7,725**	133,415	-	-	133,415
Foreign Exchange and Other Movements		**40,463**	**-**	**-**	**40,463**	146,579	-	-	146,579
At 31 December	3.1, 35.1a (i)	**51,981,634**	**-**	**-**	**51,981,634**	56,598,455	-	-	56,598,455

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**52,193,784**	**-**	**-**	**52,193,784**	47,276,937	-	-	47,276,937
Movements with Profit or Loss Impact									
New Financial Assets Originated or Purchased		**1,483,342,562**	**-**	**-**	**1,483,342,562**	846,431,525	-	-	846,431,525
Derecognised Financial Assets		**(1,483,538,497)**	**-**	**-**	**(1,483,538,497)**	(841,800,466)	-	-	(841,800,466)
Movement of Accrued Interest		**(5,323)**	**-**	**-**	**(5,323)**	139,209	-	-	139,209
Foreign Exchange and Other Movements		**40,463**	**-**	**-**	**40,463**	146,579	-	-	146,579
At 31 December	3.2, 35.1a (i)	**52,032,989**	**-**	**-**	**52,032,989**	52,193,784	-	-	52,193,784

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

c. Movement in Gross Amount (Cont'd.)

The following table shows an analysis of the movement in carrying amount by asset class, gross of allowance for expected credit losses, for the same portfolio of assets subject to allowance for expected credit losses disclosed in Note 35.1(b): (Cont'd.)

(ii) Receivables and Deposits

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**6,049,806**	**3,135**	**176,006**	**6,228,947**	5,323,805	-	121,622	5,445,427
Movements with Profit or Loss Impact									
Transfer:									
Transfer from Stage 1 to Stage 3		**(129)**	**-**	**129**	**-**	(8,244)	-	8,244	-
Transfer from Stage 3 to Stage 1		**6,643**	**-**	**(6,643)**	**-**	1,219	-	(1,219)	-
New Financial Assets Originated or Purchased		**1,125,953**	**-**	**18,251**	**1,144,204**	4,870,397	3,053	89,479	4,962,929
Derecognised Financial Assets		**(4,169,362)**	**(1,741)**	**(98,543)**	**(4,269,646)**	(4,191,472)	-	(42,810)	(4,234,282)
Movement of Accrued Interest		**(397)**	**-**	**-**	**(397)**	-	-		
Foreign Exchange and Other Movements		**(44,509)**	**(185)**	**(882)**	**(45,576)**	54,101	82	690	54,873
At 31 December	4.1, 35.1a (ii)	**2,968,005**	**1,209**	**88,318**	**3,057,532**	6,049,806	3,135	176,006	6,228,947

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**4,673,139**	**-**	**6,072**	**4,679,211**	4,444,252	-	4,818	4,449,070
Movements with Profit or Loss Impact									
Transfer:									
Transfer from Stage 1 to Stage 3		**-**	**-**	**-**	**-**	(503)	-	503	-
Transfer from Stage 3 to Stage 1		**6,643**	**-**	**(6,643)**	**-**	1,219	-	(1,219)	-
New Financial Assets Originated or Purchased		**1,086,192**	**-**	**8,473**	**1,094,665**	4,634,595	-	3,628	4,638,223
Derecognised Financial Assets		**(4,190,760)**	**-**	**(122)**	**(4,190,882)**	(4,406,424)	-	(1,658)	(4,408,082)
At 31 December	4.2, 35.1a (ii)	**1,575,214**	**-**	**7,780**	**1,582,994**	4,673,139	-	6,072	4,679,211

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

c. Movement in Gross Amount (Cont'd.)

The following table shows an analysis of the movement in carrying amount by asset class, gross of allowance for expected credit losses, for the same portfolio of assets subject to allowance for expected credit losses disclosed in Note 35.1(b): (Cont'd.)

(iii) Loans, Advances and Financing at Amortised Cost

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**84,578,172**	**1,744,545**	**3,055,714**	**89,378,431**	81,903,554	2,545,238	2,607,225	87,056,017
Movements with Profit or Loss Impact									
Transfer:									
Transfer from Stage 1 to Stage 2		**(1,367,170)**	**1,367,170**	**-**	**-**	(541,739)	541,739	-	-
Transfer from Stage 1 to Stage 3		**(338,171)**	**-**	**338,171**	**-**	(168,120)	-	168,120	-
Transfer from Stage 2 to Stage 1		**470,306**	**(470,306)**	**-**	**-**	1,032,060	(1,032,060)	-	-
Transfer from Stage 2 to Stage 3		**-**	**(118,161)**	**118,161**	**-**	-	(376,845)	376,845	-
Transfer from Stage 3 to Stage 1		**26,574**	**-**	**(26,574)**	**-**	76,780	-	(76,780)	-
Transfer from Stage 3 to Stage 2		**-**	**330,656**	**(330,656)**	**-**	-	79,741	(79,741)	-
New Financial Assets Originated or Purchased		**11,200,973**	**200,449**	**72,238**	**11,473,660**	12,114,558	609,822	694,723	13,419,103
Derecognised Financial Assets		**(12,069,841)**	**(440,527)**	**(275,663)**	**(12,786,031)**	(10,073,897)	(576,356)	(473,987)	(11,124,240)
Movement of Accrued Interest		**18,221**	**-**	**-**	**18,221**	789,880	-	31,958	821,838
Foreign Exchange and Other Movements		**(219,886)**	**(23,235)**	**(660,733)**	**(903,854)**	(554,904)	(46,734)	(192,649)	(794,287)
At 31 December	5.1, 35.1a (iii)	**82,299,178**	**2,590,591**	**2,290,658**	**87,180,427**	84,578,172	1,744,545	3,055,714	89,378,431

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (Total)
At 1 January		**48,573,539**	**-**	**194,884**	**48,768,423**	48,183,979	-	180,095	48,364,074
Movements with Profit or Loss Impact									
New Financial Assets Originated or Purchased		**1,066,645**	**-**	**-**	**1,066,645**	1,950,634	-	-	1,950,634
Derecognised Financial Assets		**(2,545,889)**	**-**	**(84,448)**	**(2,630,337)**	(1,678,344)	-	-	(1,678,344)
Movement of Accrued Interest		**94,615**	**-**	**(27,417)**	**67,198**	850,999	-	37,046	888,045
Foreign Exchange and Other Movements		**(142,064)**	**-**	**(15,048)**	**(157,112)**	(733,729)	-	(22,257)	(755,986)
At 31 December	5.2, 35.1a (iii)	**47,046,846**	**-**	**67,971**	**47,114,817**	48,573,539	-	194,884	48,768,423

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

c. Movement in Gross Amount (Cont'd.)

The following table shows an analysis of the movement in carrying amount by asset class, gross of allowance for expected credit losses, for the same portfolio of assets subject to allowance for expected credit losses disclosed in Note 35.1(b): (Cont'd.)

(iv) Fixed Income Instruments and Other Instruments at FVOCI

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**143,286,353**	**487,576**	**197,706**	**143,971,635**	114,508,959	1,133,262	52,676	115,694,897
Movements with Profit or Loss Impact									
Transfer:									
Transfer from Stage 1 to Stage 2		**(230,961)**	**230,961**	**-**	**-**	(94,739)	94,739	-	-
Transfer from Stage 1 to Stage 3		**-**	**-**	**-**	**-**	(98,462)	-	98,462	-
Transfer from Stage 2 to Stage 1		**26,616**	**(26,616)**	**-**	**-**	234,837	(234,837)	-	-
Transfer from Stage 2 to Stage 3		**-**	**-**	**-**	**-**	-	(3,508)	3,508	-
Transfer from Stage 3 to Stage 2		**-**	**-**	**-**	**-**	-	(49,097)	49,097	-
New Financial Assets Originated or Purchased		**81,041,659**	**-**	**-**	**81,041,659**	64,251,693	346,022	20,960	64,618,675
Derecognised Financial Assets		**(56,422,695)**	**(143,401)**	**(113,796)**	**(56,679,892)**	(41,385,441)	(508,149)	(10,651)	(41,904,241)
Movement of Accrued Interest		**312,480**	**557**	**122**	**313,159**	1,256,671	4,717	28,752	1,290,140
Foreign Exchange and Other Movements		**(2,624,951)**	**(32,222)**	**77,683**	**(2,579,490)**	4,612,835	(295,573)	(45,098)	4,272,164
At 31 December	7.1, 35.1a (iv)	**165,388,501**	**516,855**	**161,715**	**166,067,071**	143,286,353	487,576	197,706	143,971,635

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

c. Movement in Gross Amount (Cont'd.)

The following table shows an analysis of the movement in carrying amount by asset class, gross of allowance for expected credit losses, for the same portfolio of assets subject to allowance for expected credit losses disclosed in Note 35.1(b): (Cont'd.)

(iv) Fixed Income Instruments and Other Instruments at FVOCI (Cont'd.)

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**130,786,629**	**487,576**	**176,746**	**131,450,951**	103,240,769	1,133,262	52,676	104,426,707
Movements with Profit or Loss Impact									
Transfer:									
Transfer from Stage 1 to Stage 2		**(230,961)**	**230,961**	**-**	**-**	(94,739)	94,739	-	-
Transfer from Stage 1 to Stage 3		**-**	**-**	**-**	**-**	(98,462)	-	98,462	-
Transfer from Stage 2 to Stage 1		**26,616**	**(26,616)**	**-**	**-**	234,837	(234,837)	-	-
Transfer from Stage 2 to Stage 3		**-**	**-**	**-**	**-**	-	(3,508)	3,508	-
Transfer from Stage 3 to Stage 2		**-**	**-**	**-**	**-**	-	(49,097)	49,097	-
New Financial Assets Originated or Purchased		**76,502,109**	**-**	**-**	**76,502,109**	59,664,800	346,022	-	60,010,822
Derecognised Financial Assets		**(51,947,052)**	**(204,972)**	**(92,836)**	**(52,244,860)**	(38,031,035)	(508,149)	(10,651)	(38,549,835)
Movement of Accrued Interest		**313,225**	**557**	**122**	**313,904**	1,256,614	4,717	28,752	1,290,083
Foreign Exchange and Other Movements		**(2,624,951)**	**(32,221)**	**77,683**	**(2,579,489)**	4,613,845	(295,573)	(45,098)	4,273,174
At 31 December	7.2, 35.1a (iv)	**152,825,615**	**455,285**	**161,715**	**153,442,615**	130,786,629	487,576	176,746	131,450,951

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

c. Movement in Gross Amount (Cont'd.)

The following table shows an analysis of the movement in carrying amount by asset class, gross of allowance for expected credit losses, for the same portfolio of assets subject to allowance for expected credit losses disclosed in Note 35.1(b): (Cont'd.)

(v) Investment Assets at Amortised Cost

Group	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**351,686,043**	**205,231**	**1,440,961**	**353,332,235**	312,328,470	205,198	1,475,751	314,009,419
Movements with Profit or Loss Impact									
Transfer:									
New Financial Assets Originated or Purchased		**59,829,661**	**-**	**-**	**59,829,661**	59,451,510	-	49,811	59,501,321
Derecognised Financial Assets		**(31,264,227)**	**-**	**(1,141,512)**	**(32,405,739)**	(20,527,527)	-	(71,831)	(20,599,358)
Movement of Accrued Interest		**219,736**	**35**	**6**	**219,777**	3,651,934	33	(46,020)	3,605,947
Foreign Exchange and Other Movements		**(212,683)**	**-**	**44,786**	**(167,897)**	(3,218,344)	-	33,250	(3,185,094)
At 31 December	8.1, 35.1a (v)	**380,258,530**	**205,266**	**344,241**	**380,808,037**	351,686,043	205,231	1,440,961	353,332,235

EPF	Note	2024				2023			
		Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)	Stage 1 (RM'000)	Stage 2 (RM'000)	Stage 3 (RM'000)	Total (RM'000)
At 1 January		**347,343,844**	**-**	**1,701,489**	**349,045,333**	311,747,589	-	1,736,279	313,483,868
Movements with Profit or Loss Impact									
New Financial Assets Originated or Purchased		**59,573,904**	**-**	**-**	**59,573,904**	54,974,439	-	-	54,974,439
Derecognised Financial Assets		**(30,739,856)**	**-**	**(1,141,512)**	**(31,881,368)**	(19,810,514)	-	(71,831)	(19,882,345)
Movement of Accrued Interest		**223,488**	**-**	**(33)**	**223,455**	3,650,673	-	3,791	3,654,464
Foreign Exchange and Other Movements		**(212,683)**	**-**	**44,787**	**(167,896)**	(3,218,343)	-	33,250	(3,185,093)
At 31 December	8.2, 35.1a (v)	**376,188,697**	**-**	**604,731**	**376,793,428**	347,343,844	-	1,701,489	349,045,333

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

d. Financial Effects of Collaterals Held for Financial Assets Exposed to Credit Risk

The Group and EPF employs a range of policies and practices to mitigate credit risk. The most common approach is accepting collateral for investments undertaken.

The main type of collaterals are:

(a) Land and Buildings;
(b) Cash and Fixed Deposits;
(c) Government Guarantees; and
(d) Quoted Shares.

The Group's policies on collaterals have not significantly changed during the reporting period. In addition, there is no significant change in the overall quality of the collaterals held by the Group since the previous financial period.

The Group monitors closely collaterals held for financial assets considered to be credit-impaired if it becomes more likely that the Group will take possession of the collaterals to mitigate potential credit losses.

Exposure to financial impact of collaterals is only for Stage 3 financial assets that suffers from credit losses. Financial assets that are credit-impaired and related collateral held in order to mitigate potential losses are shown below:

Group	2024				2023			
Financial Assets	Gross Exposure (RM'000)	Allowance for Impairment Losses (RM'000)	Carrying Amount (RM'000)	Fair Value of Collateral Held (RM'000)	Gross Exposure (RM'000)	Allowance for Impairment Losses (RM'000)	Carrying Amount (RM'000)	Fair Value of Collateral Held (RM'000)
Receivables and Deposits	**88,318**	**(24,745)**	**63,573**	**-**	168,821	(120,037)	48,784	39,552
Loans, Advances and Financing at Amortised Cost	**2,290,658**	**(497,237)**	**1,793,421**	**1,834,859**	3,055,714	(1,128,408)	1,927,306	1,929,904
Fixed Income Instruments and Other Instruments at FVOCI	**161,715**	**(278,252)**	**(116,537)**	**577,146**	197,706	(334,990)	(137,284)	780,489
Investment Assets at Amortised Costs	**344,241**	**-**	**344,241**	**343,169**	1,440,961	(629,617)	811,344	343,169
	2,884,932	**(800,234)**	**2,084,698**	**2,755,174**	4,863,202	(2,213,052)	2,650,150	3,093,114

EPF	2024				2023			
Financial Assets	Gross Exposure (RM'000)	Allowance for Impairment Losses (RM'000)	Carrying Amount (RM'000)	Fair Value of Collateral Held (RM'000)	Gross Exposure (RM'000)	Allowance for Impairment Losses (RM'000)	Carrying Amount (RM'000)	Fair Value of Collateral Held (RM'000)
Receivables and Deposits	**7,780**	**(7,780)**	**-**	**-**	6,072	(6,072)	-	-
Loans, Advances and Financing at Amortised Cost	**67,971**	**(8,965)**	**59,006**	**345,000**	194,884	(8,200)	186,684	345,000
Fixed Income Instruments and Other Instruments at FVOCI	**161,715**	**(265,254)**	**(103,539)**	**577,146**	176,746	(314,030)	(137,284)	780,489
Investment Assets at Amortised Costs	**344,241**	**-**	**344,241**	**343,169**	1,701,489	(629,617)	1,071,872	343,169
	581,707	**(281,999)**	**299,708**	**1,265,315**	2,079,191	(957,919)	1,121,272	1,468,658

35. FINANCIAL RISK (CONT'D.)

35.1 Credit Risk (Cont'd.)

e. During the financial year 2024, a subsidiary of EPF has written off RM890.43 million (2023: RM330.33 million) of Loans, Advances and Financing as it is not reasonable to expect full recovery of the amount. The subsidiary is seeking to recover the outstanding contractual amounts of such assets written off. Meanwhile, there was no Financial Asset written off by EPF in 2024 and 2023.

35.2 Liquidity Risk

Liquidity risk relates to the inability of the Group and EPF to meet its financial commitments and obligations when they fall due. EPF's exposure to liquidity risk is limited as all contributions are mandated by EPF Act 1991 through deduction of salaries and members are only allowed to make withdrawals under pre-retirement and retirement schemes. EPF manages its liquidity requirements through:

- Monitoring of its daily cash flow and projecting monthly cash flow for a rolling 12 months basis;
- Allocating 3% of its asset's value for short term instruments in the form of cash and placements in financial institutions in order to meet members' withdrawals and other financial commitments and obligations; and
- Diversifying its investment portfolio by setting the concentration limits on name, sector and asset type.

Over the medium and longer term, EPF is able to meet its liquidity requirements through its holdings of liquid investments such as publicly traded equities and fixed income securities. The maturity profile of the EPF assets and liabilities is also monitored within a stipulated level. The Group and EPF financial liabilities are categorised into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

35. FINANCIAL RISK (CONT'D.)

35.2 Liquidity Risk (Cont'd.)

a. The table below shows the contractual undiscounted cash flows payable for financial liabilities by remaining contractual maturities as at the reporting date:

Group	2024				
	Contractual Cash Flows				
	On Demand or within One Year (RM'000)	One to Five Years (RM'000)	Over Five Years (RM'000)	Total (RM'000)	Carrying Amount (RM'000)
Non-Derivative Liabilities					
Contribution Withdrawal Payables	**10,806**	**-**	**-**	**10,806**	**10,806**
Payables and Accrued Liabilities #	**4,124,034**	**931,524**	**262,801**	**5,318,359**	**5,310,513**
Deposits and Advances	**45,802,395**	**3,442,813**	**39,387**	**49,284,595**	**47,581,314**
Lease Liabilities	**44,113**	**93,886**	**1,494,159**	**1,632,158**	**621,061**
Loans and Overdrafts	**8,718,412**	**11,894,346**	**2,005,347**	**22,618,105**	**21,018,638**
	58,699,760	**16,362,569**	**3,801,694**	**78,864,023**	**74,542,332**
Net Settled Amount Derivatives					
Forward Contract	**1,715,057**	**-**	**-**	**1,715,057**	**1,715,057**
Interest Rate Swap	**-**	**17,774**	**-**	**17,774**	**24,667**
Other Derivative Financial Liabilities	**19,268**	**-**	**-**	**19,268**	**19,268**
Net Outflow	**1,734,325**	**17,774**	**-**	**1,752,099**	**1,758,992**
Gross Settled Amount Derivatives					
Cross Currency Swap					
- Outflow	**255,780**	**1,219,560**	**-**	**1,475,340**	**38,037**
- Inflow	**(227,261)**	**(1,208,597)**	**-**	**(1,435,858)**	**-**
	28,519	**10,963**	**-**	**39,482**	**38,037**
Total Financial Liabilities	**60,462,604**	**16,391,306**	**3,801,694**	**80,655,604**	**76,339,361**
Commitments and Contingencies*	**2,791,293**	**2,311,681**	**802,591**	**5,905,565**	**5,905,565**

Payables and Accrued Liabilities exclude other provisions and accruals, rent received in advance, contract liabilities as well as deferred income as these items are classified as non-financial liabilities.

* Commitments and Contingencies exclude foreign exchange related contracts.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

35. FINANCIAL RISK (CONT'D.)

35.2 Liquidity Risk (Cont'd.)

a. The table below shows the contractual undiscounted cash flows payable for financial liabilities by remaining contractual maturities as at the reporting date: (Cont'd.)

Group	2023				
	Contractual Cash Flows				
	On Demand or within One Year (RM'000)	One to Five Years (RM'000)	Over Five Years (RM'000)	Total (RM'000)	Carrying Amount (RM'000)
Non-Derivative Liabilities					
Contribution Withdrawal Payables	7,611	–	–	7,611	7,611
Payables and Accrued Liabilities #	4,919,615	933,513	213,696	6,066,824	6,066,824
Deposits and Advances	43,252,665	3,673,410	41,123	46,967,198	45,736,408
Lease Liabilities	40,722	90,254	1,693,550	1,824,526	690,869
Loans and Overdrafts	7,754,145	18,104,544	1,870,531	27,729,220	25,893,194
	55,974,758	22,801,721	3,818,900	82,595,379	78,394,906
Net Settled Amount Derivatives					
Forward Contract	546,150	31,905	–	578,055	578,372
Interest Rate Swap	6,018	50,702	–	56,720	56,721
Net Outflow	552,168	82,607	–	634,775	635,093
Gross Settled Amount Derivatives					
Cross Currency Swap					
- Outflow	–	737,670	109,620	847,290	46,181
- Inflow	–	(692,411)	(106,952)	(799,363)	–
	–	45,259	2,668	47,927	46,181
Total Financial Liabilities	56,526,926	22,929,587	3,821,568	83,278,081	79,076,180
Commitments and Contingencies*	1,968,753	2,162,816	365,068	4,496,637	4,496,637

Payables and Accrued Liabilities exclude other provisions and accruals, rent received in advance, contract liabilities as well as deferred income as these items are classified as non-financial liabilities.

* Commitments and Contingencies exclude foreign exchange related contracts.

35. FINANCIAL RISK (CONT'D.)

35.2 Liquidity Risk (Cont'd.)

a. The table below shows the contractual undiscounted cash flows payable for financial liabilities by remaining contractual maturities as at the reporting date: (Cont'd.)

EPF	2024				
	Contractual Cash Flows				
	On Demand or within One Year (RM'000)	One to Five Years (RM'000)	Over Five Years (RM'000)	Total (RM'000)	Carrying Amount (RM'000)
Non-Derivative Liabilities					
Contribution Withdrawal Payables	**10,806**	**-**	**-**	**10,806**	**10,806**
Payables and Accrued Liabilities #	**3,312,494**	**24,411**	**37,402**	**3,374,307**	**3,374,307**
Deposits and Advances	**461,369**	**56,654**	**21,059**	**539,082**	**539,082**
Lease Liabilities	**51,604**	**219,066**	**542,838**	**813,508**	**542,757**
	3,836,273	**300,131**	**601,299**	**4,737,703**	**4,466,952**
Net Settled Amount Derivatives					
Forward Contract	**1,708,904**	**-**	**-**	**1,708,904**	**1,708,904**
Net Outflow	**1,708,904**	**-**	**-**	**1,708,904**	**1,708,904**
Gross Settled Amount Derivatives					
Cross Currency Swap					
- Outflow	**255,780**	**1,219,560**	**-**	**1,475,340**	**38,037**
- Inflow	**(227,261)**	**(1,208,597)**	**-**	**(1,435,858)**	**-**
	28,519	**10,963**	**-**	**39,482**	**38,037**
Total Financial Liabilities	**5,573,696**	**311,094**	**601,299**	**6,486,089**	**6,213,893**

Payables and Accrued Liabilities exclude other provisions and accruals, rent received in advance, contract liabilities as well as deferred income as these items are classified as non-financial liabilities.

35. FINANCIAL RISK (CONT'D.)

35.2 Liquidity Risk (Cont'd.)

a. The table below shows the contractual undiscounted cash flows payable for financial liabilities by remaining contractual maturities as at the reporting date: (Cont'd.)

EPF	2023				
	Contractual Cash Flows				
	On Demand or within One Year (RM'000)	One to Five Years (RM'000)	Over Five Years (RM'000)	Total (RM'000)	Carrying Amount (RM'000)
Non-Derivative Liabilities					
Contribution Withdrawal Payables	7,611	–	–	7,611	7,611
Payables and Accrued Liabilities #	3,437,955	24,411	37,402	3,499,768	3,499,768
Deposits and Advances	330,535	64,737	21,059	416,331	416,331
Lease Liabilities	48,122	206,077	599,024	853,223	583,766
	3,824,223	295,225	657,485	4,776,933	4,507,476
Net Settled Amount Derivatives					
Forward Contract	541,310	–	–	541,310	541,310
Net Outflow	541,310	–	–	541,310	541,310
Gross Settled Amount Derivatives					
Cross Currency Swap					
- Outflow	–	737,670	109,620	847,290	46,181
- Inflow	–	(692,411)	(106,952)	(799,363)	–
	–	45,259	2,668	47,927	46,181
Total Financial Liabilities	4,365,533	340,484	660,153	5,366,170	5,094,967

Payables and Accrued Liabilities exclude other provisions and accruals, rent received in advance, contract liabilities as well as deferred income as these items are classified as non-financial liabilities.

35. FINANCIAL RISK (CONT'D.)

35.3 Market Risk

Market risk is the risk of losses arising from changes in the value of portfolios and financial instruments due to the movements in equity prices, interest rates and foreign exchange rate.

The objective of market risk management is to ensure that EPF exposures to these risks are within the risk appetite. This is done through an annual review of various policies and limits, periodic reports to monitor market risk at portfolio level for each asset class and independent validation performed on the underlying risk methodology.

The EPF adopts the following risk measurements to manage its market risk:

i. Single customer exposure limit, ownership, country and sector concentration limits to ensure appropriate diversification of risk exposures.
ii. Value at Risk (VaR) is a statistical measure of the potential losses that could occur as a result of movements in interest rates and prices over a specified time horizon within a given confidence level.
iii. Duration is to manage the sensitivity of the price of a fixed income investment arising from interest rate movement.
iv. Tracking Error is a standard deviation of the portfolio's excess returns relative to a benchmark in measuring and benchmarking the performance of the portfolio.
v. Stress testing is an exercise conducted to capture the potential market risk exposure of 'what-if' scenarios. It incorporates factors such as correlation, volatility and returns at different levels. The stress tests are performed periodically and reported to the management.

The EPF subsidiary's market risk management includes the monitoring of fluctuations in net profit/interest income or investment value due to changes in relevant market risk factors. The market risk exposures are monitored on periodic basis through committee meetings and regular reports.

a. Price Risk

Price risk arises from the movements in the price of equities, both domestic and global. EPF identifies acceptable benchmarks for each respective portfolio and measures the deviation from these benchmarks to ensure that each portfolio is within EPF's investment parameter.

EPF manages its price risk through diversification and prudent selection of equities as approved by the Investment Panel.

The overall investment exposure is being monitored on a daily basis.

35. FINANCIAL RISK (CONT'D.)

35.3 Market Risk (Cont'd.)

a. Price Risk (Cont'd.)

The table below summarises the impact on the carrying amount of equity positions as at reporting date arising from the changes in equity prices. The analysis is based on the assumption that the market index components increase or decrease by a reasonable shift, with all other variables remain constant and that the fair value of the equities move according to the historical correlation with the market index.

Group Index		2024		
	Quoted Equities at FVOCI	Fair Value (RM'000)	Changes in Market Index	Sensitivity Impact to the Financial Assets at FVOCI Reserve Increase/(Decrease) (RM'000)
FBM KLCI	**Domestic**	**177,660,056**	**+5%**	**8,637,905**
			-5%	**(8,518,653)**
MSCI World	**Global**	**280,405,027**	**+10%**	**22,317,978**
			-10%	**(21,946,425)**
		458,065,083		

Group Index		2023		
	Quoted Equities at FVOCI	Fair Value (RM'000)	Changes in Market Index	Sensitivity Impact to the Financial Assets at FVOCI Reserve Increase/(Decrease) (RM'000)
FBM KLCI	Domestic	139,519,426	+5%	6,216,289
			-5%	(6,199,849)
MSCI World	Global	253,989,069	+10%	18,006,882
			-10%	(17,881,669)
		393,508,495		

35. FINANCIAL RISK (CONT'D.)

35.3 Market Risk (Cont'd.)

a. Price Risk (Cont'd.)

The table below summarises the impact on the carrying amount of equity positions as at reporting date arising from the changes in equity prices. The analysis is based on the assumption that the market index components increase or decrease by a reasonable shift, with all other variables remain constant and that the fair value of the equities move according to the historical correlation with the market index. (Cont'd.)

EPF Index	2024			
	Quoted Equities at FVOCI	Fair Value (RM'000)	Changes in Market Index	Sensitivity Impact to the Financial Assets at FVOCI Reserve Increase/(Decrease) (RM'000)
FBM KLCI	**Domestic**	**177,663,938**	**+5%** **-5%**	**8,638,099** **(8,518,847)**
MSCI World	**Global**	**280,405,027**	**+10%** **-10%**	**22,317,978** **(21,946,425)**
		458,068,965		

EPF Index	2023			
	Quoted Equities at FVOCI	Fair Value (RM'000)	Changes in Market Index	Sensitivity Impact to the Financial Assets at FVOCI Reserve Increase/(Decrease) (RM'000)
FBM KLCI	Domestic	139,519,749	+5% -5%	6,216,289 (6,199,849)
MSCI World	Global	253,989,069	+10% -10%	18,006,882 (17,881,669)
		393,508,818		

35. FINANCIAL RISK (CONT'D.)

35.3 Market Risk (Cont'd.)

b. Interest Rate Risk

Interest rate risk arises from investments in loan with floating interest rate instruments and fixed income instruments under FVOCI and FVTPL.

The EPF has put in place an interest rate hedging policy for its fixed income portfolios classified as FVOCI and FVTPL.

The objective of the policy is to hedge its exposure against changes in the fair value of assets arising from interest rate movements.

In managing profit/interest rate risk, the EPF's subsidiary intend to maximise net profit/interest income and net profit/interest margin and minimise the significant volatilities that may arise in relation to the assets and liabilities.

The table below summarises the sensitivity of fixed income instruments on the Profit before Tax and Financial Assets at FVOCI Reserve arising from changes in the interest rates by 100 basis points based on the assumption that the positions are unhedged:

Group	**2024**			
	Impact on Profit before Tax when Interest Rates Change ± 100 Basis Points Increase/(Decrease)		**Impact on Financial Assets at FVOCI Reserve when Interest Rates Change ± 100 Basis Points Increase/(Decrease)**	
	(RM'000)	**(RM'000)**	**(RM'000)**	**(RM'000)**
	+100bps	**-100bps**	**+100bps**	**-100bps**
Fixed Income Instruments	**(1,489,109)**	**1,489,109**	**(11,134,189)**	**11,134,189**

Group	**2023**			
	Impact on Profit before Tax when Interest Rates Change ± 100 Basis Points Increase/(Decrease)		**Impact on Financial Assets at FVOCI Reserve when Interest Rates Change ± 100 Basis Points Increase/(Decrease)**	
	(RM'000)	**(RM'000)**	**(RM'000)**	**(RM'000)**
	+100bps	-100bps	+100bps	-100bps
Fixed Income Instruments	(1,094,866)	1,094,866	(9,160,662)	9,160,662

35. FINANCIAL RISK (CONT'D.)

35.3 Market Risk (Cont'd.)

b. Interest Rate Risk (Cont'd.)

The table below summarises the sensitivity of fixed income instruments on the Profit before Tax and Financial Assets at FVOCI Reserve arising from changes in the interest rates by 100 basis points based on the assumption that the positions are unhedged: (Cont'd.)

EPF	2024			
	Impact on Profit before Tax when Interest Rates Change ± 100 Basis Points Increase/(Decrease) (RM'000)		Impact on Financial Assets at FVOCI Reserve when Interest Rates Change ± 100 Basis Points Increase/(Decrease) (RM'000)	
	+100bps	-100bps	+100bps	-100bps
Fixed Income Instruments	**(1,428,323)**	**1,428,323**	**(11,134,189)**	**11,134,189**

EPF	2023			
	Impact on Profit before Tax when Interest Rates Change ± 100 Basis Points Increase/(Decrease) (RM'000)		Impact on Financial Assets at FVOCI Reserve when Interest Rates Change ± 100 Basis Points Increase/(Decrease) (RM'000)	
	+100bps	-100bps	+100bps	-100bps
Fixed Income Instruments	(1,558,380)	1,558,380	(9,160,662)	9,160,662

35. FINANCIAL RISK (CONT'D.)

35.3 Market Risk (Cont'd.)

c. Foreign Exchange Risk

EPF invests globally and is exposed to foreign exchange risk arising from exposures to various foreign currencies other than Ringgit Malaysia.

EPF has put in place a foreign currency hedging policy to protect its global investment assets against the adverse movement in foreign exchange rate. At minimum, 50% of the global fixed income investments are hedged whereas global equities and other global exposures are hedged where appropriate. Derivatives include Forward Contracts and Cross Currency Swaps are used strictly to hedge against foreign exchange risk for the global investments.

The following table summarises the carrying amount of global investments of the Group and EPF by currencies as at the reporting date:

Group and EPF	2024		2023	
	Global Investments (RM'000)	%	Global Investments (RM'000)	%
Currency				
United States Dollars	**180,075,698**	**43**	151,078,703	39
Euro	**58,960,868**	**14**	58,314,492	15
Hong Kong Dollars	**23,569,140**	**6**	21,109,669	6
Japanese Yen	**19,257,703**	**5**	17,595,156	5
Pound Sterling	**16,129,653**	**4**	17,166,405	4
Singapore Dollars	**16,284,201**	**4**	17,162,066	4
Thai Baht	**13,088,491**	**3**	13,437,285	4
Taiwan Dollars	**13,314,803**	**3**	12,390,331	3
Indonesian Rupiah	**11,459,714**	**3**	11,693,006	3
South Korean Won	**10,705,879**	**3**	10,972,732	3
Australian Dollars	**10,284,486**	**2**	10,357,714	3
Others	**43,698,345**	**10**	42,477,700	11
	416,828,981	**100**	383,755,259	100

35. FINANCIAL RISK (CONT'D.)

35.3 Market Risk (Cont'd.)

c. Foreign Exchange Risk (Cont'd.)

The following table shows the sensitivity of the Group and EPF's global investments on the Profit before Tax and Financial Assets at FVOCI Reserve, based on a reasonable shift in movement in foreign exchange rates, assuming the portfolio is unhedged, with all other risk factors remain constant.

Group and EPF	2024			
	Impact on Profit before Tax when the Movement in Foreign Exchange Rates		Impact on Financial Assets at FVOCI Reserve when Movement in Foreign Exchange Rates	
	Strengthening (RM'000)	(Weakening) (RM'000)	Strengthening (RM'000)	(Weakening) (RM'000)
	+3%	-3%	+3%	-3%
United States Dollars	2,707,277	(2,707,277)	2,694,994	(2,694,994)
Euro	829,194	(829,194)	939,632	(939,632)
Hong Kong Dollars	-	-	707,074	(707,074)
Japanese Yen	73,159	(73,159)	504,572	(504,572)
Pound Sterling	217,506	(217,506)	266,384	(266,384)
Singapore Dollars	18,069	(18,069)	470,456	(470,456)
Thai Baht	-	-	392,655	(392,655)
Taiwan Dollars	-	-	399,444	(399,444)
Indonesian Rupiah	1,458	(1,458)	342,334	(342,334)
South Korean Won	5,401	(5,401)	315,775	(315,775)
Australian Dollars	178,380	(178,380)	130,155	(130,155)
Others	62,468	(62,468)	1,248,483	(1,248,483)
	4,092,912	(4,092,912)	8,411,958	(8,411,958)

35. FINANCIAL RISK (CONT'D.)

35.3 Market Risk (Cont'd.)

c. Foreign Exchange Risk (Cont'd.)

The following table shows the sensitivity of the Group and EPF's global investments on the Profit before Tax and Financial Assets at FVOCI Reserve, based on a reasonable shift in movement in foreign exchange rates, assuming the portfolio is unhedged, with all other risk factors remain constant. (Cont'd.)

Group and EPF	2023			
	Impact on Profit before Tax when the Movement in Foreign Exchange Rates Strengthening/(Weakening)		Impact on Financial Assets at FVOCI Reserve when Movement in Foreign Exchange Rates Strengthening/(Weakening)	
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
	+3%	-3%	+3%	-3%
United States Dollars	2,554,659	(2,554,659)	1,977,702	(1,977,702)
Euro	811,925	(811,925)	937,510	(937,510)
Hong Kong Dollars	-	-	633,290	(633,290)
Japanese Yen	58,370	(58,370)	469,485	(469,485)
Pound Sterling	218,195	(218,195)	296,797	(296,797)
Singapore Dollars	21,928	(21,928)	492,934	(492,934)
Thai Baht	1	(1)	403,118	(403,118)
Taiwan Dollars	-	-	371,710	(371,710)
Indonesian Rupiah	2,792	(2,792)	347,998	(347,998)
South Korean Won	5,055	(5,055)	324,127	(324,127)
Australian Dollars	151,792	(151,792)	158,939	(158,939)
Others	8	(8)	223,825	(223,825)
	3,824,725	(3,824,725)	6,637,435	(6,637,435)

Interpretation of Impact

The Group and EPF measure the sensitivity of foreign exchange on the net open positions denominated in foreign balances during an adverse movement of all foreign currencies against Ringgit Malaysia.

The result implies that the Group and EPF may be subject to additional translation gains/(losses) in the event Ringgit Malaysia strengthens/(weakens) against other currencies and vice versa.

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets

The Group and EPF adopted MFRS 13 Fair Value Measurement which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The measurement assumes that the transaction to sell the asset or to transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

Fair Value Hierarchy

i. Level 1

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

ii. Level 2

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly.

iii. Level 3

Level 3 fair value is estimated using unobservable inputs for the assets and liabilities.

The EPF's operational process in respect of the measurement of Level 3 fair values are determined and validated by a function independent of the business unit underlying the risks. Finance Department establishes the accounting policies and procedures governing valuation and is responsible for ensuring compliance with all relevant accounting standards. The investment team and a team within the Finance Department which oversees the fair value measurements, including Level 3 fair values, report directly to the Chief Investment Officer and Chief Financial Officer.

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

a. The carrying amount of cash and bank balances and deposits with financial institutions reasonably approximate their fair values due to its relatively short term nature.

The following table shows the financial instruments and non-financial assets at fair value.

Group	2024									
	Fair Value of Financial Instruments Carried at Fair Value				Fair Value of Financial Instruments and Non-Financial Assets Not Carried at Fair Value				Total Fair Value	Carrying Amount
	Level 1 (RM'000)	Level 2 (RM'000)	Level 3 (RM'000)	Total (RM'000)	Level 1 (RM'000)	Level 2 (RM'000)	Level 3 (RM'000)	Total (RM'000)	(RM'000)	(RM'000)
Assets										
Financial Assets										
Recurring Fair Value Measurement										
Financial Assets at FVTPL	505,038	5,106,396	106,587,833	112,199,267	-	-	-	-	112,199,267	112,199,267
Financial Assets at FVOCI	458,065,083	166,901,161	487,120	625,453,364	-	-	-	-	625,453,364	625,453,364
Non-Recurring Fair Value Measurement										
Deposits with Financial Institutions	-	-	-	-	-	51,981,634	-	51,981,634	51,981,634	51,981,634
Receivables and Deposits	-	-	-	-	-	3,029,390	-	3,029,390	3,029,390	3,029,390
Loans, Advances and Financing	-	-	-	-	-	44,196,520	39,906,005	84,102,525	84,102,525	86,332,505
Investment Assets at Amortised Cost	-	-	-	-	-	392,380,656	-	392,380,656	392,380,656	380,799,344
Non-Financial Assets										
Non-Recurring Fair Value Measurement										
Receivables and Prepayments	-	-	-	-	-	440,646	-	440,646	440,646	440,646
Assets Held for Sale	-	-	-	-	-	172,043	231,010	403,053	403,053	278,718
Investment Properties	-	-	-	-	-	1,633,740	31,402,554	33,036,294	33,036,294	22,779,425
Liabilities										
Financial Liabilities										
Recurring Fair Value Measurement										
Financial Liabilities at FVTPL	-	(1,797,029)	-	(1,797,029)	-	-	-	-	(1,797,029)	(1,797,029)
Non-Recurring Fair Value Measurement										
Payables and Accrued Liabilities	-	-	-	-	-	(6,298,203)	-	(6,298,203)	(6,298,203)	(6,246,203)
Deposits and Advances	-	-	-	-	-	(47,946,203)	-	(47,946,203)	(47,946,203)	(47,581,314)
Loans and Overdrafts	-	-	-	-	-	(18,327,623)	(2,631,789)	(20,959,412)	(20,959,412)	(21,018,638)
	458,570,121	170,210,528	107,074,953	735,855,602	-	421,262,600	68,907,780	490,170,380	1,226,025,982	1,206,651,109

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

a. The following table shows the financial instruments and non-financial assets at fair value. (Cont'd.)

Group	2023									
	Fair Value of Financial Instruments Carried at Fair Value				Fair Value of Financial Instruments and Non-Financial Assets Not Carried at Fair Value				Total Fair Value	Carrying Amount
	Level 1 (RM'000)	Level 2 (RM'000)	Level 3 (RM'000)	Total (RM'000)	Level 1 (RM'000)	Level 2 (RM'000)	Level 3 (RM'000)	Total (RM'000)	(RM'000)	(RM'000)
Assets										
Financial Assets										
Recurring Fair Value Measurement										
Financial Assets at FVTPL	1,101,478	3,448,052	100,986,679	105,536,209	-	-	-	-	105,536,209	105,536,209
Financial Assets at FVOCI	393,508,818	144,927,891	417,544	538,854,253	-	-	-	-	538,854,253	538,854,253
Non-Recurring Fair Value Measurement										
Deposits with Financial Institutions	-	-	-	-	-	56,598,455	-	56,598,455	56,598,455	56,598,455
Receivables and Deposits	-	-	-	-	-	6,100,736	-	6,100,736	6,100,736	6,100,736
Loans, Advances and Financing	-	-	-	-	-	46,298,226	38,875,000	85,173,226	85,173,226	87,824,825
Investment Assets at Amortised Cost	-	-	-	-	-	362,858,507	-	362,858,507	362,858,507	352,694,343
Non-Financial Assets										
Non-Recurring Fair Value Measurement										
Receivables and Prepayments	-	-	-	-	-	466,915	-	466,915	466,915	466,915
Assets Held for Sale	-	-	-	-	-	227,400	24,000	251,400	251,400	151,542
Investment Properties	-	-	-	-	-	1,043,622	36,311,949	37,355,571	37,355,571	24,298,104
Liabilities										
Financial Liabilities										
Recurring Fair Value Measurement										
Financial Liabilities at FVTPL	-	(681,274)	-	(681,274)	-	-	-	-	(681,274)	(681,274)
Non-Recurring Fair Value Measurement										
Payables and Accrued Liabilities	-	-	-	-	-	(6,521,714)	-	(6,521,714)	(6,521,714)	(6,483,053)
Deposits and Advances	-	-	-	-	-	(45,915,866)	-	(45,915,866)	(45,915,866)	(45,736,408)
Loans and Overdrafts	-	-	-	-	-	(19,817,709)	(6,051,674)	(25,869,383)	(25,869,383)	(25,893,194)
	394,610,296	147,694,669	101,404,223	643,709,188	-	401,338,572	69,159,275	470,497,847	1,114,207,035	1,093,731,453

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

a. The following table shows the financial instruments and non-financial assets at fair value. (Cont'd.)

EPF	2024									
	Fair Value of Financial Instruments Carried at Fair Value				Fair Value of Financial Instruments and Non-Financial Assets Not Carried at Fair Value				Total Fair Value	Carrying Amount
	Level 1 (RM'000)	Level 2 (RM'000)	Level 3 (RM'000)	Total (RM'000)	Level 1 (RM'000)	Level 2 (RM'000)	Level 3 (RM'000)	Total (RM'000)	(RM'000)	(RM'000)
Assets										
Financial Assets										
Recurring Fair Value Measurement										
Financial Assets at FVTPL	14,552	3,639,058	81,369,544	85,023,154	-	-	-	-	85,023,154	85,023,154
Financial Assets at FVOCI	458,068,965	154,276,705	482,804	612,828,474	-	-	-	-	612,828,474	612,828,474
Non-Recurring Fair Value Measurement										
Deposits with Financial Institutions	-	-	-	-	-	52,032,989	-	52,032,989	52,032,989	52,032,989
Receivables and Deposits	-	-	-	-	-	1,575,214	-	1,575,214	1,575,214	1,575,214
Loans, Advances and Financing	-	-	-	-	-	47,103,973	-	47,103,973	47,103,973	47,103,973
Investment Assets at Amortised Cost	-	-	-	-	-	388,329,321	-	388,329,321	388,329,321	376,785,918
Non-Financial Assets										
Non-Recurring Fair Value Measurement										
Receivables and Prepayments	-	-	-	-	-	31,927	-	31,927	31,927	31,927
Assets Held for Sale	-	-	-	-	-	-	231,010	231,010	231,010	106,675
Investment Properties	-	-	-	-	-	-	1,770,400	1,770,400	1,770,400	800,438
Liabilities										
Financial Liabilities										
Recurring Fair Value Measurement										
Financial Liabilities at FVTPL	-	(1,746,941)	-	(1,746,941)	-	-	-	-	(1,746,941)	(1,746,941)
Non-Recurring Fair Value Measurement										
Payables and Accrued Liabilities	-	-	-	-	-	(3,374,307)	-	(3,374,307)	(3,374,307)	(3,374,307)
Deposits and Advances	-	-	-	-	-	(539,082)	-	(539,082)	(539,082)	(539,082)
	458,083,517	156,168,822	81,852,348	696,104,687	-	485,160,035	2,001,410	487,161,445	1,183,266,132	1,170,628,432

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

a. The following table shows the financial instruments and non-financial assets at fair value. (Cont'd.)

EPF	2023									
	Fair Value of Financial Instruments Carried at Fair Value				Fair Value of Financial Instruments and Non-Financial Assets Not Carried at Fair Value				Total Fair Value	Carrying Amount
	Level 1 (RM'000)	Level 2 (RM'000)	Level 3 (RM'000)	Total (RM'000)	Level 1 (RM'000)	Level 2 (RM'000)	Level 3 (RM'000)	Total (RM'000)	(RM'000)	(RM'000)
Assets										
Financial Assets										
Recurring Fair Value Measurement										
Financial Assets at FVTPL	9,922	2,227,221	78,518,235	80,755,378	-	-	-	-	80,755,378	80,755,378
Financial Assets at FVOCI	393,508,818	132,407,207	413,530	526,329,555	-	-	-	-	526,329,555	526,329,555
Non-Recurring Fair Value Measurement										
Deposits with Financial Institutions	-	-	-	-	-	52,193,784	-	52,193,784	52,193,784	52,193,784
Receivables and Deposits	-	-	-	-	-	4,673,139	-	4,673,139	4,673,139	4,673,139
Loans, Advances and Financing	-	-	-	-	-	48,758,649	-	48,758,649	48,758,649	48,758,649
Investment Assets at Amortised Cost	-	-	-	-	-	358,531,877	-	358,531,877	358,531,877	348,409,290
Non-Financial Assets										
Non-Recurring Fair Value Measurement										
Receivables and Prepayments	-	-	-	-	-	33,528	-	33,528	33,528	33,528
Assets Held for Sale	-	-	-	-	-	-	24,000	24,000	24,000	14,839
Investment Properties	-	-	-	-	-	-	1,729,350	1,729,350	1,729,350	989,265
Liabilities										
Financial Liabilities										
Recurring Fair Value Measurement										
Financial Liabilities at FVTPL	-	(587,491)	-	(587,491)	-	-	-	-	(587,491)	(587,491)
Non-Recurring Fair Value Measurement										
Payables and Accrued Liabilities	-	-	-	-	-	(3,499,768)	-	(3,499,768)	(3,499,768)	(3,499,768)
Deposits and Advances	-	-	-	-	-	(416,331)	-	(416,331)	(416,331)	(416,331)
	393,518,740	134,046,937	78,931,765	606,497,442	-	460,274,878	1,753,350	462,028,228	1,068,525,670	1,057,653,837

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

b. Policy of Transfer between Levels

The fair value of an asset to be transferred between levels is determined by the Group and EPF as of the date of the event or change in circumstances that caused the transfer. There has been no transfer between Level 1 and 2 during the financial year.

c. This note provides information on how the Group and EPF determine the fair values of various financial instruments and non-financial assets:

Fair Value of Financial Instruments Carried at Fair Value

Group	Fair Value as at		Fair Value Hierarchy	Valuation Technique Used and Key Inputs
	2024 (RM'000)	2023 (RM'000)		
Financial Assets:				
Financial Assets at FVTPL				
Warrants	**14,552**	9,922	Level 1	Quoted bid prices in an active market.
Forward Contracts	**2,951,415**	1,467,618	Level 2	The reference value is using observable exchange rates from publicly available sources and through extrapolation and interpolation techniques.
Private Debt Securities	**164,461**	195,424	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Private Debt Fund	**589,259**	456,699	Level 3	The Net Asset Value (NAV) of the investments which is based on prorating of the equity portion of the underlying investments as the fair value due to unavailability of observable comparison as benchmark.
Bonds and Sukuk	**643,775**	603,686	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Bonds and Sukuk	**3,271,409**	3,392,343	Level 3	Fair value is estimated based on expected future cash flows of the investment and agreed internal rate of return.
Cross Currency Swaps	**22,548**	2,094	Level 2	Valued by discounting anticipated future cash flows using standard market interest rate yield curves developed from observable and publicly available quoted rates.
Interest Rate Swaps	**428,391**	687,182	Level 2	The reference value is using observable exchange rates from publicly available sources and through extrapolation and interpolation techniques.
Derivatives	**7,233**	34,202	Level 2	The reference value is using observable exchange rates from publicly available sources and through extrapolation and interpolation techniques.

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

c. This note provides information on how the Group and EPF determine the fair values of various financial instruments and non-financial assets: (Cont'd.)

Fair Value of Financial Instruments Carried at Fair Value (Cont'd.)

Group	Fair Value as at		Fair Value Hierarchy	Valuation Technique Used and Key Inputs
	2024 (RM'000)	2023 (RM'000)		
Financial Assets: (Cont'd.)				
Financial Assets at FVTPL (Cont'd.)				
Derivatives	**945,287**	716,822	Level 3	Fair value is estimated based on expected future cash flows of the investment and agreed internal rate of return.
Rental Guarantees	**2,043**	2,137	Level 3	Carrying amount less any payments received approximates to fair value.
Equity Instruments	**8,216,165**	6,777,865	Level 3	The Net Asset Value (NAV) of the investments which is based on prorating of the equity portion of the underlying investments, discounted cash flow, market or income approach is used to derive the fair value due to unavailability of observable comparison as benchmark.
Alternative Investments	**1,117,060**	1,096,890	Level 3	Fair value is estimated based on expected future cash flows of the investment and agreed internal rate of return.
Alternative Investments	**72,218,045**	68,685,652	Level 3	The Net Asset Value (NAV) of the investments which is based on prorating of the equity portion of the underlying investments as the fair value due to unavailability of observable comparison as benchmark.

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

c. This note provides information on how the Group and EPF determine the fair values of various financial instruments and non-financial assets: (Cont'd.)

Fair Value of Financial Instruments Carried at Fair Value (Cont'd.)

Group	Fair Value as at		Fair Value Hierarchy	Valuation Technique Used and Key Inputs
	2024 (RM'000)	2023 (RM'000)		
Investment Assets Held for Trading				
Direct Investments	**490,486**	1,091,556	Level 1	Quoted bid prices in an active market.
Direct Investments	**888,573**	457,846	Level 2	Fair value by referring to observable quoted prices other than quoted prices which included in Level 1 for assets and liabilities directly or indirectly.
Alternative Investments	**20,228,565**	19,858,271	Level 3	The Net Asset Value (NAV) of the investments which is based on prorating of the equity portion of the underlying investments, discounted cash flow, market or income approach is used to derive the fair value due to unavailability of observable comparison as benchmark.
Financial Assets at FVOCI				
Quoted Equities	**458,065,083**	393,508,818	Level 1	Quoted bid prices in an active market.
Unquoted Equities	**487,120**	417,544	Level 3	The Net Asset Value (NAV) of the investments which is based on prorating of the equity portion of the underlying investments or discounted cash flow is used to derive the fair value due to unavailability of observable comparison as benchmark.
Perpetual Fixed Income Instruments	**834,090**	956,256	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Malaysian Government Securities	**23,535,432**	19,123,115	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Government Investment Issues	**33,811,349**	29,982,878	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Bonds and Sukuk	**62,821,067**	59,325,380	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Private Debt Securities	**45,899,223**	35,540,262	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Total Financial Assets	**737,652,631**	644,390,462		

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

c. This note provides information on how the Group and EPF determine the fair values of various financial instruments and non-financial assets: (Cont'd.)

Fair Value of Financial Instruments Carried at Fair Value (Cont'd.)

Group	Fair Value as at		Fair Value Hierarchy	Valuation Technique Used and Key Inputs
	2024 (RM'000)	2023 (RM'000)		
Financial Liabilities:				
Financial Liabilities at FVTPL				
Forward Contracts	**(1,715,057)**	(578,372)	Level 2	The reference value is using observable exchange rates from publicly available sources and through extrapolation and interpolation techniques.
Cross Currency Swaps	**(38,037)**	(46,181)	Level 2	Valued by discounting anticipated future cash flows using standard market interest rate yield curves developed from observable and publicly available quoted rates.
Interest Rate Swaps	**(24,667)**	(56,721)	Level 2	Valued by discounting anticipated future cash flows using standard market interest rate yield curves developed from observable and publicly available quoted rates.
Other Derivative Financial Liabilities	**(19,268)**	-	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Total Financial Liabilities	**(1,797,029)**	(681,274)		
Total	**735,855,602**	643,709,188		

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

c. This note provides information on how the Group and EPF determine the fair values of various financial instruments and non-financial assets: (Cont'd.)

Fair Value of Financial Instruments and Non-Financial Assets Not Carried at Fair Value

Group	Fair Value as at		Fair Value Hierarchy	Valuation Technique Used and Key Inputs
	2024 (RM'000)	2023 (RM'000)		
Financial Assets:				
Deposits with Financial Institutions	**51,981,634**	56,598,455	Level 2	Carrying amount equivalent to fair value.
Receivables and Deposits	**3,029,390**	6,100,736	Level 2	Carrying amount equivalent to fair value.
Loans, Advances and Financing				
Loans	**42,269,980**	44,743,677	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Loans to Associates & Joint Ventures and Staffs	**1,926,540**	1,554,549	Level 2	Carrying amount equivalent to fair value.
Corporate & Individual Loans and Financing	**39,906,005**	38,875,000	Level 3	Fair values are estimated based on expected future cash flows of contractual instalment payments, discounted at prevailing rates offered for similar loans to new borrowers with similar credit profiles as at the reporting date.
Investment Assets at Amortised Cost				
Malaysian Government Securities	**157,631,114**	143,066,990	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Government Investment Issues	**157,542,213**	144,526,758	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Bonds and Sukuk	**76,704,505**	75,264,759	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Negotiable Certificates	**502,824**	-	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Total Financial Assets	**531,494,205**	510,730,924		

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

c. This note provides information on how the Group and EPF determine the fair values of various financial instruments and non-financial assets: (Cont'd.)

Fair Value of Financial Instruments and Non-Financial Assets Not Carried at Fair Value (Cont'd.)

Group	Fair Value as at		Fair Value Hierarchy	Valuation Technique Used and Key Inputs
	2024 (RM'000)	2023 (RM'000)		
Non-Financial Assets:				
Receivables and Prepayments	**440,646**	466,915	Level 2	Carrying amount equivalent to fair value.
Assets Held for Sale	**172,043**	227,400	Level 2	Valuation is performed by Accredited Independent Valuer with recent experience in valuation of land and building based on comparison method which involves the analysi of comparable sales of similar properties.
Assets Held for Sale	**231,010**	24,000	Level 3	Valuation is performed by Accredited Independent Valuers with recent experience in valuation of land and building based on income approach or comparison method which involves the analysis of comparable sales of similar properties and adjusting for factors which can influence the value or price of the said properties.
Investment Properties	**1,633,740**	1,043,622	Level 2	Valuation is performed by Accredited Independent Valuers with recent experience in valuation of land and building based on comparison method which involves the analysis of comparable sales of similar properties.
Investment Properties	**31,402,554**	36,311,949	Level 3	Valuation is performed by Accredited Independent Valuers with recent experience in valuation of land and building based on income approach or comparison method which involves the analysis of comparable sales of similar properties and adjusting for factors which can influence the value or price of the said properties.
Total Assets	**565,374,198**	548,804,810		

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

c. This note provides information on how the Group and EPF determine the fair values of various financial instruments and non-financial assets: (Cont'd.)

Fair Value of Financial Instruments and Non-Financial Assets Not Carried at Fair Value (Cont'd.)

Group	Fair Value as at		Fair Value Hierarchy	Valuation Technique Used and Key Inputs
	2024 (RM'000)	2023 (RM'000)		
Financial Liabilities:				
Payables and Accrued Liabilities	**(6,298,203)**	(6,521,714)	Level 2	Carrying amount equivalent to fair value.
Deposits and Advances				
Deposits and Placements of Banks and Other Financial Institutions	**(47,322,711)**	(45,445,932)	Level 2	Fair value is estimated using discounted cash flows, applying either market rates, where applicable, or current rates offered for deposits of similar remaining maturities.
Other Deposits and Advances	**(623,492)**	(469,934)	Level 2	Carrying amount equivalent to fair value.
Loans and Overdrafts				
Sukuk	**(2,007,609)**	(2,208,731)	Level 2	Valued based on market prices.
Other Loans and Overdrafts	**(16,320,014)**	(17,608,978)	Level 2	Carrying amount equivalent to fair value.
Islamic Repurchase Agreement	**-**	(2,004,961)	Level 3	Fair values are determined based on discounted cash flows using prevailing money market interest rates with similar remaining period to maturity.
Recourse Obligation - Cagamas	**(2,631,789)**	(4,046,713)	Level 3	Fair values are determined based on discounted cash flows of future instalment payments at prevailing rates quoted by Cagamas Berhad as at reporting date.
Total Financial Liabilities	**(75,203,818)**	(78,306,963)		
Total	**490,170,380**	470,497,847		

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

c. This note provides information on how the Group and EPF determine the fair values of various financial instruments and non-financial assets: (Cont'd.)

Fair Value of Financial Instruments Carried at Fair Value

EPF	Fair Value as at		Fair Value Hierarchy	Valuation Technique Used and Key Inputs
	2024 (RM'000)	2023 (RM'000)		
Financial Assets:				
Financial Assets at FVTPL				
Warrants	**14,552**	9,922	Level 1	Quoted bid prices in an active market.
Forward Contracts	**2,810,038**	1,417,479	Level 2	The reference value is using observable exchange rates from publicly available sources and through extrapolation and interpolation techniques.
Private Debt Securities	**164,461**	195,424	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Private Debt Fund	**589,260**	456,699	Level 3	The Net Asset Value (NAV) of the investments which is based on prorating of the equity portion of the underlying investments as the fair value due to unavailability of observable comparison as benchmark.
Bonds and Sukuk	**643,776**	603,686	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Bonds and Sukuk	**283,746**	244,974	Level 3	Fair value is estimated based on expected future cash flows of the investment and agreed internal rate of return.
Cross Currency Swaps	**18,578**	2,094	Level 2	Valued by discounting anticipated future cash flows using standard market interest rate yield curves developed from observable and publicly available quoted rates.
Derivatives	**2,205**	8,538	Level 2	The reference value is using observable exchange rates from publicly available sources and through extrapolation and interpolation techniques.
Derivatives	**945,287**	716,822	Level 3	Fair value is estimated based on expected future cash flows of the investment and agreed internal rate of return.
Capital Advances to Subsidiaries	**6,665,943**	7,780,169	Level 3	Fair values are estimated based on expected future cash flows of principal and interest repayment based on business plan or based on property valuation reports.
Alternative Investments	**1,117,383**	1,096,891	Level 3	Fair value is estimated based on expected future cash flows of the investment and agreed internal rate of return.
Alternative Investments	**71,767,925**	68,222,680	Level 3	The Net Asset Value (NAV) of the investments which is based on prorating of the equity portion of the underlying investments as the fair value due to unavailability of observable comparison as benchmark.

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

c. This note provides information on how the Group and EPF determine the fair values of various financial instruments and non-financial assets: (Cont'd.)

Fair Value of Financial Instruments Carried at Fair Value (Cont'd.)

EPF	Fair Value as at		Fair Value Hierarchy	Valuation Technique Used and Key Inputs
	2024 (RM'000)	2023 (RM'000)		
Financial Assets: (Cont'd.)				
Financial Assets at FVOCI				
Quoted Equities	**458,068,965**	393,508,818	Level 1	Quoted bid prices in an active market.
Unquoted Equities	**482,804**	413,530	Level 3	The Net Asset Value (NAV) of the investments which is based on prorating of the equity portion of the underlying investments as the fair value due to unavailability of observable comparison as benchmark.
Perpetual Fixed Income Instruments	**834,090**	956,256	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Malaysian Government Securities	**22,401,391**	17,486,003	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Government Investment Issues	**25,190,491**	21,656,075	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Bonds and Sukuk	**62,953,783**	59,440,923	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Private Debt Securities	**42,896,950**	32,867,950	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Total Financial Assets	**697,851,628**	607,084,933		
Financial Liabilities:				
Financial Liabilities at FVTPL				
Forward Contracts	**(1,708,904)**	(541,310)	Level 2	The reference value is using observable exchange rates from publicly available sources and through extrapolation and interpolation techniques.
Cross Currency Swaps	**(38,037)**	(46,181)	Level 2	Valued by discounting anticipated future cash flows using standard market interest rate yield curves developed from observable and publicly available quoted rates.
Total Financial Liabilities	**(1,746,941)**	(587,491)		
Total	**696,104,687**	606,497,442		

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

c. This note provides information on how the Group and EPF determine the fair values of various financial instruments and non-financial assets: (Cont'd.)

Fair Value of Financial Instruments and Non-Financial Assets Not Carried at Fair Value

EPF	Fair Value as at		Fair Value Hierarchy	Valuation Technique Used and Key Inputs
	2024 (RM'000)	2023 (RM'000)		
Financial Assets:				
Deposits with Financial Institutions	**52,032,989**	52,193,784	Level 2	Carrying amount equivalent to fair value.
Receivables and Deposits	**1,575,214**	4,673,139	Level 2	Carrying amount equivalent to fair value.
Loans, Advances and Financing				
Loans	**42,269,981**	43,825,507	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Loans to Subsidiaries and Staff	**4,833,992**	4,933,142	Level 2	Carrying amount equivalent to fair value.
Investment Assets at Amortised Cost				
Malaysian Government Securities	**157,631,114**	142,400,324	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Government Investment Issues	**156,426,806**	143,264,575	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Bonds and Sukuk	**73,768,578**	72,866,978	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Negotiable Certificates	**502,823**	-	Level 2	Valued by referring to observable quoted prices with prices represented on arms-length basis for identical assets and liabilities.
Total Financial Assets	**489,041,497**	464,157,449		

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

c. This note provides information on how the Group and EPF determine the fair values of various financial instruments and non-financial assets: (Cont'd.)

Fair Value of Financial Instruments and Non-Financial Assets Not Carried at Fair Value (Cont'd.)

EPF	Fair Value as at		Fair Value Hierarchy	Valuation Technique Used and Key Inputs
	2024 (RM'000)	2023 (RM'000)		
Non-Financial Assets:				
Receivables and Prepayments	**31,927**	33,528	Level 2	Carrying amount equivalent to fair value.
Assets Held for Sale	**231,010**	24,000	Level 3	Valuation is performed by Accredited Independent Valuers with recent experience in valuation in land and building based on income approach or comparison method which involves the analysis of comparable sales of similar properties and adjusting for factors which can influence the value or price of the said properties.
Investment Properties	**1,770,400**	1,729,350	Level 3	Valuation is performed by Accredited Independent Valuers with recent experience in valuation in land and building based on income approach or comparison method which involves the analysis of comparable sales of similar properties and adjusting for factors which can influence the value or price of the said properties.
Total Assets	**491,074,834**	465,944,327		
Financial Liabilities:				
Payables and Accrued Liabilities	**(3,374,307)**	(3,499,768)	Tahap 2	Carrying amount equivalent to fair value.
Deposits and Advances	**(539,082)**	(416,331)	Tahap 2	Carrying amount equivalent to fair value.
Total Financial Liabilities	**(3,913,389)**	(3,916,099)		
Total	**487,161,445**	462,028,228		

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

d. The following table provides a reconciliation of Level 3 fair valuation:

Group	Note	2024		2023	
		Financial Assets at Fair Value		Financial Assets at Fair Value	
		Financial Assets at FVTPL (RM'000)	Financial Assets at FVOCI (RM'000)	Financial Assets at FVTPL (RM'000)	Financial Assets at FVOCI (RM'000)
At 1 January		**100,986,679**	**417,544**	82,204,268	1,836,879
Adjustments		**754,952**	**-**	1,753,260	(1,751,760)
(Loss)/Gain Recognised in Profit or Loss	35.4(d)(i)	**(1,117,057)**	**-**	6,503,823	-
Unrealised Gain Recognised in Other Comprehensive Income		**-**	**69,597**	-	39,909
Purchase		**13,704,298**	**-**	17,097,589	253,413
Sales		**(6,786,303)**	**(21)**	(7,654,994)	(22,115)
Transfer to Level 3		**56,302**	**-**	-	-
Foreign Currency Translation Differences		**(1,011,038)**	**-**	1,082,733	61,218
At 31 December		**106,587,833**	**487,120**	100,986,679	417,544

EPF	Note	2024		2023	
		Financial Assets at Fair Value		Financial Assets at Fair Value	
		Financial Assets at FVTPL (RM'000)	Financial Assets at FVOCI (RM'000)	Financial Assets at FVTPL (RM'000)	Financial Assets at FVOCI (RM'000)
At 1 January		**78,518,235**	**413,530**	70,387,748	118,017
(Loss)/Gain Recognised in Profit or Loss	35.4(d)(i)	**(2,644,293)**	**-**	4,314,510	-
Unrealised Gain Recognised in Other Comprehensive Income		**-**	**69,274**	-	42,225
Purchase		**10,398,480**	**-**	13,237,440	253,288
Sales		**(4,902,878)**	**-**	(9,421,463)	-
At 31 December		**81,369,544**	**482,804**	78,518,235	413,530

(i) Loss recognised in Profit or Loss includes net unrealised loss for the Group and EPF amounting RM2,516.64 million (2023: Gain of RM5,104.26 million) and RM2,711.72 million (2023: Gain of RM4,627.75 million) respectively.

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

e. Sensitivity analysis to the changes of unobservable input within Level 3 fair valuation are as follows:

Group	2024					2023				
	Fair Value (RM'000)	Valuation Technique	Unobservable Input	Potential Reasonable Shift	Change in Valuation (RM'000)	Fair Value (RM'000)	Valuation Technique	Unobservable Input	Potential Reasonable Shift	Change in Valuation (RM'000)
Financial Assets at FVTPL	**96,984,714**	**NAV-Adjusted**	**NAV**	**+5%** **-5%**	**4,849,236** **(4,849,236)**	89,984,784	NAV-Adjusted	NAV	+5% -5%	4,499,239 (4,499,239)
	1,491,254	**Public Market Comparable**	**EBITDA Multiple**	**+5%** **-5%**	**21,397** **(21,397)**	570,667	Public Market Comparable	EBITDA Multiple	+5% -5%	28,533 (28,533)
			Subjective Discount	**+5%** **-5%**	**1,204** **(1,204)**			Subjective Discount	+5% -5%	1,069 (1,069)
			Comparability Discount	**+5%** **-5%**	**1,940** **(1,940)**			Comparability Discount	+5% -5%	2,398 (2,398)
	383,766		**Transaction Price**	**+5%** **-5%**	**5,142** **(5,142)**	65,428		Transaction Price	+5% -5%	3,271 (3,271)
	-		**Multiple of Revenue**	**+5%** **-5%**	**4,569** **(4,569)**	-		Multiple of Revenue	+5% -5%	457 (457)
	-		**Multiple of ARR**	**+5%** **-5%**	**1,746** **(1,746)**	-		Multiple of ARR	+5% -5%	1,284 (1,284)
	294,894		**Cost**	**+5%** **-5%**	**14,745** **(14,745)**	201,772		Cost	+5% -5%	10,089 (10,089)
	139,653	**Market Approach**	**EBITDA Multiple**	**0.50x**	**43,567**	224,175	Market Approach	EBITDA Multiple	0.50x	20,057
	-		**Revenue Multiple**	**0.10x**	**-**	28,850		Revenue Multiple	0.10x	3,830
	-		**P/NTAV Multiple**	**0.10x**	**-**	38,233		P/NTAV Multiple	0.10x	2,378
	-		**Yield to Maturity**	**50bps**	**-**	1,158		Yield to Maturity	50bps	11

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

e. Sensitivity analysis to the changes of unobservable input within Level 3 fair valuation are as follows: (Cont'd.)

Group	2024					2023				
	Fair Value (RM'000)	Valuation Technique	Unobservable Input	Potential Reasonable Shift	Change in Valuation (RM'000)	Fair Value (RM'000)	Valuation Technique	Unobservable Input	Potential Reasonable Shift	Change in Valuation (RM'000)
Financial Assets at FVTPL (Cont'd.)	**450,119**	**EV/EBITDA**	**EBITDA Multiple**	**1.00x**	**410**	462,972	EV/EBITDA	EBITDA Multiple	1.00x	4,711
	3,996,488	**Discounted Cash Flow**	**Expected Future Cash Flow**	**+5%**	**199,824**	7,767,909	Discounted Cash Flow	Expected Future Cash Flow	+5%	388,395
				-5%	**(199,824)**				-5%	(388,395)
	2,385,310		**Discount Rate**	**50bps**	**(34,483)**	1,292,507		Discount Rate	50bps	(55,953)
			Regulated Asset Base	**10bps**	**3,891**			Regulated Asset Base	10bps	(12,735)
	461,635	**Others**	**Various**	**N/A**	**N/A**	348,224	Others	Various	N/A	N/A
	106,587,833					100,986,679				
Unquoted Equities at FVOCI	**485,735**	**NAV-Adjusted**	**NAV**	**+5%**	**24,287**	416,137	NAV-Adjusted	NAV	+5%	20,807
				-5%	**(24,287)**				-5%	(20,807)
	1,385	**Others**	**Various**	**N/A**	**N/A**	1,407	Others	Various	N/A	N/A
	487,120					417,544				

35. FINANCIAL RISK (CONT'D.)

35.4 Fair Value of Financial Instruments and Non-Financial Assets (Cont'd.)

e. Sensitivity analysis to the changes of unobservable input within Level 3 fair valuation are as follows: (Cont'd.)

EPF	2024					2023				
	Fair Value (RM'000)	Valuation Technique	Unobservable Input	Potential Reasonable Shift	Change in Valuation (RM'000)	Fair Value (RM'000)	Valuation Technique	Unobservable Input	Potential Reasonable Shift	Change in Valuation (RM'000)
Financial Assets at FVTPL	**72,357,185**	**NAV-Adjusted**	**NAV**	**+5%**	**3,617,859**	68,679,379	NAV-Adjusted	NAV	+5%	3,433,969
				-5%	**(3,617,859)**				-5%	(3,433,969)
	9,012,359	**Discounted Cash Flow**	**Expected Future Cash Flow**	**+5%**	**450,618**	9,838,856	Discounted Cash Flow	Expected Future Cash Flow	+5%	491,943
				-5%	**(450,618)**				-5%	(491,943)
	81,369,544					78,518,235				
Unquoted Equities at FVOCI	**482,804**	**NAV-Adjusted**	**NAV**	**+5%**	**24,140**	413,530	NAV-Adjusted	NAV	+5%	20,676
				-5%	**(24,140)**				-5%	(20,676)

36. RELATED PARTY DISCLOSURES

For the purpose of these financial statements, parties are considered to be related to the EPF if EPF has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa. Related parties may be individuals or other entities. Related parties also includes the entities that provide Key Management Personnel services to the Group.

Key Management Personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the EPF either directly or indirectly. The Key Management Personnels include all of the EPF's Board of Directors and its Top Management.

Related parties also include close family members and dependents of the Key Management Personnels as well as entities of which significant voting powers in these entities reside with the Key Management Personnel or their close family members.

The following table shows the significant transactions with Key Management Personnel:

a. Key Management Personnel

	EPF	
	2024 (RM'000)	**2023 (RM'000)**
Amount Due:		
EPF Contributions*	**63,156**	78,104
	63,156	78,104
Short Term Employee Benefits:		
Allowances/Salaries for Board of Directors, Investment Panel and Top Management	**12,603**	13,504
Benefits-in-Kind	**2,272**	1,872
	14,875	15,376

* EPF contributions represent the credit account balances of the Board Members, Investment Panel Members and Top Management.

36. RELATED PARTY DISCLOSURES (CONT'D.)

b. Significant Transactions and Balances with Related Parties

EPF is an agency under the Ministry of Finance which reports directly to the Government of Malaysia. The EPF considers that, for the purpose of MFRS 124 Related Party Disclosures, the Malaysian Government is in the position to exercise significant influence over it. As a result, the Malaysian Government and the Malaysian Government controlled bodies (collectively referred to as "government related entities") are related parties to the EPF.

In addition to the transactions and balances detailed elsewhere in the financial statements, the EPF has the following transactions and balances which are categorised as significant with related parties during the financial year:

EPF	2024 (RM'000)	2023 (RM'000)
Government of Malaysia and Entities Related to the Government of Malaysia:		
Interest and Profit from Investments	**28,568,120**	21,528,110
Purchase and Subscription of Securities and Bonds	**403,780,639**	214,211,289
Sales, Maturities and Early Redemption of Securities and Bonds	**323,325,239**	160,091,037
Associates:		
Income/(Expenses)		
Interest and Profit from Investments:		
Investment Assets at Amortised Cost	**226,490**	140,234
Dividend from Investments:		
Financial Assets at FVTPL	**61,219**	86,551
Assets/(Liabilities)		
Deposits with Financial Institutions	**2,906,955**	4,263,130
Receivables, Deposits and Prepayments	**10,996**	28,000
Financial Assets at FVTPL	**2,218,120**	1,893,165
Financial Liabilities at FVTPL	**(45,210)**	(21,420)
Subsidiaries:		
Income/(Expenses)		
Interest and Profit from Investments:		
Loans, Advances and Financing	**206,698**	120,370
Financial Assets at FVTPL	**164,477**	221,321
Investment Assets at Amortised Cost	**146,907**	125,454
Investment Expenditures	**(4,617)**	(5,424)
Operating Expenditures	**(51,079)**	(49,782)
Assets/(Liabilities)		
Deposits with Financial Institutions	**2,452,367**	2,370,697
Receivables, Deposits and Prepayments	**431,503**	81,234
Investment Assets at Amortised Cost	**823,801**	990,087

Other information regarding transactions and balances arising from related parties as at 31 December 2024 are disclosed in Note 4, Note 5, Note 6, Note 19, Note 20 and Note 24.

Information regarding impairment losses on receivables and loans during the financial year are disclosed in Note 4 and Note 5.

37. OPERATING AND FINANCE LEASES

37.1 Operating Leases

The Group and EPF lease out the properties under operating leases with lease terms between one (1) to 105 years. None of these leases include contingent rentals.

The following table sets out the maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date:

	Group		EPF	
	2024 (RM'000)	**2023 (RM'000)**	**2024 (RM'000)**	**2023 (RM'000)**
Within 1 Year	**1,488,723**	1,735,849	**75,132**	92,064
Between 1 to 2 Years	**1,506,653**	1,766,688	**60,375**	73,598
Between 2 to 3 Years	**1,391,618**	1,483,998	**51,836**	54,370
Between 3 to 4 Years	**1,256,460**	1,351,738	**48,918**	50,778
Between 4 to 5 Years	**1,161,976**	1,215,132	**49,319**	50,491
More than 5 Years	**8,676,176**	9,317,320	**328,852**	496,988
	15,481,606	16,870,725	**614,432**	818,289

37.2 Finance Leases

Included in Accruals on Miscellaneous Non-Investment Receivables and Deposits is the lease receivable on subleases. The EPF currently subleases a leasehold land which it leased for 59 years. The EPF has classified the sublease as a finance lease because the sublease is for the whole of the remaining term of the head lease.

The following table sets out the maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date:

	Group and EPF	
	2024 (RM'000)	**2023 (RM'000)**
Within 1 Year	**1,120**	1,120
Between 1 to 2 Years	**1,288**	1,120
Between 2 to 3 Years	**1,288**	1,288
Between 3 to 4 Years	**1,288**	1,288
Between 4 to 5 Years	**1,288**	1,288
More than 5 Years	**141,196**	142,485
Total Undiscounted Lease Payments Receivable	**147,468**	148,589
Unearned Finance Income	**(107,551)**	(109,374)
Net Investment in the Lease	**39,917**	39,215

The Group and EPF have recognised finance income on the net investment in the lease amounting to RM1.82 million (2023: RM1.79 million) during the year.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024

Information on Subsidiaries are as follows:

Direct Subsidiaries - EPF:

Name of Company	Country of Incorporation	Principal Activities	Effective Interest		Effective Interest Held by Non-Controlling Interest	
			2024 %	2023 %	2024 %	2023 %
MBSB Berhad (f.k.a. Malaysia Building Society Berhad)	Malaysia	Investment holding, money market activities, provision of financing and related financial services	**56.55**	57.45	**43.45**	42.55
Kwasa Properties Sdn Bhd	Malaysia	Property investment	**100**	100	**-**	-
Kwasa Land Sdn Bhd	Malaysia	Property development and investment holding	**100**	100	**-**	-
Pinggiran Ventures Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
Kwasa Utama Sdn Bhd	Malaysia	Property development and investment holding	**100**	100	**-**	-
PPNK - Harta Sdn Bhd	Malaysia	Property development and management	**85**	85	**15**	15
YTR Harta Sdn Bhd	Malaysia	Property investment	**80**	80	**20**	20
Common Icon Sdn Bhd	Malaysia	Property investment	**100**	100	**-**	-
Tanjung Wibawa Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
Naungan Sentosa Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
Kwasa Logistics Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
Yarra Development Holdings (Australia) Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
Alpha Real Estate Investment Trust	Malaysia	Investment holding fund	**100**	100	**-**	-
Gobi Malaysia Growth Capital Sdn Bhd	Malaysia	Investment holding	**98.52**	98.50	**1.48**	1.50
Endau Capital Sdn Bhd	Malaysia	Investment holding	**98.52**	98.52	**1.48**	1.48
Gobi Emerald Malaysia Strategic Fund, L.P. ^	Malaysia	Investment holding fund	**98.52**	-	**1.48**	-
Kwasa Aktif Sdn Bhd ^	Malaysia	Investment holding	**100**	-	**-**	-
Kwasa Singapore Solo Pte. Ltd.	Singapore	Investment holding	**100**	100	**-**	-
Kwasa Singapore Duo Pte. Ltd.	Singapore	Investment holding	**100**	100	**-**	-
Kwasa Singapore Trio Pte. Ltd.	Singapore	Investment holding	**100**	100	**-**	-
LOGOS Tuas South Venture L.P. ^	Singapore	Investment holding fund	**98**	-	**2**	-
KWASA Global (Jersey) Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Global-I (Jersey) Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Invest Limited	United Kingdom	Provision of research services	**100**	100	**-**	-
Equitix Najm L.P.	United Kingdom	Investment holding fund	**99**	99.01	**1**	0.99
KWASA Europe S.à r.l	Luxembourg	Investment holding	**100**	100	**-**	-
KWASA Europe-I S.à r.l	Luxembourg	Investment holding	**100**	100	**-**	-
Kwasa Capital Limited	Cayman Island	Investment holding	**100**	100	**-**	-

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024 (CONT'D.)

Information on Subsidiaries are as follows: (Cont'd.)

Direct Subsidiaries - EPF: (Cont'd.)

Name of Company	Country of Incorporation	Principal Activities	Effective Interest		Effective Interest Held by Non-Controlling Interest	
			2024 %	2023 %	2024 %	2023 %
Kwasa Infrastructure I	Cayman Island	Investment holding	**100**	100	**-**	-
KWASA Capital Partners Limited	Cayman Island	Investment holding	**100**	100	**-**	-
Kwasa Asia	Cayman Island	Investment holding	**100**	100	**-**	-
KWASA US	Cayman Island	Investment holding	**100**	100	**-**	-
Kwasa Infrastructure Alpha	Cayman Island	Investment holding	**100**	100	**-**	-
Kwasa Infrastructure Beta	Cayman Island	Investment holding	**100**	100	**-**	-
Kwasa Infrastructure Sapphire	Cayman Island	Investment holding	**100**	100	**-**	-
Merbau Investors Offshore, L.P.	Cayman Island	Investment holding fund	**99.99**	99.50	**0.01**	0.50
Merbau Investors Offshore, II L.P.	Cayman Island	Investment holding fund	**99.99**	99.18	**0.01**	0.82
Merbau Investors Offshore, III L.P.	Cayman Island	Investment holding fund	**99.99**	99.01	**0.01**	0.99
Meranti Fund L.P.	Cayman Island	Investment holding fund	**99.25**	99.25	**0.75**	0.75
Meranti Fund II L.P.	Cayman Island	Investment holding fund	**99.25**	99.25	**0.75**	0.75
Meranti Fund III L.P.	Cayman Island	Investment holding fund	**99.29**	99.25	**0.71**	0.75
Jati Private Equity Fund L.P.	Cayman Island	Investment holding fund	**99**	99	**1**	1
Jati Private Equity Fund II L.P.	Cayman Island	Investment holding fund	**99**	99	**1**	1
Jati Private Equity Fund III L.P.	Cayman Island	Investment holding fund	**99**	99	**1**	1
Akasia I, L.P.	Cayman Island	Investment holding fund	**99.01**	99.01	**0.99**	0.99
Cendana I, L.P.	Cayman Island	Investment holding fund	**100**	100	**-**	-
GIP Ashshams, L.P.	Cayman Island	Investment holding fund	**99.01**	99.01	**0.99**	0.99
Nour Fund I, L.P.	Cayman Island	Investment holding fund	**99.25**	99.25	**0.75**	0.75
Salam Private Opportunities Feeder Fund, L.P.	Cayman Island	Investment holding fund	**100**	100	**-**	-
Ameen Direct Equity I, L.P.	Guernsey	Investment holding fund	**99.01**	99.01	**0.99**	0.99
Qamar Direct Infrastructure I, L.P.	Guernsey	Investment holding fund	**99.01**	99.01	**0.99**	0.99
Cengal Private Equity Investments plc	Ireland	Investment holding fund	**99.50**	99.50	**0.50**	0.50
Cengal Private Equity Investments II plc	Ireland	Investment holding fund	**99.47**	99.47	**0.53**	0.53
Cengal Private Equity Investments III plc	Ireland	Investment holding fund	**99.53**	99.53	**0.47**	0.47
Cengal Private Equity Investments IV plc	Ireland	Investment holding fund	**99.43**	99.44	**0.57**	0.56
Kwasa Emerald #	Ireland	Investment holding	**100**	100	**-**	-
Kwasa Emerald ICAV	Ireland	Investment holding	**100**	100	**-**	-
Rashid Hussain Berhad #	Malaysia	Investment holding	**98.33**	98.33	**1.67**	1.67

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024 (CONT'D.)

Information on Subsidiaries are as follows: (Cont'd.)

Subsidiaries Held through MBSB Berhad (MBSB):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by MBSB		Through MBSB's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
MBSB Bank Berhad	Malaysia	Islamic banking and related financial services	**100**	100	**-**	-
Jana Kapital Sdn Bhd	Malaysia	Investment holding	**-**	-	**100**	100
MBSB Properties Sdn Bhd *	Malaysia	Leasing of real property	**-**	100	**-**	-
MBSB Development Sdn Bhd *	Malaysia	Property development	**-**	100	**-**	-
Prudent Legacy Sdn Bhd #	Malaysia	Dormant	**-**	-	**92**	92
Definite Pure Sdn Bhd *	Malaysia	Dormant	**-**	100	**-**	-
MBSB Tower Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
88 Legacy Sdn Bhd *	Malaysia	Property development	**-**	100	**-**	-
Emerald Unity Sdn Bhd *	Malaysia	Financial services activities	**-**	100	**-**	-
Malaysian Industrial Development Finance Berhad	Malaysia	Investment banking and related financial services	**100**	100	**-**	-
MIDF Amanah Investment Bank Berhad	Malaysia	Investment banking and related financial services	**-**	-	**100**	100
MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd	Malaysia	Nominees services	**-**	-	**100**	100
MIDF Amanah Investment Nominees (Asing) Sdn Bhd	Malaysia	Nominees services	**-**	-	**100**	100
MIDF Amanah Asset Management Berhad	Malaysia	Fund management and investment advisory	**-**	-	**100**	100
MIDF Amanah Capital Berhad	Malaysia	Investment and property holding	**-**	-	**100**	100
MIDF DFI Bhd	Malaysia	Dormant	**-**	-	**100**	100
Amanah International Finance Sdn Bhd	Malaysia	Provision of real estate and short-term financing	**-**	-	**100**	100
MIDF Amanah Ventures Sdn Bhd	Malaysia	Venture capital	**-**	-	**100**	100
Omega Matrix (M) Sdn Bhd	Malaysia	Loan management	**-**	-	**100**	100
Oriental 1936 Berhad	Malaysia	Dormant	**-**	-	**75.20**	75.20

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024 (CONT'D.)

Information on Subsidiaries are as follows: (Cont'd.)

Subsidiaries Held through Kwasa Land Sdn Bhd (KLSB):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by KLSB		Through KLSB's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
Kwasa Development (3) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (4) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (5) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (6) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (7) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (8) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (9) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (10) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (11) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (12) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (13) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (14) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (15) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Development (16) Sdn Bhd	Malaysia	Property development	**100**	100	**-**	-
Kwasa Holdings (1) Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
Kwasa Holdings (3) Sdn Bhd	Malaysia	Investment holding	**-**	-	**100**	100
Kwasa Holdings (4) Sdn Bhd	Malaysia	Investment holding	**-**	-	**100**	100
Kwasa Holdings (5) Sdn Bhd	Malaysia	Investment holding	**-**	-	**100**	100
Kwasa Holdings (2) Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
Kwasa Holdings (6) Sdn Bhd	Malaysia	Investment holding	**-**	-	**100**	100
Kwasa Holdings (7) Sdn Bhd	Malaysia	Investment holding	**-**	-	**100**	100
Kwasa Holdings (8) Sdn Bhd	Malaysia	Investment holding	**-**	-	**100**	100
KLSB Business Services Sdn Bhd	Malaysia	Provision of management services	**100**	100	**-**	-

Subsidiaries Held through KWASA Global (Jersey) Limited (KGJL):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by KGJL		Through KGJL's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
KWASA UK Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Global Development Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Global Links Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Jewel Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Australia II Trust	Australia	Investment holding	**99.80**	99.80	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024 (CONT'D.)

Information on Subsidiaries are as follows: (Cont'd.)

Subsidiaries Held through KWASA UK Limited (K.UK), Subsidiary to KWASA Global (Jersey) Limited (KGJL):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by K.UK		Through K.UK's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
KWASA UK Solo Limited	Jersey	Investment holding	**100**	100	**-**	-
Portman Square (No. 1) Limited	Jersey	Investment holding	**-**	-	**100**	100
Portman Investments Unit Trust	Jersey	Property holding	**-**	-	**100**	100
- Portman Investments Nominee 1 Limited"	Jersey	Investment holding	**-**	-	**100**	100
- Portman Investments Nominee 2 Limited	Jersey	Investment holding	**-**	-	**100**	100
Portman Square (No. 2) Limited	Jersey	Investment holding	**-**	-	**100**	100
KWASA Arena Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA UK Duo Limited	Jersey	Investment holding	**100**	100	**-**	-
Bridge Unit 2 Limited	Jersey	Property holding	**-**	-	**100**	100
K2 Tower Bridge Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA UK Trio Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Fulham No. 1 Limited	Jersey	Investment holding	**-**	-	**100**	100
Fulham Broadway Unit Trust	Jersey	Property holding	**-**	-	**100**	100
KWASA Fulham No. 2 Limited	Jersey	Investment holding	**-**	-	**100**	100
KWASA Hammersmith Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA UK Quattro Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Qube Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Super Norwich Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Super Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA UK Quinto Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Rugby Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Nottingham Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA UK Sixmo Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Super Ashton Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Super Bursledon Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Super Grantham Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Super Leeds Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Super Newcastle Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Logix No.1 Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Logix No.2 Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Logix No.3 Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Logix No.4 Limited	Jersey	Property holding	**-**	-	**100**	100
KWASA Premier Place Holdco Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Premier Place Midco Limited	Jersey	Investment holding	**-**	-	**100**	100
KWASA Premier Place Bidco (UK) Limited	United Kingdom	Investment holding	**-**	-	**100**	100
Premier Place Propco Ltd	United Kingdom	Property holding	**-**	-	**100**	100
- Premier Place Finance Limited *	United Kingdom	Dormant	**-**	-	**-**	100
KWASA Belfast Limited	Jersey	Property holding	**100**	100	**-**	-
KWASA Belfast OpCo Limited	Jersey	Management and rental of student accommodation	**-**	-	**100**	100

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024 (CONT'D.)

Information on Subsidiaries are as follows: (Cont'd.)

Subsidiaries Held through KWASA UK Limited (K.UK), Subsidiary to KWASA Global (Jersey) Limited (KGJL): (Cont'd)

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by K.UK		Through K.UK's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
KWASA Edinburgh Limited	Jersey	Property holding	**100**	100	**-**	-
KWASA Edinburgh OpCo Limited	Jersey	Management and rental of student accommodation	**-**	-	**100**	100
Kwasa Warwick Limited	United Kingdom	Property holding	**100**	100	**-**	-
Kwasa Warwick Opco Limited	United Kingdom	Management and rental of student accommodation	**-**	-	**100**	100

Subsidiaries Held through KWASA Australia II Trust (KAIIT), Subsidiary to KWASA Global (Jersey) Limited (KGJL):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by KAIIT		Through KAIIT's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
KWASA Goodman Industrial Trust	Australia	Investment holding	**60**	60	**-**	-
KGIT1A Subtrust	Australia	Property holding	**-**	-	**60**	60
KGIT1B Subtrust	Australia	Property holding	**-**	-	**60**	60
KGIT1C Subtrust	Australia	Property holding	**-**	-	**60**	60
KGIT1D Subtrust	Australia	Property holding	**-**	-	**60**	60
KGIT1E Subtrust	Australia	Property holding	**-**	-	**60**	60
KWASA Australia II Sub-Trust	Australia	Investment holding	**100**	100	**-**	-

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024 (CONT'D.)

Information on Subsidiaries are as follows: (Cont'd.)

Subsidiaries Held through KWASA Global Links Limited (KGLL), Subsidiary to KWASA Global (Jersey) Limited (KGJL):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by KGLL		Through KGLL's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
KWASA Links Malaysia One Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
KWASA Links Malaysia Two Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
KWASA Links Malaysia Three Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
KWASA Links Malaysia Four Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
KWASA Links Malaysia Five Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
KWASA Links Malaysia Six Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
KWASA Links Malaysia Seven Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
KWASA Links Malaysia Eight Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
KWASA Links Malaysia Nine Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
KWASA Links Malaysia Ten Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
KWASA Links Malaysia Eleven Sdn Bhd	Malaysia	Investment holding	**100**	100	**-**	-
Links Holdings (GP) Limited	Jersey	Investment holding	**-**	-	**99.40**	99.40
Links Holdings LP	Jersey	Investment holding	**-**	-	**99.40**	99.40
Links Healthcare REIT Limited	Jersey	Investment holding	**-**	-	**99.40**	99.40
Links Bidco Limited	Jersey	Investment holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 1 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 2 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 3 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 4 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 5 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 6 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 7 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 9 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 10 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 11 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 12 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40
- Links Bidco Propco 13 Limited	Jersey	Property holding	**-**	-	**99.40**	99.40

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024 (CONT'D.)

Information on Subsidiaries are as follows: (Cont'd.)

Subsidiaries Held through KWASA Europe S.à r.l. (K. Europe):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by K. Europe		Through K. Europe's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
KWASA Delta S.à r.l.	Luxembourg	Investment holding	**100**	100	**-**	-
KWASA DH Moncheng S.à r.l.	Luxembourg	Property investment	**100**	100	**-**	-
KWASA Quattro Holdco S.à r.l.	Luxembourg	Investment holding	**100**	100	**-**	-
KWASA Quattro Berlin S.à r.l.	Luxembourg	Property investment	**-**	-	**100**	100
KWASA Quattro Hamburg S.à r.l.	Luxembourg	Property investment	**-**	-	**100**	100
KWASA Prisma 1 S.à r.l.	Luxembourg	Investment holding	**100**	100	**-**	-
KWASA Deurne S.à r.l.	Luxembourg	Property investment	**100**	100	**-**	-
KWASA Venlo S.à r.l.	Luxembourg	Property investment	**100**	100	**-**	-
KWASA Moerdijk S.à r.l.	Luxembourg	Property investment	**100**	100	**-**	-
Pershore Sp. z o.o.	Poland	Property investment	**100**	100	**-**	-
KWASA GBC A Sp. z o.o.	Poland	Property investment	**100**	100	**-**	-
KWASA GBC B Sp. z o.o.	Poland	Property investment	**100**	100	**-**	-
Haxley Investments Sp. z o.o.	Poland	Property investment	**100**	100	**-**	-
PDC Industrial Center 70 Sp. z o.o.	Poland	Property investment	**100**	100	**-**	-
Estlin Investments Sp. z o.o.	Poland	Property investment	**100**	100	**-**	-
Jamestown Sp. z o.o.	Poland	Property investment	**100**	100	**-**	-
Jarrow Sp. z o.o.	Poland	Property investment	**100**	100	**-**	-

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024 (CONT'D.)

Information on Subsidiaries are as follows: (Cont'd.)

Subsidiaries Held through KWASA Prisma 1 S.à r.l (K.Prisma 1), Subsidiary to KWASA Europe S.à r.l. (K.Europe):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by K.Prisma 1		Through K.Prisma 1's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
KWASA Prisma 2 S.à r.l.	Luxembourg	Investment holding	**100**	100	**-**	-
KWASA IRE France OPCI	France	Property holding	**-**	-	**100**	100
SCI Ris Orangis	France	Property investment	**-**	-	**100**	100
Midi de la Plaine EURL	France	Property investment	**-**	-	**100**	100
Midi de la Plaine 3 EURL	France	Property investment	**-**	-	**100**	100

Subsidiaries Held through Kwasa Infrastructure I (K.Infra I):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by K.Infra I		Through K.Infra I's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
Macquarie Hyperion Limited	Cayman Island	Investment holding	**60**	60	**-**	-
Macquarie Helios Holdings Limited	Cayman Island	Investment holding	**-**	-	**60**	60

Subsidiaries Held through Kwasa Asia (K.Asia):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by K.Asia		Through K.Asia's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
Kwasa China	Cayman Island	Investment holding	**100**	100	**-**	-
Gateway V Co-Investment Account (EMAS I), L.P.	Cayman Island	Investment holding	**-**	-	**100**	100
Gateway VI Co-Investment Account (EMAS II), L.P.	Cayman Island	Investment holding	**-**	-	**100**	100

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024 (CONT'D.)

Information on Subsidiaries are as follows: (Cont'd.)

Subsidiaries Held through KWASA US (K.US):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by K.US		Through K.US's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
KWASA Liberty *	Cayman Island	Investment holding	-	100	-	-
KWASA Madison	Cayman Island	Investment holding	**100**	100	-	-
KWASA AG	Cayman Island	Investment holding	**100**	100	-	-
KWASA PCCP	Cayman Island	Investment holding	**100**	100	-	-
KWASA USCP	Cayman Island	Investment holding	**100**	100	-	-
KWASA USLF	Cayman Island	Investment holding	**100**	100	-	-
KWASA BMF V	Cayman Island	Investment holding	**100**	100	-	-
KWASA Maple	Cayman Island	Investment holding	**100**	100	-	-

Subsidiary Held through Yarra Development Holdings (Australia) Sdn Bhd (Yarra):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by Yarra		Through Yarra's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
Yarra Australia Development Pty Ltd	Australia	Investment holding	**100**	100	-	-

Subsidiary Held through KWASA Europe-I S.à r.l (K.Europe-I):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by K.Europe-I		Through K.Europe-I's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
KWASA Maasvlakte-I B.V.	Netherlands	Property investment	**100**	100	-	-

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2024

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024 (CONT'D.)

Information on Subsidiaries are as follows: (Cont'd.)

Subsidiaries Held through KWASA Global-I (Jersey) Limited (KGJL-I):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by KGJL-I		Through KGJL-I's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
KWASA UK-I Limited	Jersey	Investment holding	**100**	100	**-**	-
KWASA Logix Sportivo Limited	Jersey	Property investment	**-**	-	**100**	100

Subsidiaries Held through Kwasa Emerald ICAV (K.Emerald ICAV):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by K.Emerald ICAV		Through K.Emerald ICAV's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
Kwasa Breccia Fund	Ireland	Investment holding	**100**	100	**-**	-
Kwasa Breccia Designated Activity Company	Ireland	Investment holding	**-**	-	**100**	100
Kwasa Mica Fund	Ireland	Investment holding	**100**	100	**-**	-
Kwasa Mica Designated Activity Company	Ireland	Investment holding	**-**	-	**100**	100

Subsidiary Held through Kwasa Infrastructure Alpha (K.Infra Alpha):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by K.Infra Alpha		Through K.Infra Alpha's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
Kwasa Infrastructure Oceania Trust	Australia	Investment holding	**99.90**	99.90	**-**	-

38. LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2024 (CONT'D.)

Information on Subsidiaries are as follows: (Cont'd.)

Subsidiary Held through Tanjung Wibawa Sdn Bhd (TWSB):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by TWSB		Through TWSB's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
Bukit Jalil Sentral Property Sdn Bhd	Malaysia	Property development	**80**	80	**-**	-

Subsidiary Held through Kwasa Logistics Sdn Bhd (K.Logistics):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by K.Logistics		Through K.Logistics's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
ALP BR (Malaysia) Sdn Bhd	Malaysia	Property development	**70**	70	**-**	-

Subsidiary Held through LOGOS Tuas South Venture L.P. (LOGOS):

Name of Company	Country of Incorporation	Principal Activities	Effective Interest			
			Directly by LOGOS		Through LOGOS's Subsidiary Company	
			2024 %	2023 %	2024 %	2023 %
LOGOS TSA Venture HoldCo Pte. Ltd. ^	Singapore	Investment holding	**100**	-	**-**	-

All the above subsidiaries of EPF are not audited by the Auditor General of Malaysia.

^ The company was established/acquired in 2024.

* The company was sold/liquidated in 2024.

The company is in the process of voluntary winding up as at 31 December 2024.

39. LIST OF ASSOCIATES AND JOINT VENTURES AS AT 31 DECEMBER 2024

a. Details of Associates held directly by EPF are as follows:

Name of Company	Country of Incorporation	Principal Activities	Ownership Interest on Voting Rights	
			2024 %	2023 %
Malaysian Resources Corporation Berhad	Malaysia	Investment holding and conduct activities relating to construction, property development and management services to its subsidiaries	**36.21**	36.21
RHB Bank Berhad	Malaysia	Banking	**39.20**	40.24
Nusa Gapurna Development Sdn Bhd	Malaysia	Investment holding, management and property development	**40**	40
Bandar Eco-Setia Sdn Bhd	Malaysia	Property development and investment	**34**	34
Jelas Puri Sdn Bhd	Malaysia	Property investment, management and development	**30**	30
Panca Pesona Sdn Bhd	Malaysia	Developer of industrial land and housing projects	**30**	30
FWD Takaful Berhad	Malaysia	Insurance	**30**	20
Iskandar Investment Berhad	Malaysia	Investment holding, property investment and development and provision of shared services to its subsidiaries	**20**	20
Iskandar Capital Sdn Bhd	Malaysia	Investment holding	**29.27**	29.27
Konsortium Lebuhraya Utara-Timur (KL) Sdn Bhd	Malaysia	Highway concession operator	**40**	40
Asterix Investment Holdings Pte Ltd	Singapore	Investment holding	**32**	32

39. LIST OF ASSOCIATES AND JOINT VENTURES AS AT 31 DECEMBER 2024 (CONT'D.)

b. Details of Associates held through EPF's Subsidiaries are as follows:

Name of Company	Country of Incorporation	Principal Activities	Ownership Interest on Voting Rights	
			2024 %	2023 %
Pinggiran Ventures Sdn Bhd				
TEI Sdn Bhd	Malaysia	Investment holding with major investment in highway concession operator	**49**	49
SWM Environment Holdings Sdn Bhd	Malaysia	Investment holding with major investment in the waste collection management company	**35**	35
Kwasa Land Sdn Bhd				
Kwasa Sentral Sdn Bhd	Malaysia	Property development	**30**	30
Naungan Sentosa Sdn Bhd				
BBCC Development Sdn Bhd	Malaysia	Property development and investment holding	**20**	20
MFBBCC Retail Mall Sdn Bhd	Malaysia	Property development and investment holding	**4.79**	5.35
Kwasa Singapore Solo Pte. Ltd.				
Wallich Residence Pte. Ltd.	Singapore	Property development	**20**	20
Kwasa Singapore Duo Pte. Ltd.				
TPC Hotel Pte. Ltd.	Singapore	Hotel operation	**20**	20
Kwasa Singapore Trio Pte. Ltd.				
TPC Commercial Pte. Ltd.	Singapore	Property investment	**20**	20
Kwasa Infrastructure I				
Macquarie Hyperion Limited				
Macquarie Helios Holding Limited				
Chemoil Storage Limited *	Marshall Islands	Investment holding	**-**	27

c. Details of Joint Venture held directly by EPF are as follows:

Name of Company	Country of Incorporation	Principal Activities	Ownership Interest on Voting Rights	
			2024 %	2023 %
PLUS Malaysia Berhad	Malaysia	Investment holding	**49**	49
GEDCP I, SCSp ^	Luxembourg	Property Investment holding	**50**	-

39. LIST OF ASSOCIATES AND JOINT VENTURES AS AT 31 DECEMBER 2024 (CONT'D.)

d. Details of Joint Ventures held through EPF's Subsidiaries are as follows:

Name of Company	Country of Incorporation	Principal Activities	Ownership Interest on Voting Rights	
			2024 %	2023 %
KWASA Global (Jersey) Limited				
KWASA Global Development Limited				
Battersea Project Holding Company Limited	Jersey	Investment holding	**20**	20
Battersea Power Station Estate Limited	United Kingdom	Investment holding	**20**	20
Battersea Power Station Development Company	United Kingdom	Investment holding	**20**	20
KWASA UK Limited				
KWASA Arena Limited				
The Arena Unit Trust	Jersey	Investment holding	**50**	50
KWASA Jewel Limited				
PNB-Kwasa International Holding Limited	Jersey	Investment holding	**35**	35
KWASA Australia II Trust				
KWASA Australia II Sub-Trust				
Goodman Slough Industrial Trust	Australia	Property Investment holding	**49**	49
Goodman Lidcombe Industrial Trust	Australia	Property Investment holding	**49**	49
Goodman-KWASA Financing Trust	Australia	Property financial services	**49**	49
KWASA Europe S.à r.l.				
KG Finance (Lux) S.à r.l.	Luxembourg	Property financial services	**70**	70
Goodman Basil Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**70**	70
Goodman Tumbleweed Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**70**	70
Goodman Pearl Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**70**	70
Goodman Cardamom Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**70**	70
Goodman Cyan Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**70**	70
Goodman Melanite Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**70**	70
Goodman Aqua Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**70**	70
Goodman Korbach (Lux) S.à r.l.	Luxembourg	Property investment	**70**	70
KG Finance Two (Lux) S.à r.l.	Luxembourg	Property financial services	**90**	90
Goodman Canopic Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**90**	90
Goodman Ventura Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**90**	90
Goodman Cardinal Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**90**	90
Goodman Cadet Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**90**	90
Goodman Melon Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**90**	90
Goodman Opera Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**90**	90
Goodman Sienna Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**90**	90
Grundstück 41 Verwaltungs GmbH	Germany	Property investment	**90**	90
KG Finance Three (Lux) S.à r.l.	Luxembourg	Property investment	**90**	90
Goodman Medway Logistics (Lux) S.à r.l.	Luxembourg	Property investment	**90**	90
KGG Green Energy I (Lux) S.à r.l.	Luxembourg	Property investment	**70**	70
KGG Green Energy II (Lux) S.à r.l.	Luxembourg	Property investment	**90**	90
KGG EVCI I GmbH ^	Germany	Property investment	**70**	-

39. LIST OF ASSOCIATES AND JOINT VENTURES AS AT 31 DECEMBER 2024 (CONT'D.)

d. Details of Joint Ventures held through EPF's Subsidiaries are as follows: (Cont'd.)

Name of Company	Country of Incorporation	Principal Activities	Ownership Interest on Voting Rights	
			2024 %	2023 %
KWASA Europe S.à r.l. (Cont'd.)				
KWASA Delta S.à r.l.				
KWASA Dietz Germany GmbH	Germany	Investment holding	**84.30**	84.30
Kwasa Capital Limited				
Melati Asia Holdings Limited	Cayman Island	Investment holding	**51**	51
Pinggiran Ventures Sdn Bhd				
Pinggiran Muhibbah Sdn Bhd	Malaysia	Investment holding with major investment in highway concession operator	**50**	50
Tanjung Wibawa Sdn Bhd				
Paragon Pinnacle Sdn Bhd	Malaysia	Property development and investment holding	**40**	40
Eco Horizon Sdn Bhd	Malaysia	Property development	**40**	40
Kwasa Aktif Sdn Bhd				
Gateway Development Alliance Sdn Bhd ^	Malaysia	Investment holding	**30**	-
Yarra Development Holdings (Australia) Sdn Bhd				
Yarra Australia Development Pty Ltd				
Yarra Park City Pty Ltd	Australia	Property development	**49**	49
LOGOS Tuas South Venture L.P.				
LOGOS TSA Venture HoldCo Pte. Ltd.				
Logos TSA Venture SPV 1 Pte. Ltd. ^	Singapore	Investment holding	**49**	-

^ The company was established/acquired in 2024.
* The company was sold/liquidated in 2024.

EPF PROPERTIES IN MALAYSIA

As at 31 December 2024

NO	LOCATION	FREEHOLD LAND		LEASEHOLD LAND		NET BOOK VALUE OF LAND (RM)	NET BOOK VALUE OF BUILDINGS (RM)
		ACREAGE	SQUARE FEET	ACREAGE	SQUARE FEET		
1	Federal Territory	6.78	295,571.70	3.16	137,716.00	7,423,377.90	290,916,965.78
	a. Kuala Lumpur	6.78	295,571.70	2.96	128,951.00	7,423,377.90	287,836,321.80
	b. Labuan	–	–	0.20	8,765.00	–	3,080,643.98
2	Selangor	23.25	1,012,970.00	41.66	1,814,986.07	56,763,189.47	444,012,549.93
3	Perlis	–	–	1.01	44,046.00	4,013,041.35	6,200,011.88
4	Perak	–	–	1.45	63,253.28	1,643,633.07	18,466,545.94
5	Pulau Pinang	0.74	32,397.00	3.33	144,945.00	15,374,530.23	76,726,261.01
6	Johor	4.49	195,552.63	0.47	20,303.00	9,320,732.00	38,407,584.11
7	Melaka	–	–	2.10	91,913.03	1,843,245.36	5,441,885.58
8	Negeri Sembilan	1.69	73,473.54	1.69	73,421.00	4,884,569.25	32,161,444.15
9	Terengganu	0.18	8,000.00	3.66	159,646.00	2,213,258.52	11,035,229.60
10	Kelantan	0.19	8,307.00	0.45	19,562.00	–	7,530,250.96
11	Pahang	–	–	8.36	363,869.00	7,329,105.58	10,177,751.03
12	Sabah	–	–	6.94	302,226.00	10,390,332.37	24,832,927.12
13	Sarawak	–	–	2.07	90,399.84	20,809.84	9,078,559.72
Grand Total		**37.32**	**1,626,271.87**	**76.34**	**3,326,286.22**	**121,219,824.94**	**974,987,966.81**

GLOSSARY

Account 1	75 percent of a member's contributions, which is dedicated specifically for retirement.
Account 2	15 percent of a member's contributions, which can be utilised for pre-retirement withdrawals to enhance retirement wellbeing.
Account 3	10 percent of a member's contributions, which provides flexibility for short-term financial needs. Savings in this account can be withdrawn at any time.
Active Formal Sector Member	EPF members who contributed through employers' contributions at least once in 12 months.
Active Members	EPF members who have contributed at least once for the last 12 months.
Basic Savings	Basic Savings refer to the minimum amount of savings in Account 1 that a member should have upon reaching age 55, as determined by EPF. As of 1 January 2019, the basic savings quantum has been set at RM240,000, which is equivalent to a monthly retirement income of RM1,000 for 20 years (240 months) from age 55 to 75.
Business Model	An organisation's system of transforming inputs through its business activities into outputs and outcomes that aims to fulfil the organisation's strategic purposes and create value over the short-, medium, and long-term.
Mandatory Contribution	Mandatory contribution is the amount of money paid into a member's EPF account every month based on the monthly salary of the employee. EPF contributions are made by both employees and employers (on behalf of their employees).
Dividend	Dividend is the return to members' savings from investment activities. The dividend for every member's account is calculated on an aggregate daily balance.
Employee	An employee is a person employed by an employer under a contract of service of apprenticeship.
Employer	An employer is a person or party who employs an employee to work under contract of service or apprenticeship. Employers include: • Managers, agents or any persons responsible for the payment of wages to an employee; • Any group of persons, whether statutory or non-statutory or incorporated; and • The government and any government department, statutory body, local authority, or other body as specified in the Second Schedule of the EPF Act 1991
ELYA	An abbreviation for "EPF Loves You Always", ELYA is EPF's bilingual Virtual Assistant (VA), powered by Artificial Intelligence (AI) using Natural Language Processing (NLP) and supported by Live Chat.
Financial Planning	Financial planning is an approach that assists individuals to understand their financial situation, to plan and manage their finances throughout their life cycle. This process empowers them to set financial goals and identify ways to achieve their financial goals.
Financial Literacy	Financial literacy refers to the awareness, knowledge, skills, attitude and behaviour necessary to make sound financial decisions. (Ref. OECD)
i-Akaun	i-Akaun refers to a member's or employer's EPF online account.
Inactive Members	EPF members that do not contribute for the last 12 months.
Inputs	The capitals (resources and relationships) that the organisation draws upon for its business activities.

GLOSSARY

Integrated Report	A concise communication about how an organisation's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation, preservation or erosion of value in the short-, medium, and long-term.
Material Matters	Material matters refer to topics that represent the organisation's most significant impacts on the environment and people, including impacts on their human rights.
Materiality Assessment	The process of identification of a wide range of sustainability matters and refining them to what are most important to an organisation and its stakeholders.
Materiality Matrix	A chart showcasing the contrast of the importance of material matters to stakeholders and the impact of the material matters on the organisation.
Member	An EPF member according to the EPF Act is an individual who has an account and savings with EPF. EPF members consist of private sector workers, non-pensionable workers in the public sector, and those who have opted to contribute.
Nomination	A nomination is a written declaration in Form KWSP 4 to elect/nominate one or more individuals to be beneficiaries (for non-Muslim members) or executors/administrators (for Muslim members) of members' EPF savings upon death. Members may also opt to nominate institution (Amanah Raya Berhad) as administrator or trustee.
Outcome	The internal and external consequences (positive and negative) for the capitals as a result of an organisation's business activities and outputs.
Outputs	An organisation's products and services.
Pre-Retirement Withdrawals	Pre-retirement withdrawals are withdrawals that have been approved by the EPF to allow members to take out a certain amount from their retirement savings prior to the retirement age. The savings can be withdrawn from Account 2 for Housing Withdrawal, Education Withdrawal, Health Withdrawal, Age 50 Years Withdrawal, Withdrawal of Savings of more than RM1 Million and Hajj Withdrawal. This is to help them prepare for retirement.
Reporting Scope	The extent of subject matter covered, considered relevant for inclusion and discussed throughout the organisation's integrated report.
Relationship and Advisory (RA)	Since 2014, the EPF began providing free advisory services for members at selected EPF offices. This includes providing information on the EPF's services in general, options on retirement savings, as well as tips and advice on how to create financial and retirement plan and boost retirement savings to achieve a reasonable level of comfort during golden years.
Retirement Planning	Retirement planning is the process of determining retirement income goals and the actions necessary to achieve those goals. It includes identifying sources of income, estimating expenses, implementing a savings programme, and managing assets. Future cash flows are estimated based on life expectancy to determine if the retirement income goal can be achieved in the future.
Retirement Withdrawal	Retirement withdrawals allow members to withdraw their savings upon reaching a certain age, or upon death, incapacitation or leaving the country. Pensionable employees or those opting for retirement can also make retirement withdrawals. For retirement withdrawals at age 55 or 60, members can opt to be paid either in lump-sum, in monthly installments, in a partial sum for any amount at any time, through annual dividends or a combination of monthly, partial and annual dividends.

Return on Investment (ROI)	Return on Investment is the ratio of realised income gained or lost against the average fund size (at cost) for the year.
Social Protection	Social protection refers to all public and private initiatives that provide income or consumption transfers to the poor and the vulnerable groups and protect all citizens against livelihood risks.
Special Withdrawal Facilities	Unprecedented facilities and initiatives launched by EPF during the COVID-19 outbreak to assist our members facing financial hardship.
Stakeholders	Entities or individuals that can reasonably be expected to be significantly affected by an organisation's activities, products or services; or whose actions can reasonably be expected to affect the ability of the organisation to implement its strategies or achieve its objectives.
Strategic Asset Allocation (SAA)	The primary goal of the EPF's Strategic Asset Allocation is to create an asset mix that will provide optimal balance between expected risk and return for long-term investments.
Value Creation, Preservation or Erosion	The process that results in increases, decreases or transformations of the capitals caused by the organisation's business activities and outputs.
Wages	Wages are all monetary remuneration due to an employee under his/her contract of service or apprenticeship whether it was agreed to be paid monthly, weekly, daily or otherwise.

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