

EPF Membership Hits 13 Million
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KUALA LUMPUR, April 5 (Bernama) -- The membership of the Employees Provident Fund (EPF) increased to 13.15 million members as at the end of last year, from the 12.72 million recorded previously.

The number of employers registered with the EPF also rose to 487,664 from 469,390 in 2010.

The EPF, in keeping pace with the rising number of members and employers continued to leverage technological innovation to drive operational efficiencies and elevate customer service levels.

In 2011, the EPF tapped information, communication and technology (ICT) to process 1,969,854 withdrawal applications amounting to RM23.30 billion. This is in contrast to the 1,996,881 applications for RM21.89 billion in 2010.

"The year also saw the EPF rolling out a host of significant quality improvement initiatives as well as corporate governance and risk management best practices," its chairman, Tan Sri Samsudin Osman said, in a statement today.

The statement was issued in conjunction with the release of the EPF's 2011 Annual Report.

"On top of this, we made tactical changes to the Fund's investment strategies to safeguard our overall investments and align it with present-day needs.

"On account of all these measures, the EPF today is in a much stronger position to achieve the ambition of becoming a world-class social security organisation, providing the best retirement savings for Malaysians," Samsudin said.

The statement also said the EPF made good operational progress as it strengthened the three key areas of core system performance, network expansion and frontline customer service.

By maintaining the good momentum achieved in the areas of systems, processes, operational efficiencies and people development, the EPF reported a stronger service delivery platform.

Despite the year's erratic market conditions, the EPF made credible strides forward on the investment front.

It had a credible investment performance that saw its investment fund grow RM28.70 billion or 6.52 per cent to RM469.22 billion.

The commendable results for 2011 were mainly attributable to the good capital gains garnered from equity investments, especially during the first half of the year under review.

The Equity portfolio was the single largest income contributor, generating RM13.29 billion with a return on investment (ROI) of 11.00 per cent.

This was followed by fixed income assets and interest-based instrument portfolios which jointly contributed RM13.17 billion, representing a weighted ROI of 4.94 per cent.

The remaining RM656.36 million (ROI of 3.43 per cent) and RM113.75 million (ROI of 6.36 per cent) were contributed by money market instruments and properties respectively.

Samsudin said by successfully leveraging long-term and prudent investment strategies to optimise the ROI, the EPF touched the RM25.08 billion mark in net income, registering a 12.42 per cent increase over the RM22.31 billion recorded in 2010.

Moreover, the EPF delivered an ROI rate of 6.67 per cent sustaining the momentum of last year's 6.41 per cent rate of return, he added.

As a result of the robust financial performance, the EPF Board had, with the approval of the Minister of Finance, declared a dividend rate of 6.00 per cent for 2011, the highest in the last 10 years.

The dividend rate was a commendable 20 basis points improvement over the 5.80 per cent paid out for the year 2010, and is equivalent to RM24.47 billion.

In the Annual Report, it also revealed that in line with the government's efforts to empower a new generation of leaders for Malaysia, the EPF has established a succession planning process that identifies high potential officers from a talent pool, and prepares them to take over critical functions and key positions vacated by their predecessors.

The plan is also a part of its on-going corporate responsibility efforts to ensure sustainability in the workplace and the continuous delivery of operational excellence.

The EPF is Malaysia's premier retirement savings fund, providing basic financial security for retirement.

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