



MEDIA RELEASE

LTAT UNVEILS STRATEGIC PLAN 2023 – 2025 (“SUSTAINABLE25”) SETTING COURSE TOWARDS A SUSTAINABLE FUTURE

KUALA LUMPUR, 13 JULY 2023 - Lembaga Tabung Angkatan Tentera (“LTAT”) today unveiled its Strategic Plan 2023 – 2025 (“SUSTAINABLE25”) officiated by Yang Berhormat Dato’ Seri Utama Haji Mohamad bin Haji Hasan, the Minister of Defence. This launch marks a new dawn for LTAT’s journey after the successful completion of its Transformation Plan 2019-2023, setting the course towards achieving its new Vision of becoming “**A Sustainable Provident Fund**”, and Mission of “**Advancing Socio-economic Well-being of Our Members**”.

As part of the Strategic Plan 2023-2025, LTAT also announced its commitment to provide a **competitive annual dividend**, in line with its new Vision and Mission. SUSTAINABLE25 comprise **4 key Thrusts, 10 Targets, 11 Strategies and 1 Game Changer**.

ABOUT SUSTAINABLE25

Thrust 1: Growth: Growing the fund to sustain competitive returns for members

The Thrust focuses on enhancing LTAT’s investment performance leading to an Asset Under Management (“AUM”) target of RM15 billion from its current RM9.3 billion¹. Amongst its strategies include active investment management with total return objectives, expanding voluntary contributions through targeted campaigns and outreach programmes and cost optimisation without compromising organisational growth.

Thrust 2: Resilience: Safeguarding the future of the fund

As part of protecting the fund against potential headwinds, the Thrust focuses on ensuring Strategic Asset Allocation (“SAA”) targets are achieved, including having liquid assets of more than 60%, through rigorous asset rebalancing within each asset classes and optimisation of asset and liability matching. This will also ensure the fund is able to meet its obligations and deploy new high-quality investments to protect the members’ interests over the long-term.

¹ As at May 2023

In bolstering resilience, LTAT will also embark on the sustainability journey wholistically, encompassing the full spectrum of Environmental, Social and Governance aspects, with the full adoption of Sustainable Investing Standards by 2025.

Thrust 3: Impact: Enhancement of the well-being of members and employees

In addressing the gaps of the social protection system, the Thrust focuses on expanding the members benefits, tailoring the services to cater to the different types of vulnerabilities. Additionally, LTAT will focus on process improvements including accelerating the digitalisation process, embracing innovation as well as adopting Future-of-Work practices to create a high-performing work culture.

Thrust 4: Trust: Reinforcement of reputation as a trusted provident fund

The Thrust focuses on building a positive institutional image and brand for LTAT leading to a net positive trust index as well as shifting LTAT towards a customer experience mindset when delivering its services to the members.

These four thrusts act as the guiding principles in how LTAT aims to achieve its Vision and Mission and forms the acronym **GRIT**, which represents the overall strength of character of LTAT.

SUSTAINABLE25's most prominent feature is the **Game Changer of Reset & Re-list Boustead**, which will enable LTAT to fully transform into a Sustainable Provident Fund. The Game Changer aims to achieve the following end goals:

- Recover cost of investment in Boustead
- Maintain solvency ratio of at least 100% at all times
- Establish a diversified portfolio through de-concentration in Boustead
- Grow Asset Under Management to RM15bn

YB Dato' Seri Utama Haji Mohamad bin Haji Hasan, Minister of Defence said, "With the launch of LTAT Strategic Plan 2023-2025, providing clarity for its way forward, LTAT will now be in a better position to withstand headwinds and protect the social well-being of its members, catalyzing the transformation into a sustainable provident fund. I welcome LTAT's goal to grow its fund size as this will also facilitate the growth of the Malaysian economy, in alignment with the aspirations of the Government,"

LTAT Chief Executive, Dato' Nazim Rahman said, "The Strategic Plan 2023-2025 is a testament of LTAT's readiness to advance into the next phase of growth. We have strengthened our foundation through the completion of many pivotal milestones including the amendment to Tabung Angkatan Tentera Act 1973 that put in place a robust investment and governance framework, establishment of various guidelines, and policies as well as resolving various legacy issues including most recently, the successful take-over of our game changing asset, Boustead. SUSTAINABLE25 will now bring us forward in a wholistic and concerted manner, discharging our duties in a way that meets the various needs of our stakeholders,"

"The new vision and mission supported by various targets and strategies will strive LTAT towards sustainable financial performance and create a lasting positive impact to the contributors, the members of the Malaysian Armed Forces (ATM) which in turn would propel LTAT to become a valued contributor to the country's economic development. We will now embark on the execution of the plan with unwavering dedication," he added.

About the Lembaga Tabung Angkatan Tentera (LTAT)

Established in August 1972 under the Armed Forces Fund Act (also known as Act 101), the Lembaga Tabung Angkatan Tentera (LTAT) is a statutory body which manages the pension fund for officers and members of other ranks of the Malaysian Armed Forces (ATM) and the veterans. The latest amendment to the Act was made on 1 November 2022.

At present, there are a total of 116,456 ATM members, with 110,792 active members. Under the LTAT scheme, contributors are required to contribute 10% of their monthly salary; with the Government as their employer contributing 15% to LTAT.

As of May 2023, LTAT had assets under management of close to RM9.3 billion. LTAT declared a 5% dividend for members in 2022 after paying 4.1% in 2021, 3.5% in 2020, 2.5% in 2019 and 2% in 2018.

MEDIA CONTACT:

Izzat Alhadjri
Director
Head, Communications

Email : izzat.alhadjri@ltat.gov.my

Tel : +60192180792

Website : www.ltat.gov.my