# The Employees' Provident Fund in Sri Lanka: A Comparative Assessment of the Adequacy of Information Disclosure

May 2026

Research Brief

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# EXECUTIVE SUMMARY

The Employees' Provident Fund (EPF) is Sri Lanka's largest financial institution. Its assets of LKR 4.38 trillion at end-2024 are equivalent to roughly 15% of GDP and exceed those of any domestic bank. The EPF serves as the main retirement savings vehicle for most formal private-sector workers. Its returns therefore, shape members' future welfare.

Although members own the fund, they have no role in its management. The Central Bank of Sri Lanka (CBSL) manages investments as custodian and must act in members' best interests. The members, however, bear the full economic consequences of every investment decision, while the CBSL bears none. This is a textbook principal–agent problem, and it is sharpened by the fact that members cannot exit: contributions are mandatory, and savings cannot be withdrawn at will.

In this context, transparency is essential. It is the primary safeguard for members. International standards for retirement funds – including the OECD/IOPS principles and the Global Pension Transparency Benchmark – are explicit on this point: timely, detailed, and accessible public disclosure is the foundation of good governance, lower costs, and stronger long-term returns. Where members lack choice, disclosure is what allows them, parliament, and the public to verify that their savings are being managed in their interest.

However, the EPF falls short of these standards on information disclosure. This brief compares its disclosures with those of three domestic benchmarks – CSE-listed companies, licensed commercial banks, and unit trusts – and with international practice. On almost every dimension, the EPF discloses less, in less detail, less often, and later than entities holding far smaller pools of public savings.

The shortcomings cluster into five buckets:

1. **Inadequate or deficient information —** the EPF publishes only skeletal financial statements, omitting performance benchmarks, risk metrics, cost breakdowns, governance information, ESG integration, and conflict-of-interest disclosures that comparable institutions routinely provide. It also lacks monthly fact sheets with portfolio composition, yields, and maturity profiles;

2. **Insufficient granularity —** the EPF reports holdings, returns, and costs in aggregate. It does not break these down by asset class, instrument, or sector. It averages bond purchases with different prices and yields. It also fails to meet the legal requirement to disclose each investment;

3. **Poor timeliness —** annual reports often appear 12–24 months late. Until 2021, the latest available report was for 2016. By contrast, listed firms and banks face escalating penalties for late reporting. The EPF faces none;

4. **Limited frequency —** the EPF publishes headline financials once a year. Banks, listed firms, and unit trusts report quarterly, monthly, or daily. International standards expect similar frequency;

5. **Persistent non-compliance —** the EPF continues to miss statutory deadlines under the EPF Act and discloses investments only in aggregated form, despite the Act requiring disclosure of "each investment". Forensic audit findings also point to a broader pattern of non-compliance with transparency requirements, and an Internal Audit function that failed to escalate these breaches.

The irony is sharp. The CBSL, as financial-sector regulator, holds banks to high standards of governance and transparency precisely because they manage other people's money. Yet it does not apply comparable standards to its own management of the EPF – a fund larger than any bank it supervises. It is a classic case of the Latin maxim **Quis custodiet ipsos custodes? – "Who will watch the watchmen?"**

Three important reforms would close these gaps. First, ensure full compliance with the EPF Act and the Right to Information Act. Second, adopt international best practice, including the Global Pension Transparency Benchmark. Third, enact the 2024 Private Member's Bill on EPF disclosure. However, more broadly, a fund of this size should fall under an independent regulator with the authority to set and enforce reporting standards—rather than depending, as it does today, on seven-decade-old legislation that has proven unable to prevent abuse.

# 1. INTRODUCTION

The Employees' Provident Fund (EPF) is Sri Lanka's largest financial institution. Its assets totalled LKR 4.38 trillion at end-2024. That is about 15% of GDP and larger than any domestic bank.[1] The EPF is a mandatory, defined-contribution retirement scheme for the employees in the formal private sector, and for certain government organisations. In this scheme, both the employee and employer make regular contributions into individual accounts—8% from the employee and 12% from the employer. In the defined contribution scheme of the EPF, the final benefits to the employees depend on the total contributions and the investment returns accumulated over time, unlike a defined benefit scheme, which guarantees a specific payment upon retirement. Therefore, the EPF's investments and the returns on them directly affect the welfare of most workers in Sri Lanka. The Central Bank of Sri Lanka, as the custodian, is responsible for investing the funds and is expected to make those investments in the best interest of the EPF members.

Despite this, workers lack agency in how their savings are managed and invested. More perniciously, they lack transparency into the fund's performance, which determines the future value of their savings. **Research shows that openness improves governance, trims costs, and boosts net returns.[2] Transparent disclosure forms the basis of good governance in both the performance and the security of retirement funds, the OECD emphasises.[3] Greater openness helps deter abuse, disciplines managers to focus on long-term risk-adjusted returns, strengthens public confidence, and gives policymakers reliable evidence to guide reforms.[4]**

In the absence of choice and competition in the investment of the funds, the timely, adequate disclosure is their primary safeguard – to observe if the savings are being invested in their best interests, and to hold the managers accountable.

**The Central Bank of Sri Lanka (CBSL) manages the EPF. The CBSL also regulates financial institutions and expects them to meet high standards of governance and transparency. Yet it does not apply comparable standards to its own management of the EPF. It is a classic case of the Latin maxim *Quis custodiet ipsos custodes? – meaning, "Who will watch the watchmen?"***

*Concealing information facilitates abuse*

Recent history of scams highlights the risks of weak transparency. In February 2015, a bond auction run by the Central Bank's Public Debt Department drew allegations of manipulation. The scandal prompted a forensic audit. That audit found that, even before what later became known as the "bond scam", the EPF had incurred losses of LKR 9.8 billion from off-market bond trades between 2002 and February 2015. It also identified losses of LKR 9.9 billion from irregular equity investments between 1998 and 2017.[5] Auditors uncovered these losses only because they secured access to transaction-level data.

However, the extent of the EPF's bond market losses after February 2015 remains unknown. The Presidential Commission of Inquiry suggests that the EPF likely suffered further significant losses in the period after the "bond scam".[6] But no dedicated audit has quantified them. The EPF also does not publish transaction-level records for public scrutiny. Stakeholders, therefore, cannot evaluate the extent of post-2015 losses even after 11 years since the scam.

These events highlight a critical insight: when transparency is compelled, mismanagement of the EPF comes to light; when it is withheld, abuse can flourish. Despite these revelations, the fund still fails to operate transparently. It continues to publish only headline figures, often released late and stripped of detail, which then prevents the stakeholders from detecting fraud and abuse.

# 2. BENCHMARKS FOR ASSESSING THE EPF'S INFORMATION REPORTING

## 2.1. International standards and practice for retirement-fund disclosure

International norms reinforce the case for frequent and detailed information disclosure for large retirement funds. OECD-linked guidance from the International Organisation of Pension Supervisors (IOPS) sets the broad framework: that reporting should be "reliable, timely, accessible, consistent".[7]

A practical yardstick to assess how openly pension funds disclose information about their operations is the **Global Pension Transparency Benchmark (GPTB)**, developed by CEM Benchmarking and Top1000funds.com. It scores public disclosure against **four equally weighted pillars—governance and organisation, performance, costs, and responsible investing**—using **185 questions** and 13,875 underlying data points.[8] The questions and scoring of the index are designed around an overarching goal: to ensure that members and the public can "easily see how their pension money is managed and how well it is performing."

The GPTB does **not** currently cover Sri Lanka. It assesses **75 funds across 15 countries.** Sri Lanka, therefore, has no published GPTB score to reference. Even so, the GPTB provides a useful benchmark for what "good" disclosure looks like in practice.

## 2.2. Reporting standards and practice in Sri Lanka

Sri Lanka imposes strict disclosure requirements on entities that manage other people's money, including listed companies, banks, and unit trusts. These rules reflect a clear policy choice: transparency is a core safeguard where the public bears financial risk.

**CSE-listed companies** must disclose interim financial statements on a quarterly basis, price-sensitive information promptly, report key ratios, a corporate-governance section detailing board and committee structures and compliance, and provide detailed corporate-governance reporting, including related-party transaction governance.[9]

**Licensed Commercial banks** are required by the Central Bank of Sri Lanka (CBSL) to publish detailed quarterly financial statements and annual audited accounts in a prescribed format. These must include leverage ratios, risk metrics (such as sensitivity analysis), liquidity profiles of assets, and asset quality metrics, with data presented in granular detail.[10]

**Unit trusts** face strict timelines under the SEC's CIS Code (2022), including annual and interim reports with financial statements, portfolio disclosures, related-party transactions, and off-balance-sheet commitments, published on the manager's website for each sub-scheme.

# 3. EPF INFORMATION REPORTING: FIVE BUCKETS OF GAPS

The EPF's public reporting remains narrow by the standards applied to other institutions that manage third-party funds in Sri Lanka. It relies on two main disclosure channels. First, it publishes an **annual report** once a year, which includes audited financial statements and the National Audit Office's audit opinion. **Second,** it releases a quarterly schedule of listed and unlisted equity holdings, showing purchase cost and current market value.

The annual report is published under Section 5 (1) of the Employees' Provident Fund Act, No. 15 of 1958 (as amended).[11] It requires four statements: (i) receipts and payments, (ii) income and expenditure, (iii) assets and liabilities, and (iv) a statement of investments showing the face value, purchase price, and market value of each investment. The quarterly equity schedule, by contrast, is a voluntary disclosure produced by the EPF Department.

International benchmarks and Sri Lanka's domestic regulatory practice set clear expectations for how a large retirement fund should disclose information. Against those expectations, the EPF's reporting weaknesses fall into five buckets.

## 3.1. Inadequate or deficient information

The EPF publishes only skeletal financial statements. They omit information that comparable pension funds disclose internationally and that regulated financial entities disclose domestically.

Key gaps—consistent with the **Global Pension Transparency Benchmark (GPTB)** — include deficiencies in four areas.

1. *Performance-related disclosures* such as long-term cumulative annualised returns, comparison against benchmark returns, including the value-added or eroded by active management, assumptions on longevity, mortality, expected returns, and interest rates, and risk measures such as value at risk, volatility, tracking error, probability of loss, and factor exposures.

2. *Responsible investing*—demonstrating the integration of environmental, social, and governance factors into investment decisions.

3. *Disaggregated Costs*, such as in terms of management, fees and commissions etc, and benchmarked against peers over time.

4. *Governance information*—covering oversight bodies and their board qualifications, remuneration, organisational structure, strategic objectives, risk appetite, corporate values, and whistle-blowing avenues.

Other domestic institutions in Sri Lanka report significantly more information.

**Unit trusts,** which serve a broadly similar function by pooling and investing other people's savings, must publish daily net asset values and interim reports under Securities and Exchange Commission rules. The Unit Trust Association publishes monthly tables that show each fund's size, fees, and annual returns over the past five years, broken down by asset class. Many individual firms also voluntarily release fact sheets that detail portfolios by sector and credit rating, offering snapshot metrics like year-to-date yields, maturity profiles, and other financial performance ratios.[12 13]

**Licensed commercial banks** face even tighter scrutiny. The Central Bank of Sri Lanka obliges them to publish an annual self-assessment against 46 governance principles, supported by an external assurance report, and to disclose granular data on credit, liquidity, market, operational, and interest rate risk. Banks must also list their twenty largest counterparties, note any breaches of single borrower or related party limits under Section 46 of the Banking Act and record the corrective action taken.[14]

## Exhibit 1 — Inadequate or deficient information at the EPF (selected items)

| Disclosure item | EPF — current practice | CSE-listed company | Licensed Commercial Bank | Unit trust | Intl. benchmark (GPTB / OECD-IOPS) |
|---|---|---|---|---|---|
| **Investment performance vs benchmark** | Headline 'rate credited' only; no time-weighted return, no benchmark, no risk-adjusted return. | EPS, ROE, ROCE; share-price total return vs index where relevant. | ROE, ROA, NIM, cost-to-income (BSD Circular 5/2024 Annex I-A & I-C s.50). | Time-weighted returns vs benchmark monthly; UTASL peer comparisons. | Performance measurement and benchmarking required (OECD/IOPS GP 4); core GPTB scoring pillar. |
| **Investment policy statement (IPS)** | Not published — strategic asset allocation, return target, risk tolerance, rebalancing rules all internal. | Risk-management commentary in annual report. | Risk-management section per Annex I-C s.49 §2. | Investment objective, policy and risk profile in trust deed and explanatory memorandum. | Written IPS mandatory; classify options by risk; accessible to members (OECD/IOPS GP 4.1). |
| **Related-party investments** | Not separately disclosed — even though CBSL is custodian, regulator of bank counterparties and Treasury bond auctioneer. | RPT Review Committee; non-recurrent RPTs >5% require shareholder approval (Listing Rule 9). | Annex I-C s.47 quantifies all related-party transactions on solo and group basis. | Disclosed in audited accounts; arms-length pricing required. | Explicit conflicts-of-interest policy with disclosure procedures (OECD/IOPS GP 2.8). |
| **Governance: board, audit committee, remuneration** | No separately constituted EPF board or audit-committee report; cost of running the EPF is not disclosed. | Listing Rule 9 — board composition, audit committee, remuneration disclosure. | Banking Act Direction No. 11 of 2007 — board, audit committee, directors' emoluments. | Board of the Managing Company; separate licensed Trustee. | Defined governing board independent of supervisor; cost ratio is a GPTB scoring factor. |
| **Sustainability/ ESG reporting** | Not published. The country's largest pool of long-term capital has no public ESG framework. | Phased-in sustainability reporting; GRI/ IFRS S1/S2 alignment encouraged. | CBSL Sustainable Finance Roadmap; ESG disclosures in annual reports. | Disclosed for ESG-themed funds. | ESG-integration disclosure increasingly mandatory for pension funds. |

## 3.2. Insufficient granularity

The information released by the EPF lacks detail; it is **condensed or aggregated** when it **should be specific and disaggregated.**

**International best practice** demands more disaggregated reporting. Funds typically publish: (i) one-, three- to seven-, and ten-year total returns for each asset class separately, along with benchmark comparisons; (ii) the strategic and actual asset mix, split by active/passive, with three-year trends and complete holdings lists; and (iii) a breakdown of costs, including public asset performance fees and private market charges such as commitment fees and carried interest. The EPF has not reported any of these details to date.

One notable instance where the EPF Act mandates detailed disclosure is the requirement to release "a statement of investments, showing the face value, purchase price, and market value of each investment." However, the EPF fails to comply with this requirement. It only publishes a single table that consolidates securities by asset class and maturity year. Prior to 2016, the EPF provided more detailed information, such as averages for groups of bonds with the same coupon and maturity, but even this does not satisfy the Act's requirement for "each investment."

An investment, by definition, should be evaluated in terms of its rate of return. For example, if the EPF bought fixed deposits instead of bonds, workers would reasonably expect to know the interest rate on each fixed deposit, not just the average rate of return on fixed deposits maturing on the same day, because each fixed deposit is a distinct investment. Likewise, workers have a legitimate expectation that bonds purchased with their EPF savings, each with a different rate of return, are regarded and reported as distinct investments. However, in its annual reports, the EPF averages these holdings of bonds that are bought at different prices and on different dates, without treating them as different investments— even though they are (if the fixed deposits analogy is accepted). In the case of a bond, the rate of return ('interest') is determined not only by the coupon rate, but also by the date of purchase, and the purchase price of each bond.

Without granular data, members cannot see which trades made gains, which made losses, or whether fund managers priced risk sensibly. This lack of detail widens an already troubling transparency gap and prevents any independent assessment of the fund's performance.

Exhibit 2 — Insufficient granularity at the EPF (selected items)

| Disclosure item | EPF — current practice | CSE-listed company | Licensed Commercial Bank | Unit trust | Intl. benchmark (GPTB / OECD-IOPS) |
|---|---|---|---|---|---|
| **Asset-allocation breakdown** | Coarse split — government securities/ equities / corporate debt / other — in CBSL Annual Economic Review only. | Summary by asset class in annual report; SLFRS 9 categories. | Detailed FVTPL / FVOCI / amortised cost; loans; subsidiaries (Annex I-C s.15). | Asset allocation by instrument and sector monthly in fact sheets. | Allocation by asset class and risk category; full holdings annually (OECD/IOPS GP 4; GPTB). |

| Disclosure item | EPF — current practice | CSE-listed company | Licensed Commercial Bank | Unit trust | Intl. benchmark (GPTB / OECD-IOPS) |
|---|---|---|---|---|---|
| **Holdings detail (line-by-line)** | Voluntary quarterly equity schedule only; bonds averaged by coupon and maturity year. | Top shareholders/ cross-holdings; investments above thresholds (Listing Rule 7.6 Annex H). | Detailed schedules — government securities by maturity; equity holdings; related-party (Annex I-C s.21–s.25, s.47). | Top 10 holdings monthly; full portfolio in annual report. | Leading public pension funds publish full holdings annually (GPTB). |
| **Portfolio risk metrics (VaR, duration, sensitivity)** | Not disclosed — no sensitivity, no duration, no scenario testing. | Risk note + SLFRS 7 sensitivity for financial instruments. | IRRBB earnings & economic-value sensitivity to rate shocks (Annex I-C s.49 §2.2). | Modified duration disclosed for fixed-income funds; risk rating on fact sheet. | Resilience of portfolio to a range of market scenarios is a 'pre-requisite' (OECD/IOPS GP 4). |
| **Format of online publication** | PDF annual report only; no machine-readable data. | PDF + machine - readable filings on cse.lk; XBRL phased in. | Bank website + PDF; standard CBSL formats. | Website + PDF; daily NAV in machine-readable form. | GPTB scores funds on accessibility and usability of disclosed data. |

## 3.3. Poor timeliness

The EPF not only **discloses too little; it also discloses it too late.** The EPF Act requires the fund to publish its annual financial statements within three months of the year-end, yet even after six months had passed in 2025, the 2024 report was unavailable on its website. Historically, the record is even worse: until 2021, the most recent report available was for 2016, meaning the fund went at least five years without releasing public accounts.

Such delays severely undermine oversight mechanisms. When figures are published long after the fact, members, parliamentarians, and regulators are unable to detect emerging problems early enough to prevent or address mismanagement. As a result, the checks and balances that safeguard savers are weakened.

Understanding the importance of timely information disclosure, **companies listed in the CSE** that file interim or annual reports late are placed on the Watch List within five market days. They must then publish a remedial plan. If non-compliance continues for three months, trading is suspended. A suspension lasting twelve months leads to delisting. This clear escalation encourages prompt disclosure. The Exchange may also issue a letter of caution or warning, impose a fine up to Rs. 5,000,000, or issue a public reprimand.[15]

Exhibit 3 — Poor timeliness at the EPF

| Disclosure item | EPF — current practice | CSE-listed company | Licensed Commercial Bank | Unit trust | Intl. benchmark (GPTB / OECD-IOPS) |
|---|---|---|---|---|---|
| **Audited annual financial statements** | Routinely 12–24 months late; pre-2021, the most recent published report was for 2016 — a five-year gap. | Annual report within 5 months of year-end (Listing Rule 7.5). | Within 3 months of year-end; published in three languages and on bank website (BSD Circular 5/2024 §6.2). | Within 4 months under SEC CIS Code 2022. | Reporting must be 'reliable, timely, accessible' (OECD/IOPS GP 7.1). |
| **Statutory deadline vs public-release deadline** | EPF Act s.5(1)(i) requires transmission to Minister within 3 months — a closed-loop obligation; public release is unregulated. | Listing Rules deadline is the public-disclosure deadline. | BSD Circular deadline is the public-disclosure deadline. | SEC CIS Code deadline is the public-disclosure deadline. | Public timeliness, not just regulator timeliness, is the OECD/IOPS standard. |
| **Individual member statement** | EPF Act s.5(1)(j) — 9-month notification window after 31 December year-end. | Dividend statements promptly via CDS. | Bank statements monthly or on request. | Unit-holder statements per transaction or monthly. | Timely information to members is core to OECD/IOPS GP 7.1. |

## 3.4. Limited frequency

The EPF releases its financial statements only once a year. The only exception is the table of equity holdings released every quarter, which does not provide any information about the rest of the portfolio or the fund's overall performance. These long reporting gaps mean that investments go unexamined for months, members have no interim measure of performance, and they are unable to assess whether fund managers are fulfilling their mandate.

In contrast, other similar institutions report far more frequently. **Banks and listed companies on the CSE are required to file quarterly financial statements. Unit trusts publish data every month. International benchmarks** expect performance to be **reported on a monthly, quarterly, or daily basis.** In comparison, the EPF's annual drip-feed of information leaves members in the dark and erodes accountability throughout the year.

Exhibit 4 — Limited frequency at the EPF

| Disclosure item | EPF — current practice | CSE-listed company | Licensed Commercial Bank | Unit trust | Intl. benchmark (GPTB / OECD-IOPS) |
|---|---|---|---|---|---|
| **Interim/ quarterly financial statements** | Not published. EPF does not release quarterly or semi-annual statements. | Quarterly within 45 days of quarter end; full-year provisional within 60 days (Listing Rule 7.4). | Quarterly within 2 months of quarter end (BSD Circular 5/2024 §6.1). | Daily NAV; monthly fact sheets; semi-annual/ quarterly reports. | 'Due frequency' (OECD/IOPS GP 7.2); GPTB scores funds on availability of interim data. |
| **Material-event / continuous disclosure** | No continuous disclosure. Material events surface only via parliamentary questions, COPE proceedings or ex-post Auditor-General reports. | Immediate disclosure of material information (Listing Rule 7.10); enforcement under s.11. | CBSL announcements; non-compliance with prudential ratios disclosed (BSD Circular 5/2024 §5.2). | Material changes to fund characteristics require notice to investors and SEC. | Internal-control deficiencies must be reported promptly (OECD/ IOPS GP 7.4). |
| **Member account update frequency** | Annual only — and lagged 9 months. | Real-time CDS; dividend events. | Monthly bank statements at minimum. | Transaction-level statements; daily NAV. | Members must be able to track investments at meaningful intervals (OECD/ IOPS GP 7). |

## 3.5. Persistent non-compliance

The above-mentioned gaps also fail to comply with the laws that mandate transparency to EPF. Missed publication deadlines and insufficient detail in the statement of investments already constitute breaches of the EPF Act's disclosure provisions. Section 5(1)(i) requires the annual financial statements to be transmitted within three months of year-end, yet, as noted in section 3.3, the 2024 report remained unpublished six months after year-end and pre-2021 reports ran more than five years late. And the statutory requirement to publish "a statement of investments, showing the face value, purchase price, and market value of each investment" is satisfied only by an aggregated table grouped by asset class and maturity year, as set out in section 3.2.

The forensic audit of the EPF identified further non-compliance with established disclosure requirements. These include the absence of information on individual deals, missing counterparty details, and undisclosed conflicts of interest. The audit also found that the Internal Audit function failed to escalate these breaches: the report mentions that, on review of internal audit reports for 2007–2015, the identified non-compliances "were not reported by the Internal Audit Team / Department".[16]

Access to information through the Right to Information (RTI) Act has also proven difficult. In May 2017, a request was made to the Central Bank for the complete record of government securities trades executed between 2015 and 2016.[17] The request covered auctions, direct placements, and secondary-market transactions, and sought transaction-level data—including dates, ISINs, coupons, yields, face values, and purchase prices—to assess whether workers' savings were invested at market-consistent prices.

The CBSL refused, citing commercial sensitivity, competitive prejudice, and ongoing investigations. On 27 November 2018, the RTI Commission rejected these arguments and ordered disclosure, ruling that the public interest in transparency outweighed any potential harm. The Central Bank then filed an appeal in the Court of Appeal in January 2019 and obtained an interim stay. On 26th March, 2026, the Court of Appeal allowed the Central Bank's appeal.

## 4. GOING FORWARD

Transparency is not a luxury for the EPF; it is its primary defence against mismanagement. This review has identified five persistent weaknesses—inadequate or deficient information, poor timeliness, limited frequency, insufficient granularity, and ongoing non-compliance—that together leave Sri Lanka's largest pool of worker savings vulnerable to the very abuses that followed the 2015 bond scam.

To safeguard members and rebuild trust, the EPF can do three things:

1. Comply with the existing law, including the Employees' Provident Fund Act, No. 15 of 1958 (as amended) and the Right to Information Act, No. 12 of 2016.

2. Adopt international best practices, such as complying with the Global Pension Transparency Benchmark, in expanding its disclosure practices.

3. Fully adopt the guidelines for publishing more information more frequently as laid out in a private member's bill submitted to Parliament in 2023.[18] This Bill, titled Employee's Provident Fund (Amendment), published in Extraordinary Gazette No. 482/2024, issued in 2024,[19] is aimed "to ensure adequate and timely publication and disclosure of the information required to be published by sub-paragraph (h) of paragraph (1) thereof".

Given that the EPF is the largest financial institution in the country, it should operate under the highest standards, like those set by financial sector regulators, such as the CBSL itself.

However, the EPF currently lacks an independent regulator to set reporting standards, oversee compliance, and ensure oversight. Members are left to depend on seven-decade-old laws, which are ineffective at preventing mismanagement and abuse.

### Exhibit 5— Summary Comparison of Information Disclosure Practices

| Disclosing entity/standard | Adequacy & granularity of information | Timeliness & frequency of disclosure |
|---|---|---|
| Employees' Provident Fund (EPF) | Highly aggregated and skeletal reporting. Omits investment-level data, asset-class returns, benchmarks, risk metrics, cost breakdowns, and governance disclosures. Does not comply with statutory requirement to disclose each investment separately. | Annual disclosure only, with persistent delays. Statutory deadlines frequently missed; historical gaps of up to five years between published reports. No meaningful interim performance reporting. |
| Unit trusts (Sri Lanka) | Detailed fund-level reporting, including fees, historical returns (up to five years), asset-class breakdowns, and portfolio characteristics. Many firms provide additional voluntary fact sheets with sector-wise and credit rating-wise breakdown and other financial performance ratios. | Monthly disclosure of performance and fund size; daily NAV publication as required by SEC rules. |
| Licensed commercial banks (Sri Lanka) | Extensive and granular disclosures covering governance, risk exposures, largest counterparties, regulatory breaches, and corrective actions, supported by external assurance. | Quarterly and annual financial reporting, subject to strict regulatory timelines and enforcement by the Central Bank and CSE. |
| Colombo Stock Exchange (listed companies) | Standardised financial statements with segment information, governance disclosures, and risk reporting, consistent with listing rules and accounting standards. | Mandatory quarterly and annual reporting. Late filings trigger escalation (Watch List, suspension, delisting) within defined timelines. |
| International best practice (GPTB) | Comprehensive, disaggregated disclosures covering asset-class returns, benchmarks, costs, governance, ESG integration, and investment-level transparency. | Monthly or quarterly performance reporting, with timely publication as a core transparency requirement. |

# ENDNOTES

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