
SUMMARY OF THE CORPORATE PLAN 2020 - 2022

Shifting Gears: Driving PIDM's Readiness



Perbadanan Insurans Deposit Malaysia
Protecting Your Insurance And Deposits In Malaysia

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This Corporate Plan is available at:
www.pidm.gov.my

15
years of
PIDM protection

OPERATING CONTEXT

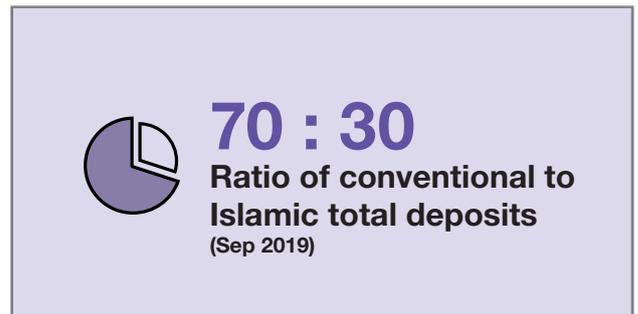
OPERATING CONTEXT

DEPOSITORS



42 PIDM
member banks

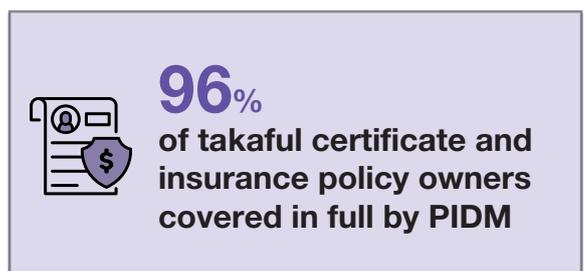
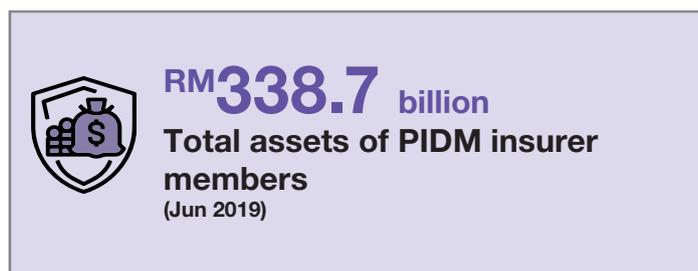
<p>RM2.77 trillion Total assets of PIDM member banks (Sep 2019)</p>	<p>RM1.95 trillion Total deposits of member banks (Sep 2019)</p>	<p>RM569 billion Total Insured Deposits of member banks</p>
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TAKAFUL CERTIFICATE AND INSURANCE POLICY OWNERS



50 PIDM
insurer members



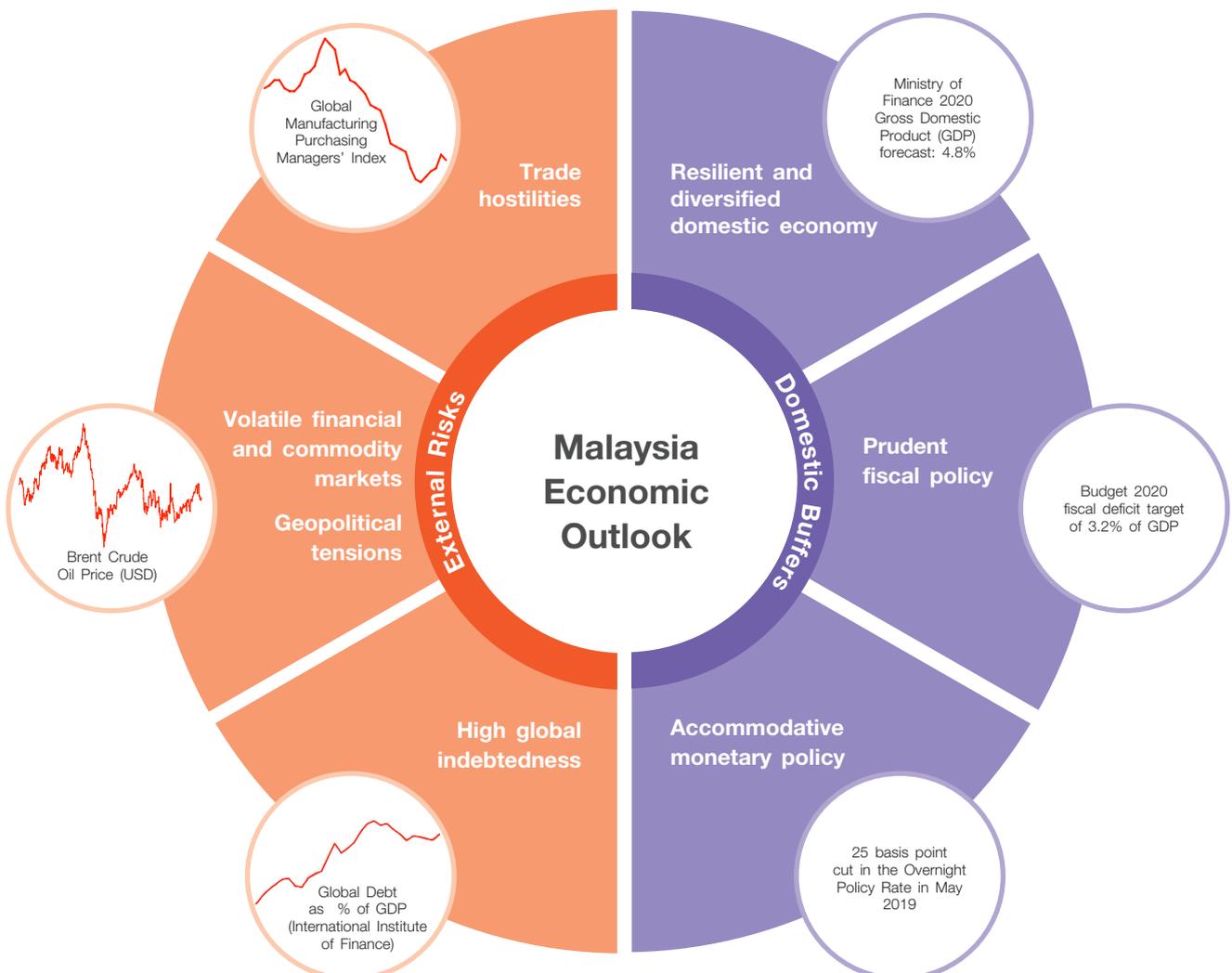
OPERATING CONTEXT

THE RISK OUTLOOK AND MATERIAL MATTERS

Our risk outlook¹ has guided the prioritisation of our work for 2020 onwards. In keeping with our aspiration to adopt full integrated reporting, our planning discussions in 2019 focused not only on short-term risks, but on ‘material matters’.²

Despite a stabilising global backdrop, we are still seeing the risk of trade hostilities, volatile financial markets, and rising geopolitical risks. With the persistence of these uncertainties, risks to economic growth remain elevated. Despite these challenges, Malaysia’s economy remains resilient.

We expect the Malaysian economy to remain resilient and expect to see continued growth.

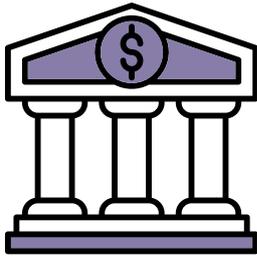


¹ Refer to the Risk Management section on page 30

² Matters that could substantively affect or have the potential to substantively impact PIDM’s achievement of its statutory objects, as well as its resources and relationships, as defined for the purposes of integrated reporting

Member institutions will continue to maintain strong fundamentals with ample buffers to withstand potential adverse shocks.

MEMBER BANKS



Loan Growth



CET1 Capital Ratio



Liquidity Coverage Ratio



Net Impaired Loans Ratio



Loan Loss Reserves Coverage Ratio



Return On Risk-Weighted Assets



Beginning 2018, aggregated data for member banks includes data from a merged entity consisting a member bank and a non-member bank. Excluding the merger effect, loan growth for 2018 stood at 4.8%.

INSURER MEMBERS



**Net Premium Growth
(Life Insurance and Family Takaful)**



**Gross Premium Growth
(General Insurance and General Takaful)**



Capital Adequacy Ratio

Insurance Companies



Takaful Operators



Total Assets Growth

Insurance Companies



Takaful Operators



Source: PIDM and Bank Negara Malaysia
The 2019 data are as at September 2019, the 2018 data are as at December 2018

INTRODUCTION

INTRODUCTION

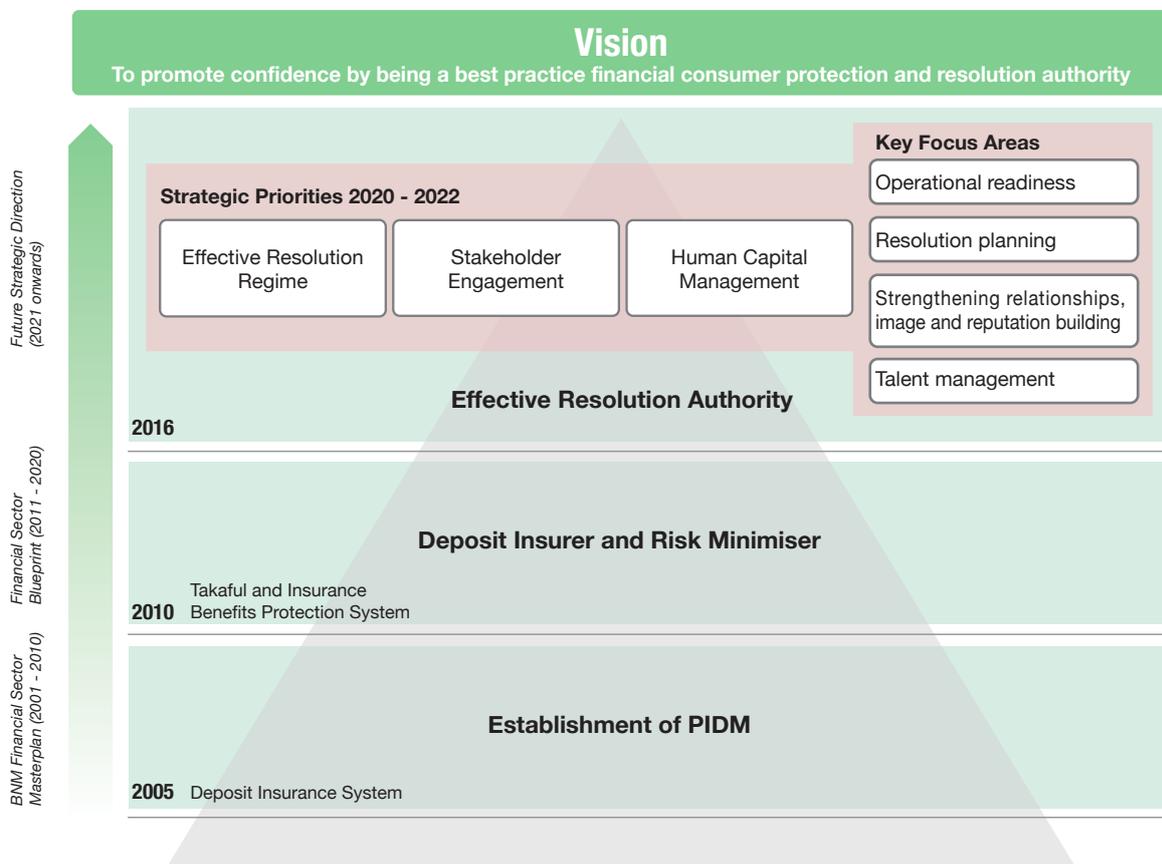
The 2020 - 2022 Corporate Plan is a summary of PIDM's plans for the three-year planning period.

Our statutory objectives are spelt out in the Malaysia Deposit Insurance Corporation Act (PIDM Act). Providing incentives for sound risk management; providing protection through the protection systems and intervention and failure resolution (IFR) mechanism in the event of a member institution failure – these are all in line with the ultimate public policy objective to promote the stability of the financial system. Since inception, we have worked on fulfilling these objectives. Our previous corporate plans have described those aspects of our work, including, for example, the differential premiums and levies systems, operational readiness for any IFR, and public awareness of PIDM and its systems.

The 2008 global financial crisis has focused attention on addressing how authorities can better deal with systemic dislocations in financial systems. Guided by the Financial Stability Board's "Key Attributes of Effective Resolution Regimes for Financial Institutions", many jurisdictions have begun examining resolvability of individual financial institutions, their interlinkages with the rest of the financial system, and other possible sources of contagion. Measures are aimed at achieving financial systems that are better able to weather a systemic crisis.

In 2017, PIDM and Bank Negara Malaysia (BNM) jointly commenced the recovery and resolution planning initiative for the industry. The resolution planning initiative forms part of our long-term strategic priority for an effective resolution regime.

This Corporate Plan outlines our continuing initiatives and plans in relation to our statutory functions as well as the resolution planning initiative.



Key focus areas for PIDM over the planning period

PLANS FOR 2020 - 2022

PLANS FOR 2020 - 2022

KEY PLANNING ASSUMPTIONS

Our key planning assumptions for the planning period are as follows:

- (a) the domestic economic environment and the financial system will remain resilient;
- (b) PIDM's mandate will remain current and relevant;
- (c) there will be no intervention and failure resolution of any member institution; and
- (d) PIDM will continue to operate on its current human capital model, which aims to keep a reasonably lean workforce that would be supported by key suppliers and strategic partners when necessary.

STRATEGIC PRIORITIES AND KEY FOCUS AREAS

Strategic Priority: Effective Resolution Regime	Operational readiness Enhance operational readiness to take prompt IFR actions in the event of a member institution's failure
Key action plans <ul style="list-style-type: none"> Strengthening inter-agency collaboration on crisis management Continuing to develop internal capacity for IFR readiness Leveraging on electronic payment platforms for deposit reimbursements 	

Enhancing operational readiness

Much of our work to date has involved ensuring contingency planning, risk assessment and maintaining readiness to undertake an IFR, including through developing and testing our IFR crisis management plans. Since completing our IFR framework and policies in 2014, we have been carrying out regular simulation exercises. The IFR simulations have tested various technical aspects of our IFR and related crisis management plans, in different scenarios, and from end-to-end. In total, since 2010 we have conducted 11 internal simulation exercises.

Strengthening inter-agency collaboration

In 2019, we commenced discussions with the other financial safety net players to plan for an inter-agency simulation in relation to an IFR during the planning period. The objective of the simulation will be to test the effectiveness of our inter-agency crisis management arrangements – for example, information sharing, coordination and communications with stakeholders. Depending on the scenario, there may also be a need to consider other interested stakeholders and market players, including how they could potentially affect the decisions the safety net players may make in that scenario.

During the planning period, we will:

- discuss the crisis management protocols and crisis communications arrangements with the Ministry of Finance (MOF) and BNM; and
- conduct simulations, focusing on areas such as crisis preparedness, crisis communications and funding.

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Internal capacity-building

Our simulations have enabled us to address identified gaps as well as to provide training for employees for differing situations. During the planning period, we will continue our simulation exercises. In particular, we will focus on specific resolution tools and scenarios, such as the 'purchase and assumption', 'bridge institution' and liquidation for different types of financial institutions, such as an Islamic bank, takaful operators and a financial group, based on different scenarios.

Leveraging on electronic payment platforms for deposit reimbursements

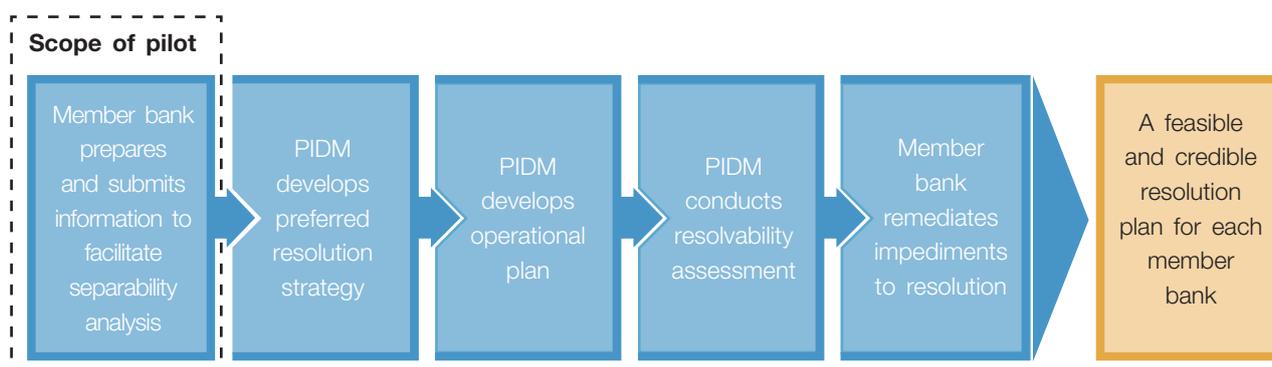
We will leverage on technology to improve how we will carry out reimbursements. The plan is in progress to allow for insured deposit payments by PIDM to be made electronically without depositor intervention, i.e. by not having depositors verify their identities or provide details of their alternative bank accounts. In 2020, we will work on the infrastructure and technology solutions to give effect to this objective.

Strategic Priority: Effective Resolution Regime	Resolution planning Resolution planning for member institutions
Key action plans <ul style="list-style-type: none"> Completing the resolution planning pilot exercises Finalising the resolution planning guidelines and rolling out resolution planning to the industry in phases Educating stakeholders in respect of resolution planning Engaging foreign resolution authorities through platforms such as the Crisis Management Groups (CMGs) 	

Resolution planning readiness

Completing the resolution planning pilot exercises

The following five key steps describe the entire process for each member institution.

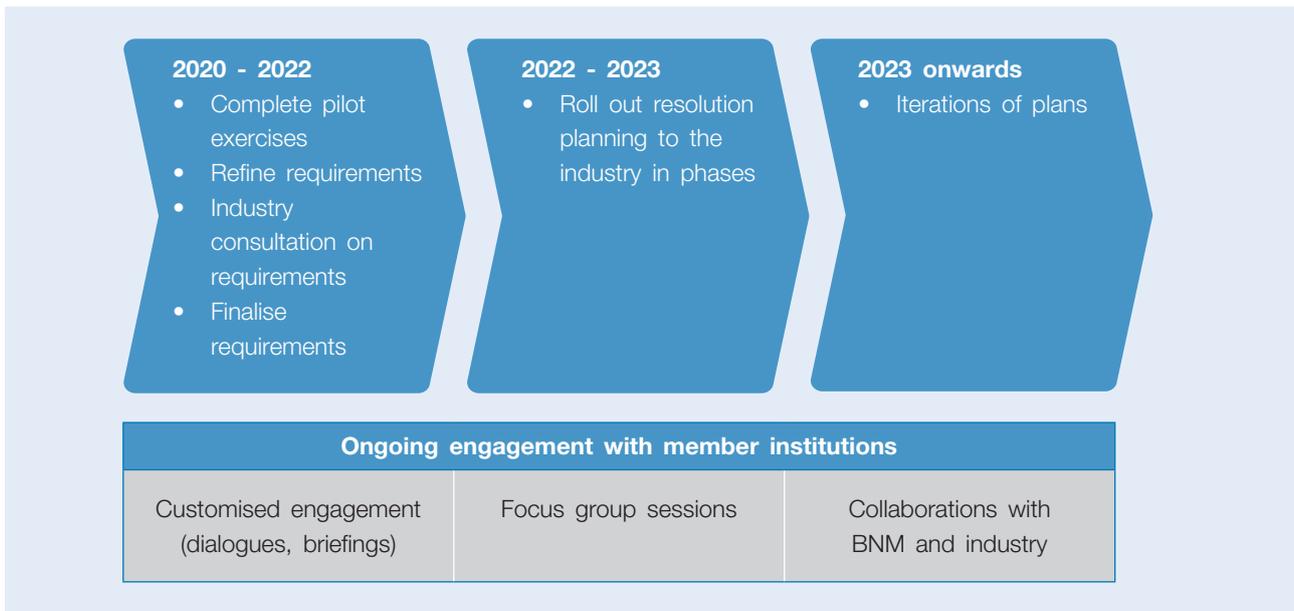


Resolution planning approach

The plan is to, over time, develop customised resolution plans for each of our member institutions. In July 2019, we initiated the resolution planning pilot exercises with selected pilot banks. We anticipate that we will be executing the entire process with each member institution in phases, and completing the programme with all member institutions in approximately three to five years.

Educating stakeholders on resolution planning

Our plan is to complete the pilot exercises and finalise the resolution planning guidelines and requirements by the end of 2021. Simultaneously, there will be education sessions to familiarise member institutions with how resolution planning works.



Strategic Priority: Stakeholder Engagement	Strengthening relationships, image and reputation building Promote trust and confidence through image and reputation building and strengthening relationships with key stakeholders
Key action plans	
<ul style="list-style-type: none"> • Maintaining public awareness levels of PIDM, leveraging on social media • Engaging the public through a savings and protection campaign • Strengthening relationships with key stakeholders 	

Public

PIDM's statutory objective includes contributing to or promoting confidence in the financial system. In uncertain times or situations where there may be concerns about the viability of a member institution, the public must have trust and confidence in the credibility of the authority administering the systems and providing this protection. As such, public awareness and trust in that institution is highly critical. The Northern Rock collapse through a bank run in the United Kingdom in 2007, for example, has generally been attributed to the lack of awareness in the deposit insurer and a lack of trust despite reassurances.³ This is corroborated by research conducted by the Canada Deposit Insurance Corporation (CDIC) in 2016, which concluded that the lack of public awareness in CDIC increases the probability of a bank run by 40%.⁴

³ <https://www.irishtimes.com/news/when-the-cash-and-the-trust-ran-out-1.964812;>
<https://www.reuters.com/article/us-banks-runs/northern-rock-woes-reminder-of-bank-runs-threat-idUSL186787120070918>
⁴ <https://www.cdic.ca/your-coverage/public-awareness-of-cdic/awareness-research/>

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Advertising and media for awareness

Over the years, PIDM has worked on public awareness through a combination of advertising and public relations. Going forward, we plan to reduce the amount of weightage placed on traditional media. However, we aim to maintain a target level of awareness (65%), leveraging also on social media and relationship-building activities, as described below.

In 2019, we began establishing our presence in social media. We also carried out a social media audit to evaluate and consider how to improve our social media strategies. We will use the findings from the audit, as well as carry out social media listening, to determine our social media positioning through advertising and engagements for 2020.

Relationship-building and reputation management

A greater emphasis over the long run is to continue to build and strengthen PIDM's reputation, while at the same time shifting away from traditional advertising. At this stage of our development, we plan to focus on a more consistently-driven and longer term public relations strategy.

The key objective of our public relations strategy – other than just creating awareness – is to consistently build on PIDM's reputation so that we can gain social capital that can be drawn upon when the need arises, as well as for the growth of our brand over time.

In 2020, we plan to carry out one key campaign, aimed at spurring conversation among the public around how they could build financial resilience against adversity or unexpected events (e.g., through savings and keeping emergency funds) as well as through insurance. We plan to build up to, and launch an event that could, if successful, be repeated in future years as our 'signature' event.

Based on previous research, prevailing trends, as well as the anticipated demographics in the future, our key target audience among the general public for the planning period are primarily the following:

- Millennials
- Retirees

Other reputation-building initiatives

Internally, these efforts will be supported by several activities. These include completing our training to our employees on our key communications messages and a simulation on crisis communications. We will also explore other avenues to open and reinforce the conversations about financial literacy – specifically in relation to savings and insurance – and partner with others who are interested in this space. In addition, we will also continue to promote our governance practices as a public sector body on our website and in other relevant publications or fora.

Stakeholders other than the public

A feature of our sustainability is the value we derive through our external exchanges with our stakeholders. We will continue to maintain engagements with our local and international stakeholders on an ongoing basis – in particular in areas such as resolution planning and financial education.

In relation to resolution planning, we are cognisant that a robust stakeholder engagement programme is essential. One of our main efforts is to work together with various stakeholders during good times on the importance of planning and preparing for financial sector resolution and crisis management. To address this, we must strengthen relationships and build trust with key stakeholders.

We plan to further enhance coordination and cooperation with MOF and BNM through continuous engagements, including those described earlier. We will also maintain regular engagements with the industry through dialogues and workshops. Our hosting of conferences for the International Association of Deposit Insurers (IADI) and the International Forum of Insurance Guarantee Schemes (IFIGS) in 2020 will also provide our member institutions with exposure to policies and practical issues in matters relating to recovery and resolution.

Strategic Priority: Human Capital Management	Talent management Alignment of PIDM's human capital and strategies to support PIDM over the short, medium and long-term
Key action plans <ul style="list-style-type: none"> • Developing programmes for talent management purposes based on the current and future needs of PIDM • Continuing to develop leadership and technical capabilities to build bench strength • Embedding a learning culture for long-term sustainability 	

Talent management for critical technical and leadership positions

Our key focus for the planning period is to ensure that we have a workforce and leadership that can meet PIDM's statutory objects and the effective resolution regime aspiration, both in the immediate term and in the years ahead. For the long term, our human capital strategy must encapsulate a succession management system that will build a steady and reliable pipeline of leadership and technical talent.

Building the leadership succession pipeline

In 2020, we plan to design and implement PIDM's "High Potential Talent Programme" to help fulfil future leadership needs. This initiative will be focused on the following objectives:

- to develop employees through training and coaching, and by providing more opportunities for diverse work experience; and
- to develop the identified talent within PIDM and encourage them to take on leadership roles.

In 2020, we will complete and implement the comprehensive leadership development curriculum that will consist of core courses, training and other enrichment activities.

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Continuing coaching and secondments

We will continue our current efforts to enhance supervisors' coaching skills, both for employee engagement and growth, as well as to support PIDM's goal of developing its longer-term leadership pool and technical expertise. We will also look to provide opportunities, including secondments, for our talents.

Building a future technical and leadership pool

To proactively address potential succession management challenges – both at technical and leadership levels in the planning period, PIDM will:

- continue its efforts to develop more advanced skills through training programmes and other experiences for specialists, in particular for resolution planning; and
- study the feasibility of designing a "Resolution Trainee Programme" that would attract young candidates for future purposes.

To date, in order to develop our resolution planning curriculum, we have been leveraging on the diverse internal deposit insurance knowledge and the broad experiences of employees hired from financial institutions. In the past few years, PIDM's curriculum has supported several initiatives to gain understanding about large bank and insurance company resolutions through tabletop reviews and simulations. Going forward, our work on the development of the formal curriculum for resolution planning will continue. The PIDM curriculum will incorporate crisis preparedness through strategic simulations.

A culture of learning, and engagement

The future challenges of an increasingly complex financial system require that PIDM be able to reshape the collective competencies profile of its workforce so that we can perform our statutory roles to the best of our abilities. This calls for leadership that not only has technical depth but also strategic outlook, and employees who are able to continuously adapt to changing circumstances as needed.

Continue to work on a learning culture

PIDM's learning organisation framework contemplates incorporating learning into PIDM's processes as well as leadership support for learning. During the planning period, we will continue to implement initiatives that promote the creation, acquisition and transfer of knowledge.

For knowledge transfer, following the roll-out of the PIDM core and leadership modules in 2019, in 2020 we will:

- continue work on PIDM-specific courses, including the advanced technical modules; and
- commence the implementation of PIDM's tacit knowledge management plan.

We will also continue employee engagement sessions (such as the Chief Executive Officer's townhall sessions and PIDM Talks), which play an important role in maintaining a culture of learning through enhancing communications. The engagement sessions also provide additional opportunities for employee input and promote employee trust. As always, in the planning period, PIDM will continue to work on maintaining employee engagement, with a focus on the roles of leaders and supervisors to support this objective.

CORPORATE SCORECARD 2020 - 2022

Corporate Objectives	No.	Corporate Initiatives	Targets		
			2020	2021	2022
Effective Resolution Regime					
Robust risk assessment, monitoring, intervention and resolution capabilities	Funding arrangements				
	1.	Funding arrangements	<ul style="list-style-type: none"> Finalise proposal for the revised target fund framework Review current alternative funding options 	<ul style="list-style-type: none"> Test operationalisation of existing funding option 	<ul style="list-style-type: none"> Review the funding and liquidity adequacy framework
	Operational readiness				
	2.	a. Inter-agency coordination	<ul style="list-style-type: none"> Establish crisis management framework with BNM and MOF and agree on the communications governance protocols 	<ul style="list-style-type: none"> Conduct crisis communications simulation exercise with BNM and MOF 	<ul style="list-style-type: none"> Conduct scenario-based simulation exercise with BNM and MOF
		b. Simulation exercise	<ul style="list-style-type: none"> Conduct simulation exercise on the intervention and resolution lifecycle of an Islamic bank Conduct tabletop review on the resolution of takaful operators Conduct training and simulation on crisis management 	–	<ul style="list-style-type: none"> Conduct simulation exercise on the resolution for a financial group
		c. Reimbursement readiness	<ul style="list-style-type: none"> Integrate the infrastructure for an electronic payment platform 	<ul style="list-style-type: none"> Complete the integration of infrastructure for an electronic payment platform 	–
		d. Other resolution readiness	<ul style="list-style-type: none"> Develop early warning indicators for the economy and financial markets 	<ul style="list-style-type: none"> Complete the early warning indicators for the economy and financial markets Develop early warning indicators for the banking sector, and insurance and takaful sector 	<ul style="list-style-type: none"> Complete the early warning indicators for the banking sector, and insurance and takaful sector
	Resolution planning				
	3.	a. Resolution planning for member institutions	<ul style="list-style-type: none"> Conduct pilot exercises on resolution planning guidelines and reporting templates with selected banks Prepare and enhance knowledge of member institutions about resolution planning through industry workshops 	<ul style="list-style-type: none"> Conduct industry consultation to obtain feedback and finalise the resolution planning guidelines and reporting templates Continuous engagement to improve member institutions' understanding of resolution planning 	<ul style="list-style-type: none"> Roll out to the industry in phases Continuous engagement to improve member institutions' understanding of resolution planning
		b. Cross-border resolution arrangements	<ul style="list-style-type: none"> Establish resolution focus group for a Malaysian banking group and maintain relationships with foreign authorities through bilateral engagements and regional fora 	<ul style="list-style-type: none"> Establish resolution focus group for a Malaysian banking group and maintain relationships with foreign authorities through bilateral engagements and regional fora 	–
Corporate Governance					
Well-governed and well-managed organisation	4.	a. Best practices in governance adopted and maintained	<ul style="list-style-type: none"> Ensure compliance 	<ul style="list-style-type: none"> Ensure compliance 	<ul style="list-style-type: none"> Ensure compliance
		b. Laws and significant corporate policies and practices kept current and relevant, and complied with	<ul style="list-style-type: none"> Ensure compliance and that policies and procedures are updated 	<ul style="list-style-type: none"> Ensure compliance and that policies and procedures are updated 	<ul style="list-style-type: none"> Ensure compliance and that policies and procedures are updated
		c. Quality of management support to the Board	<ul style="list-style-type: none"> High satisfaction 	<ul style="list-style-type: none"> High satisfaction 	<ul style="list-style-type: none"> High satisfaction
	5.	Internal controls and risk management compliance	<ul style="list-style-type: none"> Strong 	<ul style="list-style-type: none"> Strong 	<ul style="list-style-type: none"> Strong
Sound business and financial practices	6.	Reporting through:			
		a. Annual Report	<ul style="list-style-type: none"> Complete 	<ul style="list-style-type: none"> Complete 	<ul style="list-style-type: none"> Complete
		b. Corporate Plan	<ul style="list-style-type: none"> Complete 	<ul style="list-style-type: none"> Complete 	<ul style="list-style-type: none"> Complete

Corporate Objectives	No.	Corporate Initiatives	Targets		
			2020	2021	2022
Stakeholder Engagement					
Educated and informed stakeholders	7.	Public awareness index of PIDM	<ul style="list-style-type: none"> Maintain awareness index at a minimum of 65% 	<ul style="list-style-type: none"> Maintain awareness index at a minimum of 65% 	<ul style="list-style-type: none"> Maintain awareness index at a minimum of 65%
	8.	Image and reputation building	<ul style="list-style-type: none"> Execute public relations campaign to educate the public on financial resilience (savings and insurance) 	<ul style="list-style-type: none"> Enhance and continue to implement public relations campaign to educate the public on financial resilience (savings and insurance) 	<ul style="list-style-type: none"> Enhance and continue to implement public relations campaign to educate the public on financial resilience (savings and insurance)
Effective engagement	9.	PIDM's relationship with key stakeholders:			
	a.	Financial safety net players, ministries and other Government regulatory agencies	<ul style="list-style-type: none"> Strengthen relationships with MOF, BNM and other agencies through coordination and cooperation including inter-agency coordination and resolution planning 	<ul style="list-style-type: none"> Conduct stakeholder perception audit with MOF, BNM and other agencies 	<ul style="list-style-type: none"> Enhance relationships with MOF, BNM and other agencies through improved coordination and cooperation Review engagement strategy based on feedback arising from the stakeholder perception audit
	b.	Member institutions and their industry associations	<ul style="list-style-type: none"> Carry out continuous engagements through conferences, dialogues and consultations in particular on resolution planning 	<ul style="list-style-type: none"> Conduct stakeholder perception audit with member institutions, industry associations and training bodies 	<ul style="list-style-type: none"> Maintain regular engagements with member institutions and closer collaboration with industry associations Review engagement strategy based on feedback arising from the stakeholder perception audit
	c.	Media	<ul style="list-style-type: none"> Continue media outreach 	<ul style="list-style-type: none"> Conduct stakeholder perception audit with media 	<ul style="list-style-type: none"> Maintain continuous engagements with media Review engagement strategy based on feedback arising from the stakeholder perception audit
	d.	International	<ul style="list-style-type: none"> Maintain relationships with international stakeholders through the International Association of Deposit Insurers (IADI), International Forum of Insurance Guarantee Schemes (IFIGS) and bilateral engagements including hosting of conferences 	<ul style="list-style-type: none"> Conduct stakeholder perception audit with international stakeholders 	<ul style="list-style-type: none"> Maintain relationships with international stakeholders through IADI, IFIGS and bilateral engagements Review engagement strategy based on feedback arising from the stakeholder perception audit
Human Capital Management					
Competent and knowledgeable workforce	10.	Strategic human capital plan:			
	a.	Talent management	<ul style="list-style-type: none"> Design and implement PIDM's "High Potential Talent Programme" Develop "Resolution Trainee Programme" Develop a secondment programme 	<ul style="list-style-type: none"> Implement PIDM's "High Potential Talent Programme" Implement "Resolution Trainee Programme" Implement the secondment programme 	<ul style="list-style-type: none"> Review and enhance PIDM's "High Potential Talent Programme" and assess talent pool capability Monitor and review the "Resolution Trainee Programme" Review and enhance the secondment programme
	b.	Leadership development	<ul style="list-style-type: none"> Continue to implement the leadership programme with focus on engagement and communications 	<ul style="list-style-type: none"> Review effectiveness of the leadership programme and implement enhancements 	<ul style="list-style-type: none"> Conduct assessment on the leadership progress and capabilities
	c.	Learning organisation	<ul style="list-style-type: none"> Continue to implement initiatives in line with the knowledge management framework 	<ul style="list-style-type: none"> Continue to implement the initiatives in line with the knowledge management framework Conduct learning organisation maturity survey 	<ul style="list-style-type: none"> Review the knowledge management framework
Conducive corporate environment	11.	Employee engagement	<ul style="list-style-type: none"> Implement employee engagement activities 	<ul style="list-style-type: none"> Implement employee engagement activities Conduct Employee Voice Survey to gauge employee engagement index (Target 80%) 	<ul style="list-style-type: none"> Implement employee engagement activities

HIGHLIGHTS OF 2020 FINANCIAL PLAN

PIDM's budget is developed predominantly to support its effort and work towards the achievement of its long-term strategic priorities, namely, "Effective Resolution Regime", "Stakeholder Engagement" and "Human Capital Management". PIDM's income, as well as its operating and capital expenditure budget for 2020 are set out below.

Operating Budget

	2020 Budget		2019 Forecast*		2019 Budget	
	RM'000	(%)	RM'000	(%)	RM'000	(%)
Income						
Premiums and levies	471,700	73	458,400	76	496,000	77
Investment income and returns	170,500	27	148,400	24	144,800	23
Other income	–	–	50	–**	–	–
Total Income	642,200	100	606,850	100	640,800	100
Operating Expenditure						
Human capital management expenses	68,500	65	67,600	66	67,800	63
Operations and administrative expenses	18,000	17	16,000	16	17,160	16
Initiatives related expenses	11,800	11	9,300	9	12,740	12
Total Operating Expenditure before Non-Cash Expenses	98,300	93	92,900	91	97,700	91
Non-cash expenses	7,200	7	9,000	9	9,300	9
Total Operating Expenditure	105,500	100	101,900	100	107,000	100
Net Surplus	536,700		504,950		533,800	

Capital Budget

	2020 Budget		2019 Forecast*		2019 Budget	
	RM'000	(%)	RM'000	(%)	RM'000	(%)
Capital Expenditure						
Furniture, fittings and office refurbishment	500	9	100	4	300	8
Computer systems and office equipment	5,000	91	2,700	96	3,700	92
Total	5,500	100	2,800	100	4,000	100

* 2019 Forecast = Actual (January to November 2019) + Forecast (December 2019)

** The amount is significantly below the rounding threshold

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Commentary on Income, Operating and Capital Budget

In 2018, we have achieved financial self-sufficiency. This means that our investment income generated from the Protection Funds is sufficient to cover our operating expenses, and this will continue over the planning period. Our investment income is expected to continue to grow steadily in line with the increase in the base of funds available for investment.

Our key expenses necessarily relate to human capital. As we continue to practise prudent financial management, we will continue to review the approaches we adopt and look at ways to optimise the use of our resources including human resources. Despite the expected increase in human capital expenses for the building of PIDM's capacity for readiness and resolution initiatives, the average benefits-related costs per employee remains stable.

PIDM's ongoing operations and administrative expenses continue to remain stable, as key operational infrastructure has been developed with no significant changes in operations.

Our expenses also support the implementation of corporate initiatives in line with our strategic priorities and objectives. These include specific initiatives to ensure operational readiness, such as simulations, resolution planning and building PIDM's reputation and image. A key change for 2020 is PIDM's approach to awareness-related initiatives. This will reduce our overall advertising expenses as we move towards leveraging on social media and the digital space.

Income

- The premiums and levies for 2020 are based on the Differential Premium Systems rate structure for member banks and Differential Levy Systems rate structure for insurer members.
- For the banking sector, we are projecting premiums of RM373.8 million for 2020. This is RM12 million or 3% higher than the actual premiums received in 2019. The projected premiums for 2020 is based on a stable growth in Total Insured Deposits.
- As for the insurance sector, we project levies of RM97.9 million for 2020. This is RM1.2 million or 1% higher than the actual levies received in 2019, consistent with the trend of stable growth in actuarial valuation liability and net premiums or contributions.
- The investment income and returns is primarily derived from high quality and liquid investment securities complemented by money market placements. The investment income and returns for 2020 is expected to grow steadily year-on-year to RM170.5 million, consistent with the increase in the base of funds available for investment and the projection of the weighted average effective yield rate of investment instruments. The weighted average effective yield rate for 2020 is expected to be lower than 2019.

Operating expenditure

PIDM continues to work on using funds efficiently and effectively to meet its responsibilities. As such, we have continued to follow a robust planning and budget formulation process to ensure that the budgeted resources are aligned with our strategic priorities.

- Human capital management expenses – In line with the “Human Capital Management” strategic priority, the planned expenditure mainly comprises costs for employee compensation and benefits, learning and development, and employee welfare and engagement activities. The increase in 2020 is reflective of our plan to continue to enhance the capacity and capabilities of our employees, with a focus on resolution planning as we gear up for the roll-out of the guidelines to the industry.
- Operations and administrative expenses – These are operational expenses to support PIDM’s ongoing day-to-day operations. We expect these expenses to remain stable over the planning period, as we continue to optimise available resources while working to enhance operational effectiveness and efficiency.

20 PLANS FOR 2020 - 2022

- Initiatives related expenses – The following are specific expenses related to the strategic priorities, namely, “Effective Resolution Regime” and “Stakeholder Engagement”.
 - Effective Resolution Regime: RM1.5 million has been allocated to support this strategic priority, primarily for resolution planning and IFR operational readiness. This covers the ongoing pilot exercises on resolution planning of selected member institutions, familiarising member institutions in preparation for the roll-out, IFR simulation exercises as well as inter-agency coordination initiatives.
 - Stakeholder Engagement: For this strategic priority, RM5.8 million has been allocated for implementing awareness-related initiatives and on building trust and confidence. Our advertising allocation will see a reduction in mainstream media expenses as we move towards leveraging on social media and the digital space. Another initiative is the roll-out of a savings and protection campaign. RM2.7 million has been allocated for engagements with other key stakeholders, including domestic and international partners, other financial safety net players as well as the industry. The balance of RM1.8 million has been allocated primarily to continue our support for the talent pool in the financial services sector through our scholarship programme, and our corporate social responsibility-related activities.
- FIDE FORUM⁵ – We will continue to support the operations of FIDE FORUM, which promote good corporate governance in the industry and sound risk management, through the secondment of employees and office administration expenses. For 2020, the expenses allocated for FIDE FORUM amounted to RM2.3 million.

Capital expenditure

- Of the RM5.0 million of the capital expenditure for computer systems and office equipment, RM3.4 million has been allocated primarily for the development and enhancement of the key systems that support PIDM’s strategic priorities. Our investment in operational readiness-related systems, particularly for depositors’ reimbursement and risk assessment, form the largest component of the budget amounting to a total of RM2.2 million.
- The remaining RM1.6 million of the computer systems and office equipment capital expenditure has been allocated to support PIDM’s ongoing operational enhancements. This includes office equipment of approximately RM0.5 million as well as information technology infrastructure security and operational systems enhancements of RM1.1 million.

⁵ FIDE FORUM is a non-profit association that was set up to promote corporate governance among the board of directors of financial institutions

FINANCIAL PROJECTIONS 2021 - 2022

The financial projections for 2021 and 2022 are mostly based on PIDM's corporate initiatives during the planning period, complemented by conservative projections based on PIDM's past trends of income and expenditure.

Pro Forma Statement of Comprehensive Income

	2020	Y-O-Y	2021	Y-O-Y	2022
	Budget	increase / (decrease)	Projection	increase / (decrease)	Projection
	RM'000	(%)	RM'000	(%)	RM'000
Income					
Premiums and levies	471,700	3	483,500	3	495,700
Investment income and returns	170,500	14	194,300	13	220,000
Total Income	642,200	6	677,800	5	715,700
Operating Expenditure					
Human capital management expenses	68,500	3	70,500	2	72,000
Operations and administrative expenses	18,000	5	18,900	3	19,500
Initiatives related expenses	11,800	(7)	11,000	8	11,900
Total Operating Expenditure before Non-Cash Expenses	98,300	2	100,400	3	103,400
Non-cash expenses	7,200	(8)	6,600	8	7,100
Total Operating Expenditure	105,500	1	107,000	3	110,500
Net Surplus	536,700	6	570,800	6	605,200

22 PLANS FOR 2020 - 2022

Pro Forma Statement of Financial Position

	2020 Budget	2021 Projection	2022 Projection
	RM'000	RM'000	RM'000
Assets			
Cash and cash equivalents	115,000	120,000	125,000
Investments	4,945,840	5,505,640	6,101,840
Other assets	40,000	43,000	45,000
Property and equipment (including rights-of-use assets)	40,000	38,000	35,000
Total Assets	5,140,840	5,706,640	6,306,840
Liabilities			
Payables (including lease liabilities)	20,000	15,000	10,000
Total Liabilities	20,000	15,000	10,000
Funds and Reserves			
Deposit Insurance Funds			
Beginning balance	2,770,930	3,170,605	3,594,145
Surplus for the year	399,675	423,540	443,495
	3,170,605	3,594,145	4,037,640
Takaful and Insurance Benefits Protection Funds			
Beginning balance	1,812,850	1,949,875	2,097,135
Surplus for the year	137,025	147,260	161,705
	1,949,875	2,097,135	2,258,840
Total Funds and Reserves	5,120,480	5,691,280	6,296,480
Total Liabilities, Funds and Reserves	5,140,480	5,706,280	6,306,480

Pro Forma Statement of Cash Flows

	2020 Budget	2021 Projection	2022 Projection
	RM'000	RM'000	RM'000
Cash Flows from Operating Activities			
Premium receipts from member institutions	471,700	483,500	495,700
Receipts of investment income and returns	200,000	220,000	240,000
Payment of lease finance cost	(1,000)	(750)	(500)
Payments in the course of operations to suppliers and employees	(110,900)	(116,200)	(121,500)
Net cash flow from operating activities	559,800	586,550	613,700
Cash Flows from Investing Activities			
Proceeds from sale of investment securities	2,400,000	2,200,000	1,500,000
Purchase of investment securities	(2,896,700)	(2,775,250)	(2,102,700)
Purchase of property and equipment	(4,000)	(2,500)	(2,500)
Net cash flow used in investing activities	(500,700)	(577,750)	(605,200)
Cash Flows from Financing Activities			
Principal repayment of lease liabilities	(4,100)	(3,800)	(3,500)
Net cash flow used in financing activities	(4,100)	(3,800)	(3,500)
Net increase in cash and cash equivalents	55,000	5,000	5,000
Cash and cash equivalents at beginning of year	60,000	115,000	120,000
Cash and cash equivalents at end of year	115,000	120,000	125,000

**PERFORMANCE
AGAINST PREVIOUS
CORPORATE PLAN**

PERFORMANCE AGAINST PREVIOUS CORPORATE PLAN

HIGHLIGHTS OF KEY ACHIEVEMENTS IN 2019

PIDM has achieved significant progress in relation to its Corporate Plan 2019 - 2021.

STRATEGIC PRIORITY: EFFECTIVE RESOLUTION REGIME

Operational Readiness

Simulation exercise

- Completed all of the planned modules in respect of a conventional life insurer member and a conventional general insurer member, focusing on least-cost assessment, development of resolution strategies, evaluation and negotiation of acquisition bids for transfer of business (life insurer) and third-party-run-off arrangements (general insurer).
- Commenced simulation exercise involving the failure of an Islamic bank to draw out issues specific to resolution challenges in the Islamic financial industry.

Inter-agency coordination

- Conducted engagements and capacity building with relevant financial safety net players in relation to the establishment of a crisis communications protocol.

Seamless reimbursement

- Finalised the concept for the seamless reimbursement of insured deposits leveraging on an electronic payment platform.

Industry portal

- Launched the industry portal, a self-service facility for secure online data and information submission for all member institutions.

Resolution Planning

Resolution planning pilot exercises

- Rolled out the pilot exercises to the pilot banks in July 2019.

Target fund methodology

- Completed the review of the target fund methodology.
-

PERFORMANCE AGAINST PREVIOUS CORPORATE PLAN

STRATEGIC PRIORITY: STAKEHOLDER ENGAGEMENT

Public awareness

- Achieved more than 30,000 Facebook followers, more than 100% growth within the PIDM Facebook community through increased public engagements. This includes various contests – “Who Is Your Mightiest Hero” in conjunction with the facelift of our Facebook page and “PIDM Photo Caption Facebook” in conjunction with Hari Malaysia 2019.

Stakeholder engagement

- Enhanced PIDM’s relationships at senior level among PIDM’s stakeholders and strategic partners including other financial safety net players, regulators, member institutions, industry associations, training bodies, foreign authorities and other stakeholders.
- Participated in the CMGs and the Executives Meeting of East Asia-Pacific Central Banks (EMEAP) meetings on recovery and resolution planning.
- Conducted four dialogue sessions with 93 senior management of member banks and insurer members to discuss key developments in PIDM, regulatory requirements and feedback from the industry.
- Collaborated with the Financial Institutions Directors’ Education Programme alumni (or FIDE FORUM) to conduct a PIDM CEO Dialogue with 37 directors from various member institutions with the objectives to, among others, promote understanding of PIDM’s mandate, value creation and relevance, including the topic on resolution planning.
- Delivered four presentations on resolution planning to 84 directors and CEOs of financial institutions as part of The Iclif Leadership and Governance Centre’s FIDE Core Programme.

STRATEGIC PRIORITY: HUMAN CAPITAL MANAGEMENT

Talent review

- Identified the talent pool from the corporate-wide talent review exercise.
- Identified leadership development programmes for existing leaders.

PIDM curriculum

- All employees completed the assessment following the implementation of the core module of PIDM’s curriculum.
- Rolled out the leadership module of PIDM’s curriculum to existing leaders.

Learning organisation

- Drafted a tacit knowledge management plan to help ensure that knowledge that has been acquired can be transferred.
- Developed an expertise locator, a database that helps the identification of experts on relevant subjects.

Employee engagement

- Achieved Sustainable Engagement Index of 81% and continued to encourage active engagement of employees through various platforms.

PERFORMANCE AGAINST PREVIOUS CORPORATE PLAN

SNAPSHOT OF 2019 CORPORATE SCORECARD

In 2019, all planned initiatives were completed within the approved financial plan. The remaining three initiatives, spanning beyond one year, are progressing as scheduled. The forecast results are summarised below.

A Target achieved, initiative completed

F Not yet initiated / future date

P Progressing as scheduled; and / or within budget

N Target not achieved, slippage – time to completion; and / or below target

Corporate Objectives	No.	Corporate Initiatives	Target 2019	Forecast Results Dec 2019
Effective Resolution Regime				
Robust risk assessment, monitoring, intervention and resolution capabilities	Operational Readiness			
	1.	Deposit Insurance System:		
	a.	Inter-agency simulation	Develop and align the processes between agencies, which includes the process for intervention and resolution	P¹
	b.	Simulation exercise – member banks	Commence simulation exercise focusing on intervention and resolution lifecycle of an Islamic bank	A
	c.	Seamless reimbursement	Engage with the relevant stakeholders to develop the concept for the seamless reimbursement of insured deposits	A
	2.	Takaful and Insurance Benefits Protection System:		
	a.	Simulation exercise – insurer members	Conduct simulation exercise focusing on: <ul style="list-style-type: none"> execution of transfer of business for a life insurance company run-off for a general insurance company Tabletop review for takaful operators	P²
	b.	Policy Holders Support Management System	Develop system requirements	A
	c.	Protected benefits regulations and order	Finalise the enhanced regulations and order for gazetting	A
	d.	TIPS information regulations	Finalise regulations for gazetting	A
	Resolution Planning			
	3.	Resolution planning for financial institutions:		
	a.	Pilot exercises	Commence resolution planning pilot exercises and review the draft resolution planning guidelines and reporting templates based on feedback obtained from pilot banks	P³
	b.	Industry roll-out	–	F⁴
	c.	Industry engagement, briefing and dialogue sessions	Conduct effective engagement sessions with the industry	A
	4.	Target fund framework	Continue the review of target fund methodology	A

PERFORMANCE AGAINST PREVIOUS CORPORATE PLAN

Corporate Objectives	No.	Corporate Initiatives	Target 2019	Forecast Results Dec 2019	
Corporate Governance					
Well-governed and well-managed organisation	5.	a. Best practices of governance adopted and maintained	Compliance	A	
		b. Laws and significant corporate policies and practices kept current and relevant, and complied with	Full compliance and updated	A	
		c. Quality of management support to the Board	High satisfaction	A	
		d. Shariah governance arrangements	Formalise the Shariah governance arrangements	A	
	6.	Reporting through:			
		a. Annual Report	Complete	A	
		b. Corporate Plan	Complete	A	
	7.	Internal controls and risk management compliance	Strong	A	
	8.	PIDM industry portal – Self-service facilities for secure online data and information submission	Roll out to member institutions	A	
	Stakeholder Engagement				
Educated and informed stakeholders	9.	Public awareness index of PIDM	65%	62% N⁵	
	10.	Social media communications plan (Facebook)	Achieve 30% growth within the PIDM Facebook community	A	
	11.	Thought leadership in relevant topics including intervention and failure resolution	Develop content for publication Publish quarterly feature articles	A	
Effective engagement	12.	PIDM's relationship with key stakeholders:			
		a. Financial safety net players	Maintain strong working relationship	A	
		b. Member institutions and their industry associations	Maintain satisfactory working relationship	A	
		c. Ministries and other Government regulatory agencies	Maintain strong working relationship	A	
		d. Media	Maintain strong working relationship	A	

PERFORMANCE AGAINST PREVIOUS CORPORATE PLAN

Corporate Objectives	No.	Corporate Initiatives	Target 2019	Forecast Results Dec 2019
Human Capital Management				
Competent and knowledgeable workforce	13.	Strategic human capital plan:		
		a. Talent review	Complete talent review exercise and identify talent pool and bench strength development	A
		b. Structured leadership development programme	Develop leadership programme for the identified talent pool Implement leadership programme for existing leaders based on PIDM's leadership competencies	A
		c. Technical development programme for resolution planning, intervention and failure resolution	Continue to develop technical modules based on the required capabilities Develop specific programmes for bench strength	A
		d. PIDM curriculum – core module, leadership module, advanced module (technical topics)	Roll out core module and test employees Develop and roll out leadership module	A
		e. Learning organisation	Achieve Median level* for the “Learning Environment and Learning Processes Building Blocks” ⁶ Achieve Third Quartile level* for the “Leadership that Reinforces Learning Building Block” ⁶	N ⁶
Conducive corporate environment	14.	Sustainable Engagement Index (survey is conducted once every two years)	Achieve a sustainable engagement index of 80%	A

¹ We will continue to work closely with BNM and MOF to establish crisis communications protocols for each agency and subsequently the communications governance process between agencies in 2020.

² The simulation exercise for takaful operators will commence in 2020.

³ We will continue to engage with the pilot banks to obtain feedback in 2020 and make necessary refinements to the resolution planning-related requirements in preparation for the industry consultation in 2021.

⁴ The industry roll-out by phases will commence in 2021.

⁵ The 2019 survey results was at 62% compared with 63% in 2018. The advertising expenditure was lower in 2019 at RM4.4 million, compared with RM7.2 million in 2018.

⁶ We will continue to close the gap on the key learning areas, particularly in the area of providing a supportive learning environment.

* The range for Harvard's Learning Organization Survey (LOS), Garvin, Edmondson & Gino, 2008 benchmarking scores are as follows: Lowest Quartile => Second Quartile => Median => Third Quartile => Top Quartile

** Building blocks of a learning organisation:

- Learning environment – an environment that supports psychological safety, appreciation of differences, openness to ideas, and time for reflection
- Learning processes – involve the generation, collection, interpretation, and dissemination of information
- Leadership that reinforces learning – behaviour of leaders that encourages learning through, among others, active questioning and listening

RISK MANAGEMENT

RISK MANAGEMENT

For planning purposes, PIDM's priorities and corporate initiatives are aligned with its key risks. PIDM has assessed the key risks to the achievement of its objectives and mandate as follows:

Risk Category	Residual Risk Rating	Risk Trend
Financial Risk in relation to adverse movements in the value of PIDM's financial assets and liabilities, both on and off balance sheet, and in relation to PIDM's ability to fulfil its financial obligations.	●	↔
Insurance Risk in relation to the assessment, monitoring, intervention and failure resolution of member institutions, and other related risks inherent in providing DIS and TIPS.	●	↔
Operational Risk in relation to PIDM's day-to-day operations including inadequate or failed internal processes and systems that could affect its ability to carry out its mandate.	●	↔
Reputation Risk in relation to PIDM's reputation including stakeholders' trust and confidence in PIDM and its ability to carry out its mandate.	●	↔
Strategic Risk in relation to PIDM's strategy and governance in achieving its mandate, vision, mission, objectives or initiatives.	●	↔
People Risk in relation to its people and how PIDM manages or treats its people.	●	↔

Residual Risk Rating Definition	Risk Trend Descriptors
● Acceptable Overall, the residual risk is acceptable and appropriate risk management practices are in place.	↑ Increasing
● Manageable Overall, the residual risk warrants risk action plans as mitigation, and appropriate and timely action is being taken to manage the risk.	↔ Stable
● Cautionary Overall, the residual risk warrants close monitoring, and / or that previously identified initiatives to enhance the management of the risk are not fully implemented, albeit appropriate and timely action is being taken to do so.	↓ Decreasing
● Serious Concern Overall, the residual risk is unacceptable, including that significant gaps may exist in risk management practices and controls.	

In summary:

- the risk rating for operational risk has changed from "acceptable" in 2018 to "manageable", mainly due to the recognition of increasing risk factors relating to cyber security threats and potential vulnerabilities arising from the external environment. Those assessed as "manageable" warrant risk action plans, which have been incorporated as part of PIDM's key initiatives.
- the risk trends for insurance, reputation, strategic and people risks have changed from "increasing" in 2018 to "stable", with no environmental factors noted that would impact these key risks in the coming year.

CONCLUSION

NEXT STEPS

This Corporate Plan summarises the corporate initiatives to be undertaken during the planning period for public dissemination. These initiatives will be cascaded throughout PIDM for the development of individual key performance indicators. PIDM's pay and rewards programme is linked to the achievement of the annual targets set out in this Plan.

MONITORING PROGRESS AGAINST THE APPROVED PLAN

The progress of the 2020 - 2022 initiatives will be monitored and reported to both the Audit Committee and the Board of Directors. The progress report will also highlight the key financial results and variances. As part of the monitoring process on the progress against targets, financial forecasts are also prepared.

PIDM will continuously monitor its environment to ensure that the Corporate Plan remains relevant. Where appropriate, revisions may be made to the Corporate Plan when there are significant adverse developments that result in changes to the assumptions or priorities.

CORPORATE PLAN DERAILMENT

An intervention or failure resolution of a troubled member institution or the loss of key employees could necessitate a reprioritisation of PIDM's planned initiatives and a refocusing of PIDM's available resources for the task at hand. To manage the potential risks of derailment, PIDM has developed the following action plans:

- reprioritise PIDM's initiatives and realign available resources while maintaining operations in all critical functions should an intervention and failure resolution occur during the planning period; and
- continue to monitor the succession plan for key positions to mitigate the impact from the sudden loss of key employees.

Whilst such events are not completely within PIDM's control, PIDM will continue to monitor its operating environment to ensure that the risks that could derail PIDM from achieving the Corporate Plan are managed and their effects mitigated.

GLOSSARY OF TERMS

Conventional Deposit Insurance Fund

All premiums received by PIDM from member banks providing conventional banking services and interest earned minus the cost of operating the conventional Deposit Insurance System.

Deposit Insurance System

A system established by PIDM to protect depositors against the loss of their insured deposits placed with member banks and to resolve member banks, in the unlikely event of a member bank failure.

Differential Levy Systems

A system where insurer members are charged levies at differential rates, based on their risk profiles.

Differential Premium Systems

A system where member banks are charged premiums at differential rates, based on their risk profiles.

Family Takaful Protection Fund

All levies received by PIDM from insurer members conducting family takaful business and returns made minus the costs of operating the Takaful and Insurance Benefits Protection System.

Financial safety net

Usually comprises the deposit insurance function, prudential regulation and supervision, and the lender of last resort function.

General Insurance Protection Fund

All levies received by PIDM from insurer members conducting general insurance business and interest earned minus the costs of operating the Takaful and Insurance Benefits Protection System.

General Takaful Protection Fund

All levies received by PIDM from insurer members conducting general takaful business and returns made minus the costs of operating the Takaful and Insurance Benefits Protection System.

Insurance benefits

The amounts paid under the coverage of a policy for which an insurance company is liable to any person in the usual course of the insurance business of the insurance company.

Insurer members

All insurance companies licensed under the Financial Services Act 2013 to conduct life or general insurance business in Malaysia, as well as takaful operators licensed under the Islamic Financial Services Act 2013 to conduct family or general takaful business in Malaysia. Membership is compulsory under the PIDM Act. A full list of these insurer members is available on PIDM's website.

Intervention and failure resolution

Intervention refers to actions taken on a member institution by PIDM in order to address certain concerns with the member institution. These actions are usually taken prior to any failure resolution option being taken against the member institution. Failure resolution refers to actions in dealing with a failed member institution that has been determined by Bank Negara Malaysia as non-viable.

Islamic Deposit Insurance Fund

All premiums received by PIDM from Islamic member banks or commercial member banks providing Islamic banking services and returns made minus the costs of operating the Islamic Deposit Insurance System.

Life Insurance Protection Fund

All levies received by PIDM from insurer members conducting life insurance business and interest earned minus the costs of operating the Takaful and Insurance Benefits Protection System.

Member banks

All commercial banks licensed under the Financial Services Act 2013, and all Islamic banks licensed under the Islamic Financial Services Act 2013. Membership is compulsory under the PIDM Act. A full list of these member banks is available on PIDM's website.

Member institutions

Members of PIDM comprising member banks and insurer members.

Reimbursement

A process undertaken by PIDM to reimburse insured deposits to eligible depositors, or protected benefits to eligible takaful beneficiaries or insured persons of a non-viable member institution in accordance with sections 56 and 57, and sections 80 and 81 of the PIDM Act.

Policy Holders Support Management System

An internal PIDM system used to maintain the details of owners of takaful certificates and insurance policies in the event of a payout.

Protection Funds

The Conventional Deposit Insurance Fund, Islamic Deposit Insurance Fund, General Insurance Protection Fund, Life Insurance Protection Fund, General Takaful Protection Fund, and Family Takaful Protection Fund.

Resolution focus group

Forum for cross-border cooperation between PIDM (as the home jurisdiction for its member institution) and foreign resolution authorities (of the foreign entities of the member institution group which are material to the member institution's resolution); for purposes of enhancing preparedness for, and facilitating the management and resolution of, a cross-border financial crisis affecting the member institution.

Sustainable Engagement Index

Intensity of employees' connection to their organisation based on commitment towards achieving work goals, being empowered and work experience that promotes well-being.

Takaful and Insurance Benefits Protection System

A system established by PIDM to protect owners of takaful certificates and insurance policies from the loss of their eligible takaful or insurance benefits and to resolve insurer members, in the unlikely event of an insurer member failure.

Takaful benefits

The amounts paid under the coverage of a takaful certificate for which a takaful operator is liable to any person in the usual course of takaful business of the takaful operator.

Target fund

A target fund, in general, is the level of accumulated funds required to adequately cover expected losses arising from intervention and failure resolution activities.

Total Insured Deposits

The sum of deposits insured by PIDM.

PERBADANAN INSURANS DEPOSIT MALAYSIA

Level 12, Axiata Tower, No. 9, Jalan Stesen Sentral 5,
Kuala Lumpur Sentral, 50470 Kuala Lumpur.

Tel: 603 2173 7436 / 2265 6565 Fax: 603 2173 7527 / 2260 7432
Toll Free: 1-800-88-1266 Email: info@pidm.gov.my

www.pidm.gov.my