Our Performance in 2025

The following highlights our key achievements in 2025.

Strategic Pillar 1: Realising PIDM's Readiness for Resolution and Crisis Management
Intensify and deepen PIDM's capabilities to intervene and execute the resolution of member institutions by further enhancing PIDM's resolution readiness, as well as preparing key external stakeholders to be ready for action and effectively support the practical implementation of PIDM's resolution strategies in a situation of crisis. Strategic Pillar 1 is supported by three KRAs.

KRA 1: (PIDM-Ready) Enabling robust and effective intervention and resolution actions by PIDM

Readiness is key in enabling robust and effective actions as we continue with the momentum to enhance our policies, systems and capabilities to prepare for resolution of troubled member institutions.

Crisis preparedness. We successfully conducted an end-to-end simulation exercise encompassing pre-resolution and preparatory stages leading to a bank failure, followed by a bank closure and PIDM's reimbursement activities. This comprehensive exercise achieved the intended outcomes of enhancing the Board's role and decision-making capabilities during intervention and resolution activities, testing our liquidation and reimbursement procedures, and strengthening collaboration with key service providers by clarifying expectations and enhancing their ability to deliver timely and effective crisis support. Beyond technical preparedness, the simulation exercise improved analytical and decision-making capacity across teams, ensuring seamless coordination and communication in handling complex situations.

Shariah resolution. Since 2024, the key focus is to elevate PIDM's agenda on Shariah considerations for resolution. In conjunction with the National Resolution Symposium (NRS) 2025, we hosted our annual Muzakarah with the Shariah fraternity, bringing together Shariah scholars and practitioners to discuss resolution issues in Islamic finance. Refer to page 38 in Part II of the Annual Report for further details.

KRA 2: (Industry-Ready) Strengthening the resolvability of member institutions and enhancing the readiness of service providers

It is envisaged that the industry will work closely with PIDM to ensure that adequate capability, capacity and governance arrangements are put in place to support PIDM during intervention and resolution events.

Resolution planning agenda. We continued to leverage the traction gained in shaping the narrative around resolution through the hosting of the third NRS themed "Precaution Over Reaction: Harvesting Readiness in an Uncertain World". The symposium brought together senior leaders from domestic financial institutions, regulators across the region and international experts on resolution and crisis management. Refer to page 37 in Part II of the Annual Report for further details.

Resolvability assessment. In preparation for the issuance of the Exposure Draft on Resolvability Assessment Framework for Deposit-Taking Members, we have conducted focus group discussions with member bank groups. From the focus group discussions, we have solicited comments and inputs on the framework and the accompanying resolvability expectations. The industry consultation process is expected to commence in 2026 to ensure a robust and effective resolution planning outcome, particularly for the 'transfer' strategies.

KRA 3: (FSN-Ready) Developing effective crisis management arrangements with and among FSN players

At PIDM, crisis preparedness is an ongoing business. In good times, we foster strong and collaborative working relationships with FSN players to ensure coordinated arrangements during crisis.

Interagency coordination. We continued to engage with the relevant agencies to further refine and finalise the content of the interagency binder detailing the coordination arrangements among these agencies during a crisis event. The binder serves as an essential enabler for PIDM's crisis preparedness, facilitating better coordination and planning for a comprehensive interagency crisis simulation.

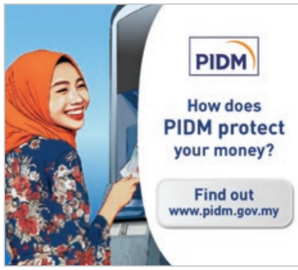
Strategic Pillar 2: Enhancing Confidence in PIDM's Protection Systems and Resolution Mandate
Amplify PIDM's public awareness approach by leveraging the theme of financial literacy and optimising the usage of PIDM's digital communication channels to promote PIDM's roles as both a financial consumer protection and national resolution authority for PIDM's member institutions. Strategic Pillar 2 is supported by two KRAs.

KRA 4: (Public and Media-Ready) Maintaining strong awareness, understanding and advocacy of PIDM among the public and media

Trust and confidence contribute to PIDM's readiness. It is important for the public and media to have adequate knowledge of PIDM's mandate and roles, particularly as a resolution authority.

Public engagement. With financial literacy content as the anchor, we continued to strengthen public understanding and advocacy through relatable and impactful initiatives for general and specific target audiences through both on-ground engagements and social media platforms. As one of the founding members of the Financial Education Network (FEN), we also continued to collaborate closely with other agencies to optimise effort and resources in supporting the national financial literacy agenda, while maximising access and reach to a larger target audience. Under FEN, the second National Strategy for Financial Literacy 2026 – 2030 was launched in October 2025, setting the strategic direction for the next phase of coordinated financial literacy efforts nationwide.

In 2025, we rolled out new communication materials on social media and digital platforms for better public understanding of PIDM's resolution authority role. The campaign targeted urban audiences, conveying PIDM's role as a resolution authority that ensures depositors can have continued access to their money should a bank fail. In addition, we also launched our new corporate website with improved navigation, streamlined information architecture and intuitive content organisation for users to easily find relevant information.



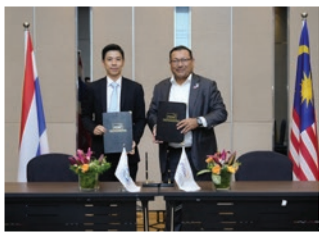
Public awareness and advocacy levels. We carried out an annual nationwide public awareness survey through an independent research agency to measure the effectiveness and success of our public awareness initiatives. For 2025, we achieved a public awareness level of 79% (2024: 75%) and an advocacy level of 67% (2024: 56%), surpassing the targets of 75% and 50% for public awareness and advocacy levels respectively.

KRA 5: Enhancing the effectiveness and relevance of PIDM's protection coverage and role as financial consumer protection authority

Continuous review and benchmarking exercises on the adequacy and relevance of PIDM's protection coverage are important for PIDM to remain effective.

Improving key outcomes. We performed continuous review and benchmarking with other jurisdictions via our strong international relations to leverage new policy insights for improving the effectiveness of PIDM's key outcomes. In 2025, PIDM was appointed by the International Association of Deposit Insurers (IADI)'s Executive Council to chair the IADI Working Group on Resolution to advance resolution-related topics.

We also contributed to the newly established International Forum of Insurance Guarantee Schemes Sub-committee on Resolution Planning which has fostered discussions on resolution planning for the insurance industry. These leadership positions provided opportunities for PIDM to be involved in the policy formulation agenda. Specifically on ASEAN collaboration, PIDM hosted the bilateral meeting with the Indonesia Deposit Insurance Corporation as well as signed a Memorandum of Understanding with the Deposit Protection Agency of Thailand. These collaborations reflect our shared commitment to strengthening financial system stability in the region.



Strategic Pillar 3: Enabling PIDM's Readiness through Organisational Effectiveness, Digital Transformation and Strong Governance

Build a solid foundation for change by inculcating the fundamentals of a digital and sustainability culture among employees and to equip them with future-ready skills, using data analytics for better decision-making, re-engineering core operational processes and technological infrastructure, and modernising our system applications with strengthened security while maintaining strong governance and effective operations. Strategic Pillar 3 is supported by four KRAs.

KRA 6: Ensuring strong talent and capabilities and strengthening PIDM's culture

A competent workforce as well as a strong and agile work culture are crucial for PIDM, particularly in the fast-evolving digital operating environment. By effectively engaging employees and equipping them with new skills while embedding a culture centred on digital innovation and sustainability, our employees will be well prepared to tackle future challenges and continue meeting PIDM's strategic objectives.

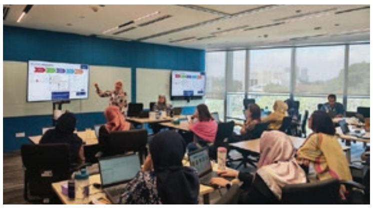
Employee competency. We launched the revised Competency Framework comprising core competencies and job specific competencies for all employees whereby it is designed to act as a nucleus to guide the talent areas within PIDM. The corporate-wide focus in 2025 was on data literacy programme to equip employees with basic data analytics skill in our efforts to promote a data-driven decision-making culture. In addition to the launch of an internal learning platform that hosts tailored training content for reference by employees, we also continued with the implementation of the enhanced learning and development framework to equip our employees particularly on digital skills, resolution-related competencies as well as leadership competencies.

Employee engagement. We continued to strengthen our organisation culture via employee engagement programmes including quarterly town hall sessions, family day, health and wellness talks, corporate-wide awareness trainings, as well as various events organised by PIDM's Kelab Sukan, Rekreasi dan Kebajikan. In conjunction with PIDM's 20th anniversary, we also organised a series of initiatives including trivia quizzes and mini treasure hunt to inculcate employee awareness of PIDM's history as well as to promote the spirit of camaraderie.

KRA 7: Modernising PIDM's IT infrastructure, processes and security to augment future readiness to deliver our mandate

The strategic aim is to have future-ready technological infrastructure in place, leveraging cloud technology to achieve greater operational efficiencies, as well as effective collaboration and engagement among employees, underpinned by strong and modern cybersecurity standards.

Modernisation of technological infrastructure and applications. We continued to advance on our cloud adoption journey. In 2025, we successfully established our PIDM Virtual Data Centre for our corporate systems, with scalable platform capabilities, thereby strengthening the security posture, operational performance and system resilience. Following the implementation of Microsoft 365 last year, we have added two new features to further enhance cloud-based collaboration foundation with both internal and external stakeholders.



Cybersecurity. We continuously uphold our commitment to strengthening cyber resilience. In 2025, we demonstrated strong resilience and continuous improvement, validated by the absence of high-risk vulnerabilities in the vulnerability assessment and penetration test, effective incident response processes confirmed through cyber drill exercise, and robust defences affirmed through red-teaming exercise.

KRA 8: Leveraging applications and data analytics to improve PIDM's resolution readiness

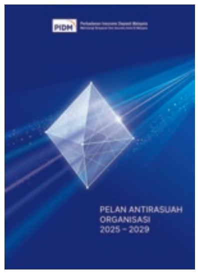
Robust data analytics and strong foundation in data policy and governance are crucial in improving PIDM's strategy formulation and decision-making.

Data analytics agenda. We established an enterprise data platform to centralise data processing, management and usage. This will pave the way to process more data sources to create data analytics products at scale for internal use.

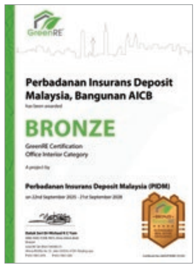
KRA 9: Applying Environmental, Social and Governance (ESG) as the North Star in PIDM's operations

Maintaining high governance standards has always been of high priority to PIDM. This is in line with the Government's focus on strengthening governance in the public sector.

Integrity and governance. We launched the PIDM Organisational Anti-Corruption Plan (OACP) 2025 – 2029, which is in line with the National Anti-Corruption Strategy 2024 – 2028. This OACP is a continuation of the previous five-year plan. The OACP forms an essential component of our governance practices and is fundamental for PIDM to continue carrying out our mandate free of governance, integrity and corruption issues. We organised the second Internal Conference 2025 attended by all employees and Board of Directors focused on embedding a strong risk mindset and culture across PIDM. We also organised roundtable discussions which brought together cybersecurity experts and practitioners from other FSN players to share insights and experiences on latest developments focusing on artificial intelligence in cybersecurity.



Sustainability. We successfully obtained the GreenRE Bronze Certification for our office in AICB Building. The three-year certification underscores PIDM's continued commitment to sustainability and alignment with green building and operational practices.



Corporate Social Responsibility. In 2025, as part of our commitment to community empowerment, we adopted Kampung Batu Malim in Raub under the Government's Santuni MADANI initiative – Program Satu Pemimpin Satu Kampung. With a focus on financial literacy and education, we organised a financial literacy programme for the youth. For the secondary school students, we collaborated with Pejabat Pendidikan Daerah Raub to organise tuition classes on identified subjects for 25 students sitting for their Sijil Pelajaran Malaysia examination.

We also continued with our PIDM Undergraduate Scholarship Programme in supporting deserving Malaysian students who require financial assistance to pursue their tertiary education in local universities. In 2025, we awarded scholarships to another 20 students, making it a total of 270 students who have been sponsored under this programme since our establishment.

Moving Forward

The Corporate Plan 2026 – 2028 marks another new chapter for PIDM after 20 years in operations. Refer to Part IV of this Annual Report for a summary of our plans moving forward.