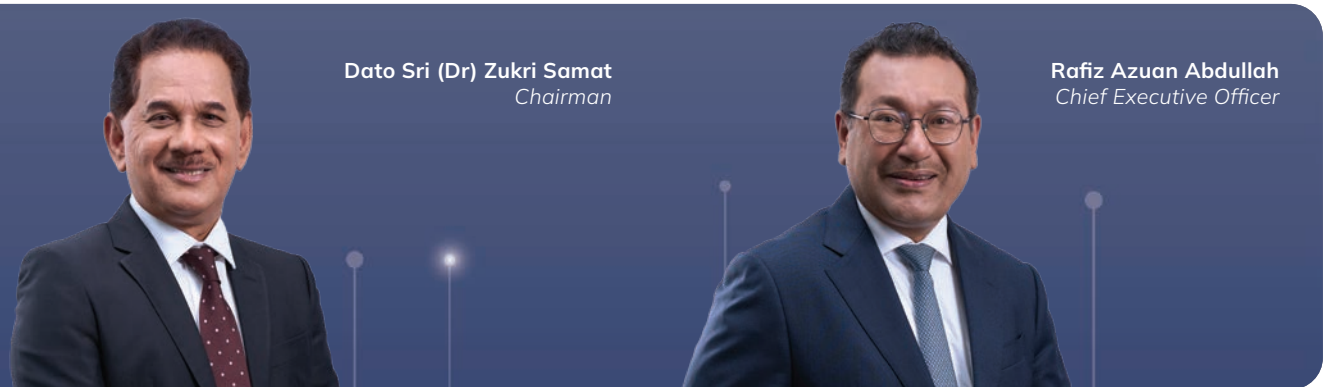


From Our Leadership



Dato Sri (Dr) Zukri Samat
Chairman

Rafiz Azuan Abdullah
Chief Executive Officer

Some years drift by like a gentle breeze, barely stirring the branches, while others rage like a storm, testing and bending us to our limits. For some, 2024 was a year of progress – marked by advancements in artificial intelligence, sustained global economic growth and breakthroughs in sustainable development. Yet, for others, it was a year of hardship, with ongoing conflicts, devastating natural disasters, and inflationary pressures straining economies, impacting some more than the rest.

For PIDM, 2024 can be seen as a year of consolidation. *Consolidation* means strengthening what has been built – making it more resilient and enduring. It also signifies bringing together different elements to form a more effective, unified and coherent whole. In 2024, both definitions rang true for us. It was a year of deepening our roots, fortifying our foundations and refining our processes to ensure that we can move forward together with clarity, purpose, and strength, no matter what winds may come.

Strengthening Our Readiness

In 2024, we reinforced our policies, systems, and frameworks to enhance our readiness in resolving troubled member institutions. The testing and refinement of our processes will culminate in a comprehensive simulation exercise in 2025. We also issued the Guidelines on the Differential Premium Systems (DPS) Framework for Deposit-Taking Members to support the implementation of the revised DPS Regulations which was gazetted in 2023. These enhancements, which will take effect in 2025, provide a more holistic assessment of member banks while incentivising aspects of resolvability through the introduction of resolution-centric criteria.

Amid the rapid growth and expanding significance of Islamic finance in Malaysia, we intensified our focus on the development of Shariah-compliant resolution approaches. A key milestone was the inaugural Muzakarah (intellectual discourse) on “Transfer Mechanisms for Islamic Banks’ Business, Assets, and Liabilities”, which brought together members of the banking industry’s Shariah fraternity. The session provided a dedicated platform to identify challenges, explore solutions, and drive discussions on ensuring an orderly resolution process for Islamic banks. Moving forward, we will continue to engage with the Shariah community, shaping the narrative on Shariah-compliant resolution mechanisms to promote market confidence and stability within the Islamic financial system.

We strengthened our collaboration with other financial safety net players in 2024 to ensure better coordination in times of crisis. A notable accomplishment was the completion of the interagency crisis preparedness binder, outlining coordination arrangements among the relevant agencies during a crisis. This effort not only enhances our crisis readiness but also lays the groundwork in preparation for a comprehensive interagency crisis simulation.

We co-organised the 46th Pesta Sukan Kementerian Kewangan, uniting agencies under the Ministry of Finance through the theme “Sukan Lestari Membentuk Madani.” This event underscored the importance of sustainability and relationship-building through sports, providing a platform to strengthen bonds, foster teamwork, and enhance collaboration across agencies. We also hosted the second annual National Resolution Symposium (NRS) 2024 themed “Building Collaborative Resolvability: From Policy to Practice”, which brought together experts and industry leaders to advance discussions on managing financial institution failures and the practical implementation of crisis preparedness. We look forward to engaging in more thought-provoking discussions and fostering even stronger relationships and collaboration with our stakeholders in 2025.

Nurturing Confidence

Our protection systems are most effective when the public understands what we do and trusts us to carry out our mandate effectively. We continued our financial literacy initiatives through the Sedia Payung Kewangan (SPK) campaign, digital platforms, and collaborations with the Financial Education Network (FEN). Based on the results of our annual nationwide public awareness survey, we maintained our public awareness at the targeted level of 75% and achieved an advocacy level of 56%, which exceeded our target of 50%.

After a successful outreach in Sabah in 2023, we expanded our outreach programme in 2024 to Sarawak in collaboration with several FEN partners. Apart from engagements with the community and governmental agencies in Sarawak, we organised a financial literacy challenge for students of higher learning institutions across East Malaysia to help equip them with essential financial knowledge and skills.

We also conducted a series of engagements with the media and welcomed their participation at the NRS 2024, ensuring that our role as a resolution authority is clearly communicated and well understood.

Cultivating Organisational Growth and Sustainability

Investing in our people and technology are essential to ensuring long-term stability while fostering continuous progress. Our enhanced learning and development framework focused on digital skills, resolution-related competencies, and leadership development, with initiatives such as the online learning series on cloud productivity platforms and the graduation of our second batch of Resolution Trainees. The adoption of cloud-based solutions and a new human capital management system has also strengthened collaboration and operational efficiency. In addition, we implemented a data governance and management framework, to enhance data capabilities and drive operational excellence.

Reinforcing our commitment to cybersecurity, we benchmarked our information security management system against international best practices. In 2024, we achieved the ISO/IEC 27001:2022 certification, a culmination of our continuous efforts to enhance cyber resilience. PIDM has also been recognised by CyberSecurity Malaysia for compliance with the Information Security Management System (ISMS) standards. We continued to strengthen our cybersecurity with an annual cyber drill exercise as well as the implementation of cutting-edge cybersecurity controls, ensuring that our systems remain robust and resilient.

We also consolidated our operations under one roof at the AICB Building in 2024, enhancing cost efficiency with a significant reduction in floor space compared to our previous office. The renovation incorporated environmentally sustainable materials, aligning with our commitment to sustainability. Operating from a certified green building further reduces our overall carbon footprint by optimising energy consumption.

While we enhance our technology and develop our people, we are mindful of the need to continue upholding high governance standards. As part of this effort, we hosted our inaugural Internal Conference, focusing on ethics and corruption, cybersecurity, and Shariah governance. We also hosted a roundtable discussion which featured risk and internal audit practitioners from other financial safety net players, to share and discuss the latest developments on risks and controls relating to cybersecurity and artificial intelligence.

Standing Tall Throughout the Seasons

Reflecting on 2024, we have made meaningful progress. These accomplishments are a testament to the unwavering dedication of our Board and employees. We extend our deepest gratitude to the Board for their strategic guidance and to all employees for their tireless efforts. Through shared purpose and strong governance, we have not only weathered challenges together but have also planted the seeds for lasting impact.

Our work as a deposit insurer and resolution authority never really ends – we stand not for a single season but for the long haul. While remaining deeply rooted in stability, it is crucial for us to consolidate our strengths and continue to evolve, as we move forward with alignment, conviction and a shared vision for the future. No matter what the year brings, our mandate remains clear – to safeguard the stability of our financial system, as we strive to make each year better than the last.



Dato Sri (Dr) Zukri Samat



Rafiz Azuan Abdullah