



Perbadanan Insurans Deposit Malaysia
Malaysia Deposit Insurance Corporation

Corporate Plan 2010 – 2012



Protecting Your Deposits



The cover features 'Bonsai', an art of growing trees in a way that requires skill and precision. With great focus and patience, a master Bonsai artist can provide balance and guide the growth of the tree to the desired state.

The Bonsai craftsman and his young apprentice share a deep respect for this common pursuit as well as for the underlying values driving the pursuit. It is this shared respect that connects them and provides the foundation for their journey of discovery and knowledge, and ultimately to find themselves rewarded by the growth and beauty of their Bonsai.

Similarly, PIDM seeks to play a major role in providing strength and stability in the financial system as the national deposit insurer. Working closely with all our stakeholders, PIDM continuously strives for excellence and professionalism, integrity, trustworthiness and financial stewardship, while maintaining respect and fairness in all that we do.

By fostering such a culture, we believe that we can achieve our vision to be "A best practice deposit insurer".



PIDM stresses on responsible management in all aspects of our work. This is reflected in the environmentally friendly paper specially chosen for the production of the Corporate Plan. This paper is certified by the Forest Stewardship Council (FSC), a worldwide body that supports the highest standards for forest management.

Our Vision

- A best practice deposit insurer

Our Mission

- We shall protect Islamic and conventional deposits, provide incentives for promoting sound risk management, and promote and contribute to the stability of the financial system in Malaysia. We will fulfil our mandate in an efficient and effective manner, for the benefit of depositors, having regard to the interests of our employees and other stakeholders

Our Strategic Thrusts

- Operational excellence
- Public confidence in the financial system

Our Corporate Objectives

- Educated and informed stakeholders
- Effective partnerships
- Sound governance
- Robust risk assessment, monitoring and resolution capability
- Sound business and financial practices
- Competent and knowledgeable workforce
- Conducive corporate environment

Our Corporate Values

- Excellence and Professionalism
- Respect and Fairness
- Integrity and Trustworthiness
- Communications and Teamwork
- Financial Stewardship

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SUMMARY OF OUR CORPORATE PLAN

This is the Corporate Plan of Perbadanan Insurans Deposit Malaysia (PIDM) for the 2010 to 2012 planning period. It is a three-year rolling Corporate Plan outlining the organisation's:

- Corporate planning approach;
- Results in 2009;
- Key focus for 2010-2012 planning period;
- Key performance indicators and targets; and
- Financial plan for 2010.

We continued to take an integrated approach in developing our Corporate Plan, whereby we identify and assess significant risks facing PIDM using the Enterprise Risk Management (ERM) framework. This year, in view of the complexity and dynamism of the financial industry landscape, we also adopted the scenario planning approach in our strategic planning process. This approach aims to stretch the organisation's thinking on how to respond effectively if certain events occur that may derail us from our original plan. We also performed a comprehensive review of our strategic management framework. Our initiatives are fully aligned to our corporate strategy, adopting a Balanced Scorecard approach to measure the organisation's performance. The Corporate Plan will continue to guide us in meeting our corporate initiatives effectively and help us move forward in achieving our mandate.

Our Results in 2009

We set targets annually in order to accomplish our vision to be "A best practice deposit insurer". We believe we are on track to achieve the targets set out in our 2009 Corporate Scorecard and within the approved financial plan.

Our Plan Moving Forward

We develop our plan based on the assessment of our operating environment and risks facing the Corporation. We also ensure that our key focus and initiatives are aligned to our long-term strategic direction. For the 2010-2012 planning period, our key focus and initiatives will be to continue raising public awareness on deposit insurance, ensuring operational effectiveness and readiness to manage intervention and failure resolution activities, enhancing governance, risk assessment and monitoring activities and developing talents. We will enhance our infrastructure to ensure operational readiness and will be developing and implementing strategies and initiatives for transitioning from the Government Deposit Guarantee back to a limited coverage deposit insurance system.

Conclusion

As evident in the recent global financial crisis, we acknowledge the importance of public confidence in the financial system and reaffirm that regulatory and safety net frameworks play an important role in ensuring financial system stability. Therefore, it is imperative for PIDM to demonstrate that it is a well governed and well managed public institution, ready to fulfil its mandate and overcome challenges that may arise.

Our Corporate Planning Approach



OUR CORPORATE PLANNING APPROACH

Strategic Management Framework

We continued to adopt a comprehensive strategic management framework, which incorporates the identification and assessment of our significant risks using our ERM framework. We have also refined our framework to reflect a more balanced and concise strategic direction and focus.

The strategic planning process requires us to consider:

- the external and internal environment in which we operate;
- the key planning assumptions used for the planning period;
- the key focus and corporate initiatives to be undertaken;
- the budget required to support the corporate initiatives; and
- the outcomes that we want to achieve.

An overview of our strategic management framework is illustrated below.

Our Mandate

- Administer a deposit insurance system;
- Provide insurance against the loss of part or all deposits;
- Provide incentives for sound risk management in the financial system; and
- Promote or contribute to the stability of the Malaysian financial system;

in such manner as to minimise costs to the financial system.

Our Vision

A best practice deposit insurer

Our Mission

We shall protect Islamic and conventional deposits, provide incentives for promoting sound risk management, and promote and contribute to the stability of the financial system in Malaysia. We shall fulfil our mandate in an efficient and effective manner for the benefit of depositors, having regard to the interests of our employees and other stakeholders

Our Corporate Values

- Excellence and Professionalism
- Respect and Fairness
- Integrity and Trustworthiness
- Communications and Teamwork
- Financial Stewardship

Our Strategic Thrusts

- Operational excellence
- Public confidence in the financial system

Corporate Objectives

- Educated and informed stakeholders
- Effective partnerships
- Sound governance
- Robust risk assessment, monitoring and resolution capability
- Sound business and financial practices
- Competent and knowledgeable workforce
- Conducive corporate environment



Strategic Thrusts

We adopt two broad strategic thrusts to fulfil our mandate. These are:

Operational Excellence

We demonstrate operational excellence by fulfilling our role as an effective and proactive deposit insurer. This includes having in place sound governance and management practices, strong risk management and internal controls, effective and efficient operational infrastructure, as well as acquiring and retaining the right talents with the necessary skills and experience, supported by a conducive working environment.

Public Confidence in the Financial System

We instil confidence in the financial system by establishing sound public awareness and education programmes to inform and educate our stakeholders and the general public about our deposit insurance system. We also promote incentives for sound risk management through our Differential Premium Systems (DPS), our policies and regulations as well as a robust risk assessment and monitoring framework.

Corporate Objectives

Our corporate objectives are based on three perspectives:



Stakeholders

Educated and Informed Stakeholders

- Well informed stakeholders are integral to the effectiveness of the deposit insurance system. We will continue to engage all stakeholders, to educate them through public awareness and education programmes as well as to consult extensively with our stakeholders when developing our policies and regulations.

Effective Partnerships

- Given our business model, effective partnerships are critical to the fulfilment of our mandate. We will continue to work in close collaboration with our strategic partners including Bank Negara Malaysia, other regulators, other deposit insurers and key suppliers. We will also continue to maintain good working relationships with our member institutions and other guaranteed financial institutions.

Governance and Internal Process

Sound Governance

- We shall demonstrate that we are well governed and well managed through our sound business conduct and governance practices, as well as adopting an effective enterprise-wide risk management framework and internal controls.

Robust Risk Assessment, Monitoring and Resolution Capability

- In ensuring fulfilment of our mandate, we will continue to maintain a robust risk assessment and monitoring capability, as well as building the capabilities and capacity to effectively manage intervention and failure resolution activities.

Sound Business and Financial Practices

- To effectively administer our deposit insurance system as well as the Government Deposit Guarantee, we will continue to implement and keep current sound processes, policies, procedures and systems based on relevant domestic and international best practices. We will also continue to build on our capabilities and capacity to ensure we can fulfil our role and responsibilities.

Learning and Growth

Competent and Knowledgeable Workforce

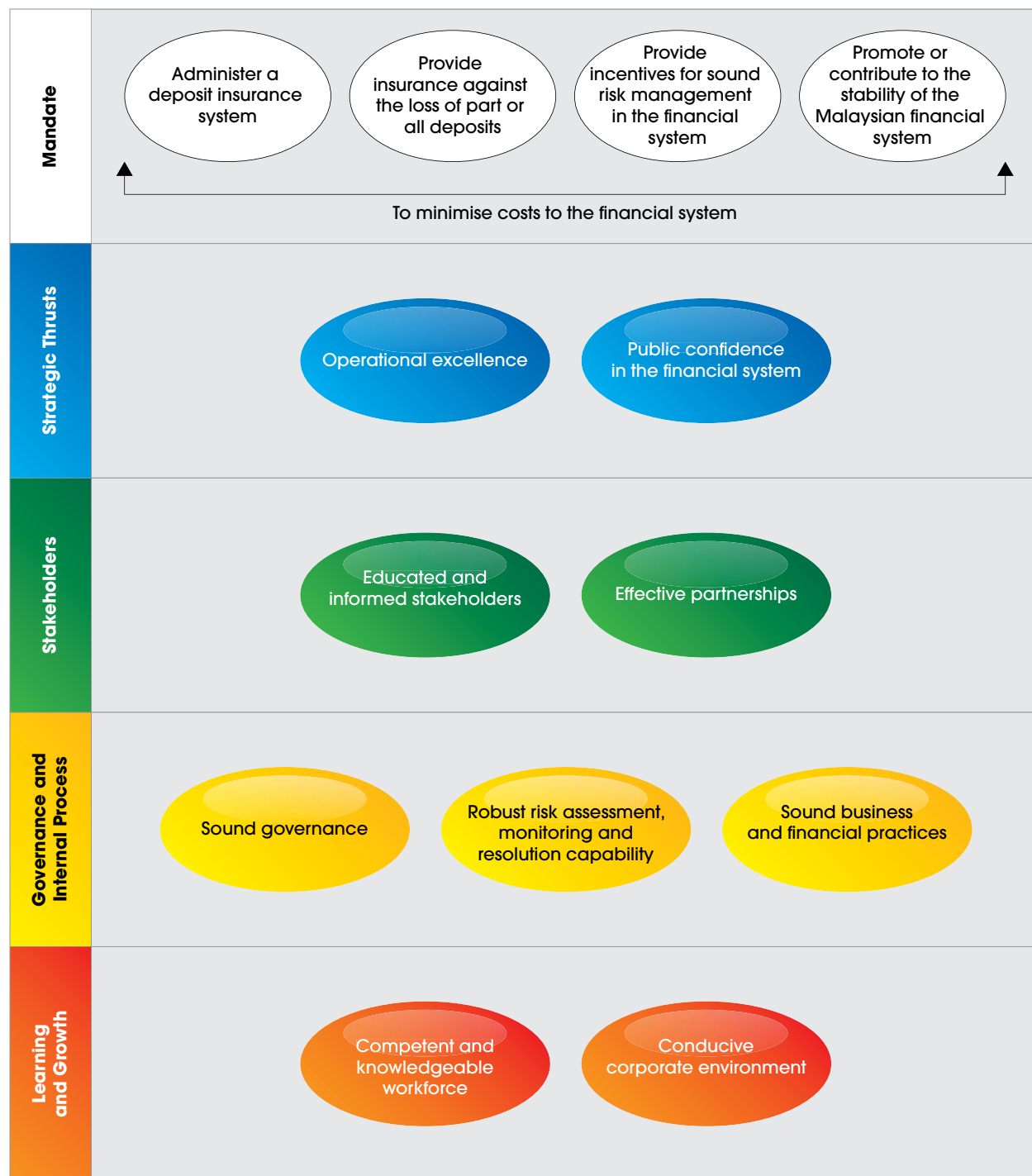
- Our people are our most important asset. We provide competitive compensation package and programmes to attract and retain the right people with the right skills, experience and attitude. We are committed to provide employees with opportunities for continuous learning and development, so as to meet their full potential.

Conducive Corporate Environment

- We foster a conducive corporate culture and environment by instilling our corporate values as well as promoting a safe, healthy and harassment-free work environment.

Our Strategy Map

Our strategy map depicts the relationship between our mandate, strategic thrusts and corporate objectives.



Our Achievements In 2009



OUR ACHIEVEMENTS IN 2009

During the year 2009, we focused on developing our human capital capacity and capabilities, intensifying risk assessment and monitoring activities, as well as ensuring ongoing operational effectiveness and readiness to manage intervention and failure resolution activities. We also focused on our communications efforts in raising public awareness and understanding of PIDM, as well as maintaining confidence in our financial system.

Highlights of Our Accomplishments in 2009

Stakeholders Perspective

- We continued to maintain a strong accountability regime and effective working relationship with our Board of Directors (Board). We adopted governance best practices such as establishing a formal Board orientation programme, updating the reporting structure of the ERM function and continued to implement the Board's succession plan.
- We formalised the ERM Charter and continued to consistently apply ERM policies and practices in accordance with our ERM framework throughout the Corporation. We implemented the ERM Self Assessment framework to assess the effectiveness and maturity level of our ERM framework.
- We administered the Government Deposit Guarantee effectively. We tabled the Stabilisation Insurance Legislation at Parliament.
- We developed a package of recommendations for changes to the legislation for more effective implementation of the Corporation's mandate, including bridge institution powers for the Corporation.
- We continued to educate and inform our stakeholders on deposit insurance and PIDM.
- We continued to implement our Integrated Communications Plan initiatives, including three advertising 'bursts' during the year through various mediums such as television, radio, and print media. We also educated our stakeholders through on-the-ground activities such as briefings and road shows, amongst others.
- We continued to demonstrate our commitment towards corporate social responsibility by completing the development of a scholarship programme for undergraduate studies in Malaysia.
- We continued to maintain good, collaborative partnerships with Bank Negara Malaysia. We established a joint task force to plan for the exit from the Government Deposit Guarantee and another joint task force to develop a Crisis Communications Manual.
- We continued to maintain an effective working relationship with our member institutions and other guaranteed financial institutions through a consultative approach in policy development which affects them.
- We continued to maintain good relationships with other deposit insurers around the world through our participation in the International Association of Deposit Insurers (IADI).
- We continued to participate in international fora by attending, organising and hosting various events. We also participated and conducted various briefings, seminars, talks and conferences at the local and regional levels.
- We were awarded the National Annual Corporate Report Awards (NACRA) Best Annual Report of Non-Listed Organisations for our Annual Report 2008.
- We were nominated for the second time in a row for the IADI "Deposit Insurer of the Year" award in 2009.

Financial Perspective	<ul style="list-style-type: none"> • We continued to track and monitor our financial results and report to the Audit Committee and the Board on a quarterly basis. We carried out all our initiatives for the year within the approved financial plan and targets. • We have commenced development of comprehensive funding and loss provisioning frameworks.
Internal Process Perspective	<ul style="list-style-type: none"> • We continued to observe confidentiality of information. We implemented the Disclosure of Information Policy and operationalised the Information Classification Policy. • We continued to apply strong internal controls in all our operations throughout the year. • We implemented the external validation process for the Return on Total Insured Deposits submitted by member institutions. • We continued to maintain a sound risk assessment and monitoring process and system to effectively monitor our member institutions and other guaranteed financial institutions. • We have developed our Intervention and Failure Resolution (IFR) framework and commenced development of the detailed processes, policies and procedures to support IFR activities. • We strive to be operationally ready. We developed a Business Continuity Plan and a Haze and Infectious Disease Plan to ensure continuity of business processes in the event of a disaster or pandemic. We have also commenced development of our Disaster Recovery Plan and assessment of a suitable disaster recovery site and infrastructure. • We completed both strategic and operational initiatives and activities as set out in our 2009 Information Technology (IT) Strategic Plan. The operational initiatives include the corporate-wide upgrade of our operational IT infrastructure as well as enhancement of our network and security infrastructure. • We continued to build our core operations systems. We implemented the Depositor Liabilities Information Management System and the Depositor Support Management System. We have also commenced development of our Payout Payment Management System and Product Repository System. • We have completed the first phase of our Human Resource Information System which promotes employee self-service throughout the organisation. We have also commenced Phase 2 which focuses on the automation of our Employee Performance Management process.
Learning and Growth Perspective	<ul style="list-style-type: none"> • We actively participated in and organised other charitable programmes throughout the year. • We continued to conduct the employee satisfaction survey and address any gap arising from the survey to promote a conducive corporate environment. • We continued to reinforce our corporate values through employee-related activities such as the Human Capital Week, health and wellness talks, in-house training programmes and our Annual Dinner.



Snapshot of 2009 Corporate Scorecard

G Progressing as scheduled; and/or within budget
A Target achieved, initiative completed

Y Not yet initiated/future date
R Target not achieved, major slippage – time to completion; and/or below target; and/or >±10% (full year) budget variance

CORPORATE OBJECTIVES		KEY PERFORMANCE INDICATORS (KPIs)	TARGET 2009	FORECAST RESULTS DEC 2009	REMARKS
Stakeholders	A	1. Board assessment on:			
		a. Best practices of governance adopted	High satisfaction	A	The Corporation continued to adopt governance best practices, including: <ul style="list-style-type: none"> The Chief Risk Officer's reporting line was changed so that the Chief Risk Officer reports directly to the Board through the Audit Committee, to enhance information flows to the Board regarding risks. Focused, in particular, on Board succession planning, as well as Chief Executive Officer (CEO) succession planning. Commenced long-term planning for changes and risks over the next few years. We also commenced senior officers succession planning. Formalised the Board orientation programme and implemented the programme in respect of the new Director in 2009. Reviewed all key governance policies for relevance and currency. Established Policy on Disclosure of Information to the Public. Continued Board education sessions. Reviewed and enhanced key processes including the process for evaluating the Board and Committees' performance. Enhanced and commenced implementation of the Corporate Compliance Programme. Made governance disclosures in the Annual Report. Held a trilateral meeting with the Boards of the Deposit Protection Agency of Thailand and the Indonesian Deposit Insurance Corporation. Demonstrated commitment to corporate social responsibilities through various initiatives.
		b. Management practices adopted	High satisfaction	A	We maintained a sound internal control system. We reviewed key processes for ensuring the Board's satisfaction with Management's provision of information to the Board and suggested enhancements. We also incorporated the ERM process and conducted scenario planning in the development of our Strategic and Corporate Plans for 2010-2012. We continued to enhance management practices to ensure adequate internal controls and internal audits were carried out.
		c. Compliance with significant policies	100%	A	We reviewed our significant policies, including the Policy on Procurement, Contracting and Outsourcing. We enhanced the compliance programme, set up the Corporate Compliance Committee and commenced initiatives to ensure compliance.
		d. Effectiveness of ERM policies and practices	High satisfaction	A	Our internal audit function provided us assurance that our ERM policies and practices continue to be effective and carried out according to our ERM framework.
		e. Timeliness and relevance of information and quality of recommendation provided by Management for the Board to make informed decisions and fulfil responsibilities	High satisfaction	A	We continued to provide relevant information to the Board to keep them informed of the Corporation's activities and progress. We reviewed key processes for ensuring the Board's satisfaction with Management's provision of information to the Board and suggested enhancements including the provision of more information about developments internationally and a specific rating for the Board's satisfaction with the information provided by Management.
		2. Engagement and responsiveness to other stakeholders' needs	Action on feedback received	A	We continued to respond effectively to our stakeholders including our member institutions, other guaranteed financial institutions, Government agencies, various public and private organisations as well as the general public through various mediums such as our Call Centre, website, general email, briefings, exhibitions, road shows and the media.
		3. Successful completion of key initiatives:			
		a. Maintenance of ERM framework:			
		i. Ongoing risk assessment and review	Review	A	We continued to perform ongoing risk assessments and reviews throughout the year. We also conducted an annual ERM Risk Identification and Assessment Workshop for Management and employees to update our Risk Register.
		ii. ERM Board Risk policies and practices	Develop & implement	A	We have commenced development of the ERM Board Risk policies and practices.
		iii. ERM effectiveness assessment framework	Develop & implement	A	We developed an ERM effectiveness assessment framework to gauge the maturity level of the organisation's ERM practices. As part of the implementation, we conducted an ERM Effectiveness Self Assessment Survey.
		b. Implement the Government Deposit Guarantee framework	Implement	A	We have implemented the Government Deposit Guarantee framework. We work closely with Bank Negara Malaysia to monitor the performance of the guaranteed financial institutions and engage them regularly.

Snapshot of 2009 Corporate Scorecard

CORPORATE OBJECTIVES		KEY PERFORMANCE INDICATORS (KPIs)	TARGET 2009	FORECAST RESULTS DEC 2009	REMARKS
Stakeholders	B Educated and informed stakeholders	4. Public awareness index (general awareness of deposit insurance)	30%	G	As at mid-2009, the awareness on deposit insurance increased from 27% (2008) to 29% (mid-2009). The full year results will be reported in our Annual Report 2009.
		5. Successful completion of key initiatives:			
		a. Review and implement Integrated Communications Plan (including meeting the objectives of the Government Deposit Guarantee):			
		i. Implement advertising programme	Complete	A	We implemented our planned annual advertising campaign including publicity in print, broadcast and electronic media.
		ii. Implement public relations programme	Complete	A	We implemented our planned public relations programme which included media briefings, interviews, published articles and our 2009 Corporate Outreach in Kuching, Sarawak.
		iii. Implement stakeholder engagement programme	Complete	A	We implemented our planned annual stakeholder engagement programme which comprises nationwide briefings for member institutions, other guaranteed financial institutions and other stakeholders as well as participation in nationwide exhibitions and road shows.
		b. Develop and implement education programme	Develop & implement	A	We have completed the development of our education programme for students and will commence the pilot implementation at selected secondary schools and higher learning institutions in the first quarter of 2010.
		c. Develop and implement scholarship programme	Develop	A	We have finalised our scholarship programme for undergraduate studies at local universities in Malaysia and implementation will commence in 2010.
	C Effective partnerships	6. PIDM's relationship with:			
		a. Bank Negara Malaysia	Strong	A	Our relationship with Bank Negara Malaysia remained strong as we continued to work closely to monitor and regulate member institutions and other guaranteed financial institutions.
		b. Member institutions and other guaranteed financial institutions	Satisfactory	A	Our relationship with member institutions and other guaranteed financial institutions remained good and collaborative as we frequently engage them via annual dialogues and consultative processes on policies and regulations that affect such institutions.
		c. Suppliers	Strong	A	We continued to develop and maintain a good working relationship with our key suppliers.
		d. International deposit insurers	Strong	A	Our relationship with other deposit insurers continued to be strong through our active participation in the International Association of Deposit Insurers (IADI). We hosted several study visits at the request of other deposit insurers. We were also nominated again for the 2009 IADI Deposit Insurer of the Year Award.
		e. Government	Strong	A	We continued to provide information and support to the relevant Government agencies.
		7. Participate in international fora	Active participation	A	We actively participated in international fora by attending, organising and hosting various events.
		8. Successful completion of key initiatives:			
		a. Establish base of strategic partners	Develop	A	We continued to develop the base of key strategic partners as part of building our operational readiness.

Snapshot of 2009 Corporate Scorecard

CORPORATE OBJECTIVES		KEY PERFORMANCE INDICATORS (KPIs)	TARGET 2009	FORECAST RESULTS DEC 2009	REMARKS
Financial	D Optimal use of resources	9. Actual vs. approved budgets	- 10% variance + 15% variance	1	
		10. Successful completion of key initiatives:			
		a. Develop and implement funding framework	Implement Phase 1 & develop Phase 2	A	We have drafted the Master Loan Facility Agreement to be executed with the Government. We have also commenced Phase 2 of our funding framework on raising funds from the capital market.
		b. Develop and implement the frameworks for:			
		i. Target Fund	Develop	A	We have commenced the development of our Target Fund and Loss Provisioning frameworks which are expected to be implemented in 2010. Completed tasks as planned for 2009.
		ii. Provisioning		A	
Internal Process	E Operational excellence	11. Internal control compliance	Strong	A	We continued to maintain sound internal controls in our operations.
		12. Internal customer satisfaction survey	75%	A	We continuously review the performance and service level of our internal support functions and put in place action plans to deal with any gaps that may arise. Overall, all functional areas achieved the targeted satisfaction level of 75%.
		13. Successful completion of key initiatives:			
		a. Review guidelines on DPS and Total Insured Deposits	Review	A	We have issued the External Auditor Validation Guidelines in April 2009 and implemented the External Auditor Validation Programme to verify the Total Insured Deposits and premiums paid by all member institutions. The review of the DPS is ongoing and we have sought feedback from member institutions on areas to be reviewed and enhanced. A consultation paper will be issued in 2010.
		b. Develop and implement comprehensive Risk Assessment and Monitoring frameworks (Phase 2 - Enhancement)	Develop	A	We continuously review existing key ratios and key indicators to assess the risks of our member institutions. We also enhanced the infrastructure of our Risk Assessment System to cater for Basel II-related data. We have also commenced research on the Early Warning System project which will be developed in 2010. Completed activities as planned for 2009.
		c. Develop and implement Intervention and Failure Resolution methodology, policy, process and criteria	Develop	A	This three-year project to develop policies and procedures for the Intervention and Failure Resolution framework is progressing as scheduled. The overall framework, as well as, documentations for four out of the 13 areas have been completed as planned for 2009.
		d. Develop and implement policies and regulations for members and other guaranteed institutions:			
		i. Interest and dividend payable guidelines/rules	Develop	Y	We have commenced drafting the interest and dividend payable guidelines/rules and it is expected to be completed in 2010.
		ii. Other policies	Develop	Y	During the year, we have planned for the development of Guidelines for Deposit Information System and Submission. The consultative paper was issued in 2009. The final Guideline is expected to be issued in 2010. We have also commenced development of the Guidelines on Premium Surcharge. The final Guidelines are expected to be issued in 2010.
		e. Develop and implement Payout system, policies and procedures:			
		i. Phase 1 – Develop Depositor Liabilities Information Management and Depositor Support Management systems	Develop & implement	A	Phase 1 of the Payout System is completed as planned with the development and implementation of the Depositor Liabilities Information Management and the Depositor Support Management systems.
		ii. Phase 2 – Develop Payment Management Process and System	Develop	G	We have identified the vendor for the Phase 2 project on Payout Payment Management System and Product Repository System. The project is scheduled to be completed by end-2010.
		f. Implement annual IT Strategic Plan initiatives	Complete	A	We have completed all the initiatives and activities as set out in PIDM's Information Technology (IT) Strategic Plan, including: <ul style="list-style-type: none"> • Phase 1 of the "Redundant Network Infrastructure" project. • Valuation of new anti-virus software. • Corporate-wide upgrade of operational IT infrastructure. • Key IT projects as set out in the Corporate Scorecard.

¹ We achieved positive variance for both operating and capital expenditures. However, our net surplus is below budget due to lower premiums received during the year.

Snapshot of 2009 Corporate Scorecard

CORPORATE OBJECTIVES		KEY PERFORMANCE INDICATORS (KPIs)	TARGET 2009	FORECAST RESULTS DEC 2009	REMARKS
Internal Process		g. Develop and implement Business Continuity and Disaster Recovery Plan:			
		i. Phase 1 – Assessment, Design and Plan Documentation	Develop & implement	A	Phase 1 is completed and PIDM's Business Continuity Plan is in place. Simulation exercises were conducted including a table-top exercise and 'notification call-tree'. In addition, we also developed a specific Haze and Infectious Disease Business Continuity Plan.
		ii. Phase 2 – Training, Awareness, Testing and Disaster Recovery Planning and Facilities Preparation	Develop & implement	G	Phase 2 is ongoing where a disaster recovery site and infrastructure will be identified and developed. Training, awareness and testing will be conducted to support PIDM's operations in the event of a disaster.
		h. Develop Crisis Communications Manual	Develop	A	We have established a joint task force with Bank Negara Malaysia for the development of the Crisis Communications Manual. The framework is completed as planned and the manual is expected to be completed in 2010.
		i. Develop and implement Human Resource (HR) Information System	Implement Phase 1 & develop Phase 2	A	Phase 1 of the HR Information System has gone 'live' as scheduled in 2009. Development for Phase 2 has commenced and is expected to be completed in 2010.
		j. Develop and implement Knowledge Management (KM) framework and system:			
		i. Phase 1 – Develop KM framework	Complete	G	The KM framework has been developed and implementation is expected to commence in 2010.
		ii. Phase 2 – Develop KM policies, processes and infrastructure	Develop	Y	Development of the policies, processes and infrastructure will commence in tandem with the implementation of the KM framework in 2010.
		k. Implement a Corporate Enterprise Portal	Develop & implement Phase 1	A	Phase 1 of the Corporate Enterprise Portal project has been completed and the next phase of the project will be carried out in 2010.
		l. Implement Record Management and Information Classification policies, processes and infrastructure	Implement	A	We established the programme to ensure information is properly classified and kept within the Corporation.
		m. Review of coverage limit	Review	A	We have reviewed the coverage limit on deposit insurance and will incorporate the results into the plan for the exit of the Government Deposit Guarantee.
		n. Review and recommend amendments to PIDM Act	Implement	A	The Stabilisation Insurance Legislation was approved by Parliament in 2009. We have also completed the review of the PIDM Act for robustness and operational effectiveness as well as to enhance the resolution tools available to the Corporation. We will recommend a package of legislative amendments to the PIDM Act in 2010.
		o. Review operational requirements to effectively administer the Government Deposit Guarantee and subsequently transition from the Government Deposit Guarantee when required	Develop & implement	A	We have successfully administered the Government Deposit Guarantee and will commence development of the plan to revert to a limited deposit insurance coverage system when the Government Deposit Guarantee expires.
Learning and Growth	F Competent and knowledgeable workforce	14. Implementation of annual training plan	80%	A	We have implemented the annual training plan successfully based on training needs analysis. We continuously review our training plan based on feedback from the individual development plan, performance assessment and competency mapping assessment.
		15. Successful completion of key initiatives:			
		a. Develop and implement succession planning based on the Board-approved Succession Management framework	Develop & implement	A	A succession plan for all key positions has been developed and will commence as of 1 January 2010.
	G Conducive corporate environment	16. Employee satisfaction index	75%	A	The result of the employee satisfaction survey (Employee Voice Survey) for 2008 was made available in January 2009 whereby we achieved a satisfaction index of 81% (2007: 79%). The survey for 2009 will be conducted at the end of 2009 and the result of the survey is expected in January 2010.
		17. Successful completion of key initiatives:			
		a. Implement employee-related programmes to promote a conducive corporate environment	Complete	A	The Corporation continued to promote a conducive corporate environment by conducting employee-related activities and implementing the Employee Assistance Programme.



2009 Financials: Forecast against Budget

A. Operating Results

	2009 Forecast*	2009 Budget	Variance	
	RM'000	RM'000	RM'000	(%)
Revenues				
Premiums	131,360	147,000	(15,640)	(11)
Investments	7,650	11,000	(3,350)	(30)
Miscellaneous income	30	-	30	-
Total Revenues	139,040	158,000	(18,960)	(12)
Operating Expenditures				
Personnel	26,210	27,900	1,690	6
General and Administration	16,910	19,000	2,090	11
Communications	5,400	7,100	1,700	24
Total Operating Expenditures	48,520	54,000	5,480	10
Net Surplus	90,520	104,000	(13,480)	(13)

B. Capital Expenditures

	2009 Forecast*	2009 Budget	Variance	
	RM'000	RM'000	RM'000	(%)
Capital Expenditures				
Furniture, Fittings and Office Refurbishment	250	480	230	48
Computer Systems and Office Equipment	10,220	15,100	4,880	32
Total Capital Expenditures	10,470	15,580	5,110	33

* 2009 Forecast = Actual (Jan-Oct 2009) + Forecast (Nov-Dec 2009)

C. Commentary on 2009 Financial Performance

Operating Results

We forecast a net surplus of approximately RM91 million compared to RM104 million as budgeted in our Corporate Plan. The lower than expected surplus of RM13 million is primarily due to the lower premiums received during the year compared to budget.

Revenues

- Actual premiums received during the year was RM131 million, which is 11% lower compared to budget of RM147 million. This was mainly due to the improvement in DPS ratings for several member institutions with large deposit base, resulting in lower premiums paid by these institutions. The lower premiums were also attributable to lower actual growth of Total Insured Deposits of 5.2% compared to estimated annual growth of 9.5%.
- Investment income is also forecast to be lower than budget due to lower yield on our investment securities as well as lower asset base available for investment.
- Miscellaneous income is attributed to the sale of office equipment during the year.

Operating Expenditures

- Total operating expenditures up to 31 December 2009 are forecast at RM49 million, which is RM5.5 million or 10% below budget.
- The positive variance is mainly due to lower General and Administrative expenditures, in particular, in relation to training and development expenses, travelling and printing and stationery expenses. The positive variance will also be due to lower Communications expenditures compared to budget.
- For 2009, apart from our on-going operational expenses, we have also incurred costs in carrying out key initiatives including development of a comprehensive process and documentations for intervention and failure resolution activities, as well as review of our legislation.

Capital Expenditures

- Our capital expenditures are expected to be RM10.5 million, which is 33% lower than budget. The positive variance is mainly due to savings from several key IT projects including the Payout System – Phase 2, the Corporate Enterprise Portal and the IT infrastructure enhancement projects.

In summary, we achieved positive variance in both our operating and capital expenditures as we practiced prudent financial management and sound internal control. Overall, we have achieved our key Corporate Plan initiatives for the year, and we have done so within the approved financial plan and targets.

Our Plans



OUR PLANS

Operating Environment

We acknowledge the importance of public confidence in the financial system and reaffirm that regulatory and safety net frameworks play an important role in ensuring financial system stability. We vigilantly monitored the developments in the external environment and the financial industry globally, regionally and locally. The past year has been a challenging one, both globally and domestically, resulting in some member institutions and other guaranteed financial institutions taking proactive measures to improve asset quality and liquidity.

Based on our assessment of the environment, the Asian economy is expected to recover in tandem with the

global economy which appears to be recovering from the recession. Internally, we continued to adopt the ERM framework to identify significant risks affecting PIDM. We have developed mitigating action plans to deal with these significant risks and incorporated them as part of our corporate initiatives for the planning period.

The operating environment, therefore, is expected to improve going forward, and we do not expect any failures in our member institutions or other guaranteed financial institutions during the planning period.

Government Deposit Guarantee

Since 16 October 2008, PIDM has been entrusted to administer the Government Deposit Guarantee. We have been monitoring a larger base of financial institutions and working closely with Bank Negara Malaysia to ensure that our member institutions and other guaranteed financial institutions do not engage in excessive risk taking and remain well-capitalised. We will continue to carry out these activities in administering the Government Deposit Guarantee until its expiry on 31 December 2010.

For the planning period, we will also be preparing for transitioning from the Government Deposit Guarantee

back to a limited coverage deposit insurance system upon its expiry. This includes planning and designing public relations and communications activities as well as reviewing the limit of the deposit insurance system.

Based on the improving operating environment, we do not expect the Government Deposit Guarantee to be called upon during the planning period, nor be extended beyond 31 December 2010.

Enterprise Risk Management Review

Annually, through the ERM process, PIDM conducts a corporate-wide risk identification and assessment exercise through a workshop to identify and assess the significant risks affecting the Corporation for the planning period. The following key areas were discussed at the workshop.

Environmental Discussion and Scan

This involved a review of global trends in terms of politics, economics, social issues, technology, legal developments and the overall environment, with a focus on its impact to the Malaysian financial services industry.

Global Top Risks Benchmarking

We also benchmarked the significant risks identified for the Corporation against a 2009 global survey on the top risks faced by global businesses to ensure that significant global threats are addressed in our assessment.

Key Planning Assumptions Development

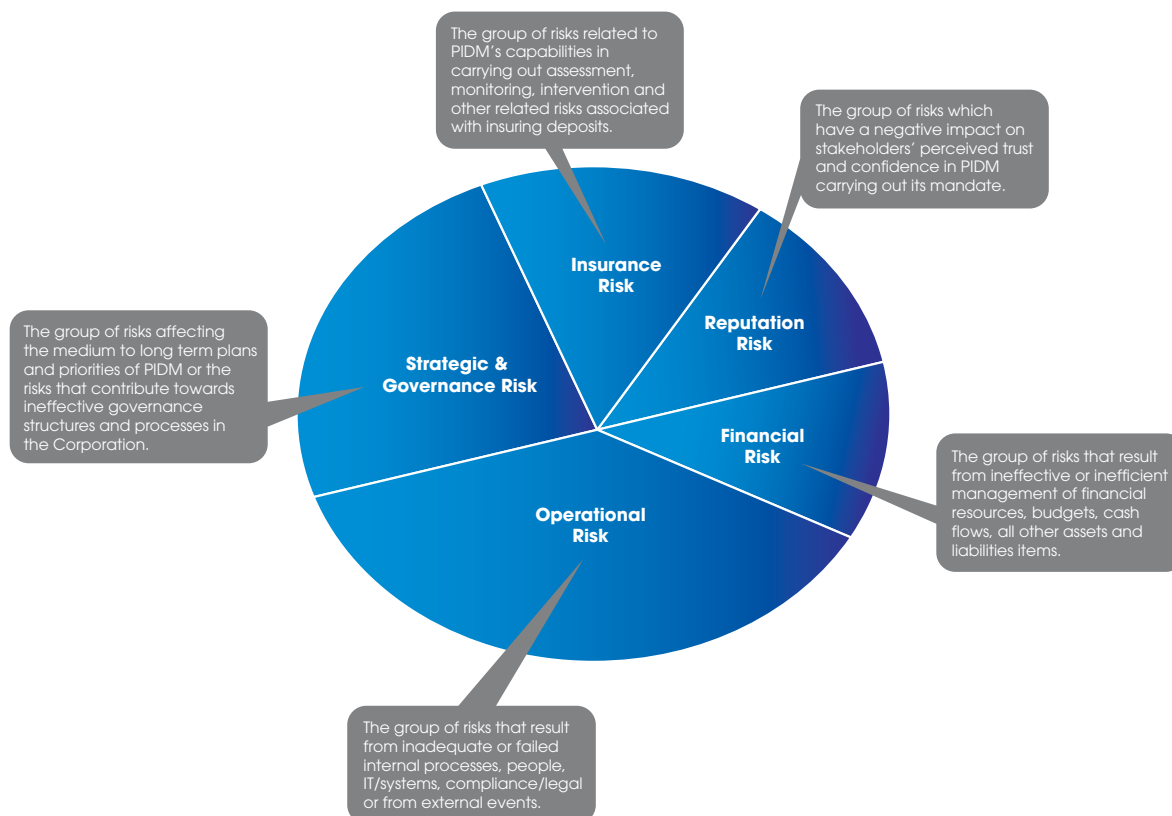
As a result of the environmental discussion and scan, we not only identified and assessed the external risk factors; we also developed the preliminary key planning assumptions for the planning period.

Divisional and Cross-Divisional Risks Identification, Assessment and Discussions

Following the workshop, each Division held detailed discussions about the risks directly impacting the Division, after which these risks were consolidated and analysed corporate-wide.

The result of this assessment formed the basis for the formulation and prioritisation of the corporate initiatives for the planning period to address the significant risks identified.

The risk areas impacting the Corporation are categorised according to the diagram below.



The integration between our Corporate Planning and ERM process allows the Corporation to set our key focus and prioritise initiatives according to the significant risks identified. Key initiatives to address the significant risks identified are described below.

1. Development of our policies, processes and systems in our core operations and readiness to intervene in a troubled guaranteed institution

We continue to develop policies, processes and systems to deal with payout, as well as intervention and failure resolution. In the interim, we have developed a contingency plan to deal with any issues that may arise before the completion of the policies, processes and systems.

2. Non-compliance by member institutions and other guaranteed financial institutions with PIDM Act/regulations

We plan to embark on the development of a compliance programme which is linked to the premium surcharge framework to ensure our member institutions and other guaranteed financial institutions comply with the PIDM Act, regulations and guidelines.

3. Low level of public awareness on the deposit insurance system

We have enhanced our public awareness programmes in the previous years and will continue to tailor our communications programmes towards achieving the desired level of awareness through our Integrated Communications Plan.

4. Business continuity

Following the successful completion of the Business Continuity Plan in 2009, we will be developing the Disaster Recovery Plan and infrastructure. We will conduct training, awareness sessions and test to ensure continuity of PIDM's critical business functions in the event of a disaster.

5. The availability of deposit insurance expertise and experience

One of the key areas of focus for the planning period is talent management. While we continue to build capability and expertise internally through our annual learning and development programme, we will also be embarking on an initiative to develop and implement a Knowledge Management framework to retain knowledge in-house.

6. Disclosure of confidential information

To further enhance the Information Classification Policy which aims to ensure that confidential and sensitive information are properly managed, the policy will be built into our Corporate Enterprise Portal which integrates information, people and process across the Corporation.

Sound and effective implementation of risk management is part of best business practice at the corporate and strategic levels, as well as a means to improve operational effectiveness. We will continue to enhance the integration between the ERM and strategic planning process for a more effective and efficient execution of both functions.

Key Planning Assumptions

The assessment of our operating environment led to the development of the following key planning assumptions for the planning period.

Key Planning Assumptions 2010-2012	
Stakeholders	<ul style="list-style-type: none"> • Our mandate remains current and relevant. • The Government Deposit Guarantee will expire on 31 December 2010 and PIDM will revert to a limited coverage deposit insurance system. • There will be continuous enhancement of regulatory and supervisory frameworks to support the stability of the financial system. • The economic environment and market competition are not expected to significantly impact the financial system, member institutions and other guaranteed financial institutions. As such, we do not expect any intervention or failure resolution during the planning period.
Governance and Internal Process	<ul style="list-style-type: none"> • Premium revenue for year 2010 will be affected by the risk profiles of member institutions under the DPS and the growth of Total Insured Deposits. The current risk profiles of member institutions under the DPS, as well as, the level of growth of Total Insured Deposits are not expected to change significantly from that of 2009. • Our business model is to continue to rely on a lean team of employees supported by key suppliers, good relationships with key stakeholders as well as effective processes, systems and infrastructure.
Learning and Growth	<ul style="list-style-type: none"> • We will continue to maintain and develop existing talents as critical talent relevant to PIDM shall remain scarce.

Key Focus for 2010-2012

We believe the following nine key foci form the broad area for how we will achieve our corporate objectives for the 2010-2012 planning period. From year to year, we continue to improve operational effectiveness to ensure fulfilment of our mandate. In doing so, we would require substantial investments in processes, systems and infrastructure, as well as to develop talents. We will also focus on enhancing public awareness, particularly upon the expiry of the Government Deposit Guarantee during the planning period.

Our key foci for the 2010-2012 planning period are as follows.

Key Focus for 2010-2012	Description
1. Continue to focus on enhancing public awareness and understanding of deposit insurance and PIDM.	Public awareness and understanding of deposit insurance is still low but slowly increasing in Malaysia. We will continue our public awareness initiatives to generate depositors' confidence in the financial system, through our Integrated Communications Plan.
2. Develop and implement strategies and initiatives for transitioning from Government Deposit Guarantee to a limited coverage deposit insurance system.	The Government Deposit Guarantee expires on 31 December 2010. We will need to put in place initiatives that would facilitate a smooth transition back to a limited coverage deposit insurance system without causing unnecessary concern to depositors.
3. Continue to maintain existing partnerships and grow supplier base.	We continue to be a lean organisation, supported by key strategic partners and external suppliers, as and when required.
4. Continue to apply best practices in governance and deposit insurance.	We will continue to lead the industry by example through application of best practices in governance and deposit insurance operations.
5. Develop and implement components of the Intervention and Failure Resolution framework including capacity building and readiness.	We will continue to thrive for operational readiness by improving our processes, systems and developing our people in the core area of our operations.
6. Review and enhance the existing Risk Assessment System and DPS.	We will continue to consult member institutions, review and enhance the existing Risk Assessment System and DPS.
7. Continue to develop and enhance infrastructure to ensure operational effectiveness and compliance.	We will continue to enhance our infrastructure such as the processes, systems and work area in order to create an effective and efficient working environment.
8. Implement a robust talent management framework.	We will continue to implement a robust talent management framework to attract and retain the right people with the right skills, experience and attitude. We are committed to provide employees with opportunities for continuous learning and development, so as to meet their full potential.
9. Reinforce corporate values and performance culture in the Corporation.	We instil our corporate values by embedding it in our high-performance culture.

Corporate Scorecard 2010-2012

The Corporate Scorecard is used as a performance management tool to assist us in monitoring and measuring our performance against targets. It manages our strategy by linking our corporate objectives, performance measures and initiatives to the strategy at all levels.

Corporate Objectives		Key Performance Indicators (KPIs)	Target		
			2010	2011	2012
Stakeholders	A Educated and informed stakeholders	1. Public awareness index (general awareness of deposit insurance)	35%	40%	45%
		2. Engagement and responsiveness to other stakeholders' needs	100% responsiveness	100% responsiveness	100% responsiveness
		3. Successful completion of key initiative(s): a. Review and implement Integrated Communications Plan (including meeting the objectives of the Government Deposit Guarantee): i. Implement advertising programme ii. Implement public relations programme iii. Implement stakeholder engagement programme b. Implement education programme c. Implement and administer scholarship programme d. Develop and implement transition package to exit Government Deposit Guarantee including review of deposit insurance limit and coverage e. Develop and implement policies and procedures on information regulations	Complete Complete Complete Implement Implement Develop & implement Develop	Complete Complete Complete Review & implement Implement Implement Implement & enforce	Complete Complete Complete Review & implement Implement - Implement & enforce
	B Effective partnerships	4. PIDM's relationship with: a. Bank Negara Malaysia b. Member institutions and other guaranteed financial institutions c. Suppliers d. Other deposit insurers	Strong Satisfactory Strong Strong	Strong Satisfactory Strong Strong	Strong Satisfactory Strong Strong
		5. Participate in international fora	Active participation	Active participation	Active participation
		6. Number of strategic partners a. Establish and maintain base of key strategic partners	Increase base	Increase base	Maintain base
Governance and Internal Process	C Sound governance	7. Board assessment on: a. Best practices of governance adopted and complied with b. Significant policies and practices adopted and complied with c. Timeliness and relevance of information and quality of recommendation provided by Management for the Board to make informed decisions and fulfil responsibilities	High satisfaction level High satisfaction level High satisfaction level	High satisfaction level High satisfaction level High satisfaction level	High satisfaction level High satisfaction level High satisfaction level
		8. Successful completion of key initiative(s): a. ERM Board Risk policies and practices b. Recommend amendments to PIDM Act and related laws c. Involvement in the Financial Institutions Directors' Education Programme (FIDE)	Develop & implement Recommend package of legislative amendments Active participation	Review & enhance - Active participation	Review & enhance - Active participation
	D Robust risk assessment, monitoring and resolution capability	9. Successful completion of key initiative(s): a. Review DPS and Total Insured Deposits frameworks including validation process b. Review and enhance comprehensive Risk Assessment and Monitoring frameworks c. Develop and implement Early Warning System (EWS) d. Develop and implement components of Intervention and Failure Resolution framework including processes, policies and procedures e. Develop and implement policies and regulations for members: i. Interest and dividend payable guidelines/rules ii. Premium surcharge iii. Research the need for core principles for sound business and financial practice for member institutions f. Develop and implement Payout system, policies and procedures: i. Phase 1 - Develop Depositor Liabilities Information Management and Depositor Support Management systems ii. Phase 2 - Develop Payout Payment Management and Product Repository systems iii. Phase 3 - Develop Dynamic Deposit Database g. Compliance programme for member institutions to comply with PIDM Act and regulations h. Establish an Asset Management Company	Review & enhance Review & enhance Develop Phase 1 Develop Develop & implement Develop & implement Research Simulate & enhance Develop & implement - Develop Develop	Implement Implement Develop & implement Phase 1 Develop & implement Implement Review & enhance Develop Implement Simulate & enhance Develop & implement Develop & implement Implement	Implement Maintain Develop Phase 2 Implement & review Review & enhance Review & enhance Implement Maintain Implement Maintain Review & enhance -

Corporate Scorecard 2010-2012

Corporate Objectives		Key Performance Indicators (KPIs)	Target		
			2010	2011	2012
Governance and Internal Process	E	10. Actual vs. approved expenditure budgets	±10% variance	±10% variance	±10% variance
		11. Successful completion of key initiative(s): a. Develop and implement funding framework: i. Phase 1 – Government borrowings ii. Phase 2 – Funding from capital market b. Develop and implement the frameworks for: i. Target Fund and Provisioning	Complete Phase 1 & develop Phase 2 Develop & implement	Complete Phase 2 Review & enhance	Review & enhance Maintain
		12. Internal control compliance	Strong	Strong	Strong
		13. Internal customer satisfaction survey	75%	75%	75%
		14. Successful completion of key initiative(s): a. Implement annual Information Technology Strategic Plan initiatives b. Develop and implement Business Continuity and Disaster Recovery Plan: i. Business Continuity Plan ii. Disaster Recovery Plan and infrastructure c. Develop Crisis Communications Manual d. Develop and implement Human Resource Information System e. Develop and implement Knowledge Management framework and system: i. Phase 1 – Develop and implement Knowledge Management framework ii. Phase 2 – Develop and implement Knowledge Management policies, processes and infrastructure f. Implement a Corporate Enterprise Portal g. Develop executive information management system h. Acquire additional infrastructure (office space, IT systems, processes and other organisational requirements)	Complete Test & enhance Develop & implement Complete Implement Phase 2 & develop Phase 3 Develop & implement - Develop & implement Phase 2 Develop Acquire	Complete Test & enhance Test & enhance Simulate & enhance Implement Phase 3 & enhance - Develop & implement Review & enhance Develop & implement -	Complete Test & enhance Test & enhance Simulate & enhance Review & enhance - Review & enhance - Review & enhance -
Learning and Growth	F	15. Implementation of annual learning and development plan	80% completion against plan	80% completion against plan	80% completion against plan
		16. Successful completion of key initiative(s): a. Continue to implement succession planning based on the Board-approved framework which is integrated with the competency model	Implement	Implement	Implement
	G	17. Employee satisfaction index	75%	75%	75%
		18. Successful completion of key initiative(s): a. Implement employee-related programmes to promote a conducive corporate environment	Complete	Complete	Complete

Our Financial Plan 2010

Our Financial Plan has been developed to support the achievement of our immediate term initiatives and is set out below.

A. Operating Budget

		2010 Budget		2009 Forecast*		2009 Budget
Revenues	(%)	RM'000	(%)	RM'000	(%)	RM'000
Premiums	94	122,000	95	131,360	93	147,000
Investments	6	8,000	5	7,650	7	11,000
Miscellaneous income	-	-	**	30	-	-
Total Revenues	100	130,000	100	139,040	100	158,000
Operating Expenditures						
Personnel	49	31,700	54	26,210	52	27,900
General and Administration	38	25,100	35	16,910	35	19,000
Communications	13	8,200	11	5,400	13	7,100
Total Operating Expenditures	100	65,000	100	48,520	100	54,000
Net Surplus		65,000		90,520		104,000

B. Capital Budget

		2010 Budget		2009 Forecast*		2009 Budget
Capital Expenditures	(%)	RM'000	(%)	RM'000	(%)	RM'000
Furniture, Fittings and Office Refurbishment	29	1,900	2	250	3	480
Computer Systems and Office Equipment	71	4,600	98	10,220	97	15,100
Total Capital Expenditures	100	6,500	100	10,470	100	15,580

* 2009 Forecast = Actual (Jan-Oct 2009) + Forecast (Nov-Dec 2009)

** Immaterial percentage due to rounding

C. Commentary on Operating and Capital Budget

Revenues

- The premium income budgeted for 2010 is based on the DPS rate structure. It is also estimated that the level of growth of Total Insured Deposits in 2010 will not change significantly from that of 2009.
- Investment income is budgeted based on average yield of 2% return on investment.

Operating Expenditures

- Personnel costs include the annual compensation costs for 96 employees planned for 2010 which also incorporates the costs of market adjustments that are in line with our approved compensation and benefit policy. The resources have been planned to ensure operational effectiveness as well as effective succession management.
- General and Administration costs mainly relate to the day-to-day costs of administering our operations. For 2010, we have planned for additional infrastructure costs including office space and facilities to support our operations. We have also planned required resources to support all our identified key initiatives for 2010.
- For 2010, our multi-year Integrated Communications Plan will be focused on increasing the level of awareness and understanding of PIDM as well as preparing to transition from the Government Deposit Guarantee to a limited coverage deposit insurance system.

Capital Expenditures

- Our capital expenditures have been planned to support our key initiatives as well as enhancements to our infrastructure to ensure operational effectiveness.

D. Pro Forma Balance Sheet

	2010 Budget Conventional	2010 Budget Islamic	2010 Budget Total	2009 Forecast* Total	2009 Budget Total
	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS					
Cash and cash equivalents	6,050	950	7,000	6,870	5,800
Investments	357,000	51,400	408,400	347,900	358,150
Other assets	8,850	7,150	16,000	1,580	2,230
Property and equipment	12,100	1,700	13,800	10,620	16,320
TOTAL ASSETS	384,000	61,200	445,200	366,970	382,500
LIABILITIES					
Payables	11,920	2,410	14,330	1,100	5,400
TOTAL LIABILITIES	11,920	2,410	14,330	1,100	5,400
DEPOSIT INSURANCE FUNDS					
Islamic Deposit Insurance Fund					
Beginning balance		47,740	47,740	32,350	26,700
Surplus for the year		11,050	11,050	15,390	10,400
		58,790	58,790	47,740	37,100
Conventional Deposit Insurance Fund					
Beginning balance	318,130		318,130	243,000	246,400
Surplus for the year	53,950		53,950	75,130	93,600
	372,080		372,080	318,130	340,000
TOTAL DEPOSIT INSURANCE FUND	372,080	58,790	430,870	365,870	377,100
TOTAL LIABILITIES AND DEPOSIT INSURANCE FUNDS	384,000	61,200	445,200	366,970	382,500

E. Pro Forma Cash Flow Statement

	2010 Budget	2009 Forecast*	2009 Budget
	RM'000	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES			
Premium receipts from member institutions	122,000	131,359	148,000
Receipts of investment income	6,400	8,830	9,000
Payments in the course of operations to suppliers and employees	(48,040)	(49,665)	(46,000)
Net cash flow from operating activities	80,360	90,524	111,000
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of investment securities	469,910	474,836	437,000
Purchase of investment securities	(543,640)	(557,359)	(536,000)
Purchase of property and equipment	(6,500)	(4,786)	(12,800)
Net cash flow used in investing activities	(80,230)	(87,309)	(111,800)
Net increase/(decrease) in cash & cash equivalents	130	3,215	(800)
Cash & cash equivalents at the beginning of the year	6,870	3,655	6,600
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7,000	6,870	5,800

* 2009 Forecast = Actual (Jan-Oct 2009) + Forecast (Nov-Dec 2009)

Conclusion



CONCLUSION

Corporate Plan Derailment

There are certain events that could impede the achievement of our Plan, such as an intervention in a troubled member institution or other guaranteed financial institution, or the loss of key employees. These events could have a significant impact on our resources, operations and strategic direction. As such, we have developed mitigating action plans to deal with these risks.

We have developed plans to deal with intervention and failure resolution. The plans deal with the required actions to be taken should such event occur during the planning period, the realignment of resources and reprioritising of

initiatives, whilst maintaining the operations of our critical functions.

We have also put in place a comprehensive succession plan for key positions to ensure the impact of a loss of key personnel is mitigated.

Nevertheless, we will continue to monitor our operating environment to ensure the risks that could derail us from achieving our Plan are managed and its effects mitigated.

Summary

Our Corporate Plan sets out our strategic direction and serves as our primary guide in moving us towards readiness to fulfil our mandate effectively.

For the 2010-2012 planning period, we will continue to enhance our operational readiness in terms of policies, processes, systems and infrastructure, as well as develop talents. In ensuring that we are a well governed and well managed public institution, we will continue to adopt and promote best practices in governance and management

practices. We will also keep our stakeholders educated and informed of the deposit insurance system and PIDM as one of the important players in the financial safety net.

Our Corporate Plan continues to be a very challenging plan. Nevertheless, we believe that with continued focus as well as the dedication and support of our Board and employees, we will be able to meet the Plan's targets and objectives, hence moving us a step closer in meeting our vision to be "A best practice deposit insurer".

Appendix: About PIDM



APPENDIX: ABOUT PIDM

Our Corporation

Perbadanan Insurans Deposit Malaysia (PIDM) is a statutory body established under the Malaysia Deposit Insurance Corporation Act 2005 (MDIC Act). Our key role is to provide insurance for depositors in the event of a member institution failure and to administer the deposit insurance system.

As part of the national financial safety net system, we have wide-ranging powers to promote and contribute to the

stability of the financial system, and to provide incentives for sound risk management in the financial system.

PIDM reports to Parliament through the Minister of Finance. We are also known as the Malaysia Deposit Insurance Corporation, especially within the international context.

Our Mandate

Our statutory mandate is to:

- Administer a deposit insurance system;
 - Provide insurance against the loss of part or all deposits;
 - Provide incentives for sound risk management in the financial system; and
 - Promote or contribute to the stability of the Malaysian financial system;
- in such manner as to minimise costs to the financial system.

Board of Directors

PIDM is governed by a seven-member Board of Directors, with a balanced representation from the public and private sector. The Board is responsible for the conduct of the business and affairs of PIDM. A non-executive Chairman heads the Board while other representatives include two *ex-officio* members, namely the Governor of Bank Negara Malaysia and the Secretary General of the Treasury, one director from the public sector and three directors from the private sector with one having relevant banking and financial sector experience. A Chief Executive Officer executes the policies of the Board and manages the day-to-day affairs of PIDM.



Tan Sri Dato'
Abdul Aziz Haji Taha
Chairman



Tan Sri Dato' Sri Dr. Zeti
Akhtar Aziz
Board Member



Tan Sri Dr. Wan Abdul Aziz
Wan Abdullah
Board Member



Tan Sri Dr. Sulaiman
Mahbob
Board Member



Datuk Dr. Abdul Samad
Haji Alias
Board Member



Mr. Michael Wong
Kuan Lee
Board Member



Mr. George Anthony
David Dass
Board Member

Executive Management Committee

The Executive Management Committee (EMC) is a forum for discussions on issues relating to the management and day-to-day operations of PIDM. Its members comprise the Heads of Divisions in PIDM. The EMC is intended to facilitate communications, teamwork, adaptability to change and collaboration throughout all areas of PIDM, as well as serve as a conduit for information to all employees.



Jean Pierre Sabourin
Chief Executive Officer



Md Khairuddin
Haji Arshad
**General Manager,
Insurance, Risk
Assessment and
Monitoring**



Wan Ahmad Ikram
Wan Ahmad Lotfi
Chief Financial Officer



Lim Yam Poh
**General Counsel and
Corporate Secretary**



Lai Wai Keen
**General Manager,
Policy and International**



S. Loganathan
**General Manager,
Communications and
Public Affairs**



Siti Zubaidah Haron
**General Manager,
Human Capital**



Noorida Baharuddin
Chief Internal Auditor



Lee Yee Ming
Chief Risk Officer

Contact Us

For more information about PIDM

- Contact our Customer Service Call Centre at
Toll Free **1-800-88-1266**
From 8.30 am to 5.30 pm, Monday to Friday
- Visit our website at **www.pidm.gov.my**
- E-mail to **info@pidm.gov.my**
- Write to:
Communications and Public Affairs Division
Perbadanan Insurans Deposit Malaysia
Level 19, 1 Sentral
Jalan Travers
Kuala Lumpur Sentral
50470 Kuala Lumpur
Telephone: 603-2173 7436
Fax: 603-2260 7431 / 7432