ADVANCING ASIA

SUSTAINABILITY & NATIONAL CONTRIBUTION REPORT 2022

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Our Business

BASIS OF THIS REPORT

We are proud to present the 11th Axiata Sustainability & National Contribution Report (SNCR or Report) 2022.

This Report communicates material sustainability information and performance across Axiata Group Berhad (the Group, Axiata or Axiata Group) and its business operations as a whole.

This Report should be read together with the Axiata Integrated Annual Report 2022, and the Governance and Audited Financial Statements 2022 to understand how we create value for our stakeholders across our markets.

Integrated Annual Report 2022

[Printed Version]

[Online Version]

Governance & Audited Financial Statements 2022

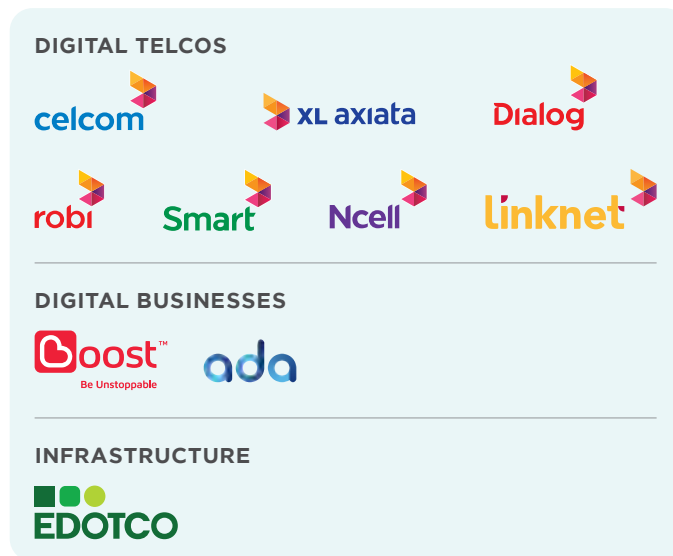[Printed Version]

[Online Version]

REPORTING PERIOD

This Report covers the reporting period for the financial year 1 January to 31 December 2022, unless otherwise stated. In alignment with our reporting suites, certain information where material may cover significant events up to 31 March 2023. The information in this Report also represents the Celcom-Digi merger and the newly acquired Link Net, as stated in the reporting period below:

• Celcom – from 1 January 2022 to 30 November 2022
• Link Net – from 1 July 2022 to 31 December 2022

The SNCR is published annually, with this Report published in April 2023. Our last SNCR was published in May 2022.

SCOPE AND BOUNDARY

The SNCR covers the sustainability disclosures of the Group's Triple Core Business – Digital Telcos, Digital Businesses and Infrastructure. These are businesses in which the Group has key operating control over ("Operating Companies" or "OpCos")[1,2]. Digital Telco operations account for over 91.9% of the Group's Revenue[3].

DIGITAL TELCOS

celcom   XL axiata   Dialog

robi   Smart   Ncell   linknet

DIGITAL BUSINESSES

Boost Be Unstoppable   ada

INFRASTRUCTURE

EDOTCO

Our business and sustainability footprint cuts across ASEAN and South Asia which includes Malaysia, Indonesia, Sri Lanka, Bangladesh, Cambodia, Nepal, Pakistan, Myanmar, Laos, and Philippines.

In 2022, the Group underwent two significant changes which included the Celcom-Digi merger in Malaysia and Link Net acquisition in Indonesia. The Celcom-Digi merger makes it the largest mobile telco in Malaysia, while Link Net's acquisition deepens the Group's presence and capitalises on the growing enterprise market in Indonesia.

We note that our OpCos' operating environments may vary significantly from one market to the next, but we have nevertheless made the attempt to harmonise general reporting areas, as well as highlighting the achievements and milestones of our specific OpCos throughout the disclosures. Our OpCos are encouraged to produce their own standalone sustainability report to provide more insight and context into their respective sustainability management.

Where relevant and available, we have provided historical data for comparison.

FRAMEWORKS, STANDARDS AND GUIDELINES

This Report and its content have been prepared with reference to and guided by recognised global and local sustainability reporting frameworks, standards and guidelines as follows:

• Bursa Malaysia Main Market Listing Requirements on sustainability reporting
• Bursa Malaysia Sustainability Reporting Guide (3rd edition)
• Global Reporting Initiative (GRI) Universal Standards 2021
• United Nations (UN) Sustainable Development Goals (SDGs)
• Task Force on Climate-related Financial Disclosures (TCFD) recommendations
• Greenhouse Gas (GHG) Protocol
• UN Global Compact's (UNGC) 10 Principles
• GSMA ESG Metrics for Mobile (June 2022)
• Sustainability Accounting Standards Board (SASB) – Telecommunications Services (Industry Standard, Version 2 18-10)

We are a signatory to the UNGC and are committed to the 10 Principles. This Report serves as our Communication on Progress (CoP), which is submitted to the UNGC, and demonstrates our ongoing efforts to align our business practices with the UN SDGs and the Paris Agreement. We have also signed up to the Science Based Targets initiative (SBTi) Business Ambition for 1.5°C campaign which encourages us to set targets and pathways aligned to science as part of our net-zero commitments.

In addition, our disclosures were guided by relevant performance indicators from the following global ESG ratings and benchmarks such as the Carbon Disclosure Project (CDP) Worldwide, S&P Global Corporate Sustainability Assessment (CSA), FTSE4Good Bursa Malaysia and MSCI.

Notes:
[1] *Within the SNCR, the Performance Data and independent limited assurance conducted for six ESG indicators excludes Digital Businesses*
[2] *Celcom was deconsolidated on 30 November 2022 and from 1 December 2022, is now known as Celcom-Digi. It is a key associate where Axiata does not have any operating control*
[3] *91.9% is based on a Combined Basis which includes Celcom. Based on Continuing Operations (without Celcom), Digital Telco operations account for 87.0% of the Group's Revenue. For detailed information, please refer to Governance & Audited Financial Statements 2022 (GAFS)*

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BASIS OF THIS REPORT

REPORTING PRINCIPLES

The following GRI Standards Reporting Principles have been applied in this Report to ensure high-quality information and disclosures:

- **Accuracy**: Reporting information that is correct and sufficiently detailed to allow an assessment of the organisation's impacts
- **Balance**: Reporting information in an unbiased way and provide a fair representation of the organisation's negative and positive impacts
- **Clarity**: Presenting information in a way that is accessible and understandable
- **Comparability**: Selecting, compiling, and reporting information consistently to enable an analysis of changes in the organisation's impacts over time and an analysis of these impacts relative to those of other organisations
- **Completeness**: Providing sufficient information to enable an assessment of the organisation's impacts during the reporting period
- **Sustainability Context**: Reporting information about its impacts in the wider context of sustainable development
- **Timeliness**: Reporting information on a regular schedule and making it available in time for information users to make decisions
- **Verifiability**: Gathering, recording, compiling, and analysing information in such a way that the information can be examined to establish its quality

FORWARD-LOOKING STATEMENTS

Certain statements in this SNCR may constitute forward-looking statements concerning our financial and non-financial position, future priorities, strategies, and growth opportunities. They are formed based on reasonable assumptions and are not intended to guarantee future results. Actual results could differ materially from those projected in any forward-looking statements throughout this SNCR due to various events, risks, uncertainties, and other factors.

ASSURANCE

PricewaterhouseCoopers PLT was engaged to provide independent limited assurance for six key ESG indicators as below:

- GRI 202-2: Proportion of senior management hired from the local community;
- GRI 204-1: Proportion of spending on local suppliers;
- GRI 305-1: Direct (Scope 1) GHG emissions;
- GRI 305-2: Energy indirect (Scope 2) GHG emissions;
- GRI 404-1: Average training hours per year per employee (by gender and employee category); and
- GRI 404-3: Percentage of employees receiving regular performance and career development reviews

These assured indicators within this Report cover Digital Telcos, Infrastructure and Corporate Center and are in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". For more information on the subject matter and scope of assurance, please refer to the Assurance Statement on pages 154 - 157.

BOARD APPROVAL

This Report has been reviewed and approved by the Board, which is represented by the Board Sustainability Committee (BSC). The BSC oversees the preparation of the content of Axiata's reporting suite and ensures the credibility of the reports. This includes reviewing and approving the quality of reporting, level of disclosure, design and structure of the reports to ensure that they reflect the Group's vision and strategy in engaging with its stakeholders.

FEEDBACK

Feedback from our stakeholders is vital for us to continually improve our reporting and sustainability practices. We welcome all feedback and views from our stakeholders on this Report or any aspect of our sustainability performance.

Please address all feedback to Group Sustainability: sustainability@axiata.com

NAVIGATION ICONS

The following icons help to align our integrated narrative so that readers can get a greater sense of the inter-connectivity and inter-relatedness of our business.

Cross References

Refer to **IAR**, **SNCR** and **GAFS**   Refer to website

Stakeholders

Customers   Suppliers & Business Partners   Community & Civil Society Organisations

Media   Shareholders, Investors, Analysts   Regulators and Government

Industry Bodies   Employees, Management & Board

Capitals

FC Financial   **IC** Intellectual   **MC** Manufactured

HC Human   **SRC** Social & Relationship   **NC** Natural

10 Key Focus Areas

1. Positioning for New Norms
2. OpCos Transformation
3. New Growth Areas
4. Cost Management
5. New Engagement Model
6. Digitisation and Analytics
7. Stakeholder Management
8. Organisation 5.0
9. Industry Consolidation
10. Portfolio Optimisation and Value Illumination

Material Matters

- Sustainable Business Growth
- Network Quality & Connectivity
- Digital Inclusion
- Digitisation & Innovation
- Customer Experience
- Fair, Diverse & Inclusive Employment
- Talent Development & Attraction
- Employee Health, Safety & Wellbeing
- Emergency & Disaster Response
- Community Development
- Business Ethics & Governance
- Digital Integrity
- Regulatory & Political Risk
- Sustainable Supply Chain
- Climate Change
- Environmental Management

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THIS IS AXIATA

We are a leading digital and telecommunications conglomerate with a footprint across 10 countries in ASEAN and South Asia. We harness digital technology, innovation and connectivity to empower and advance an inclusive and sustainable digital society. Our smart solutions transform the way people and businesses adapt and navigate in today's accelerated digital landscape. We provide an extensive range of solutions across our Triple Core Businesses verticals of Digital Telcos, Digital Businesses and Infrastructure.

Our Purpose
Advancing Asia

Our Vision
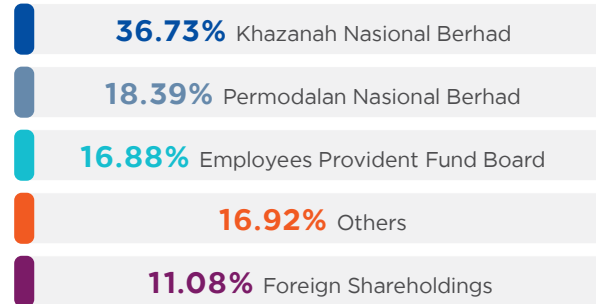**The Next Generation Digital Champion**

Our Values
Uncompromising Integrity, Exceptional Performance (UI.EP)
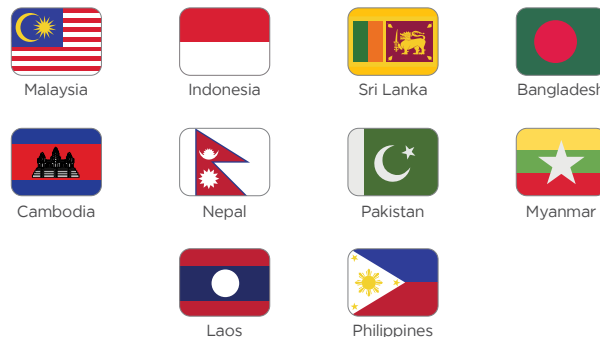
Our Sustainability Framework

SHAREHOLDING STRUCTURE
As at 31 March 2023

36.73% Khazanah Nasional Berhad

18.39% Permodalan Nasional Berhad

16.88% Employees Provident Fund Board

16.92% Others

11.08% Foreign Shareholdings

OUR FOOTPRINT ACROSS ASEAN AND SOUTH ASIA

Malaysia | Indonesia | Sri Lanka | Bangladesh

Cambodia | Nepal | Pakistan | Myanmar

Laos | Philippines

DIGITAL TELCOS

Key Associate Company

Our Digital Telcos provide mobile, fixed and converged connectivity and solutions for Consumer, Home and Enterprise segments. We leverage digital ecosystems to offer smart solutions for our customers' vastly changed communications requirements. In 2022, we strengthened synergies through the Celcom-Digi merger, to form the largest telco in Malaysia. Meanwhile, the Link Net acquisition in Indonesia puts us at the forefront as a converged fixed broadband and mobile service provider.

IAR, Our Operating Companies – Digital Telcos on pages 62 to 75

DIGITAL BUSINESSES

Our Digital Businesses leverage intelligence, innovation, and data to drive digital financial services, and digital marketing and analytics. Boost, a full-spectrum fintech player with a digital bank license, is poised to strengthen financial inclusion by democratising financial services to the unserved and underserved segments of society. Through digital marketing and sales transformation, integrated growth partner, ADA, enables enterprises and brands to drive top line growth across Asia.

IAR, Our Operating Companies – Digital Businesses on pages 76 to 79

INFRASTRUCTURE

Our Infrastructure business provides end-to-end integrated telecommunications infrastructure solutions and services, including tower leasing, co-locations, build-to-suit, energy and transmission, and operations and maintenance (O&M). EDOTCO is the world's sixth largest Tower Company (TowerCo), which owns and manages over 58,000 towers across South and Southeast Asia.

IAR, Our Operating Companies – Infrastructure on pages 80 to 81

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IN CONVERSATION WITH OUR GROUP CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

ELEVATING SUSTAINABILITY AS A CORE STRATEGIC PILLAR

Vivek Sood

In 2022, we moved ahead with our efforts in Advancing Asia with an overarching commitment towards inclusive development and empowerment of the communities we serve. We are guided by a strong commitment to creating a positive impact on the communities we serve in countries where we operate. Our OpCos continued to roll out initiatives to connect communities in the region notwithstanding a challenging external environment. Despite the unfavourable macroeconomic conditions and evolving regulatory priorities within a post-pandemic setting, we remained steadfast in embedding ESG priorities and making ESG core to our strategy.

We have made significant progress in strengthening the foundations of our sustainability practices, as we continue to build trust relationships with an ever-broadening spectrum of stakeholders. This includes strengthening our sustainability

governance framework and expanding our partnership efforts on a global scale. These efforts support our aim of delivering the highest level of efficiency across our value chain by working closely with strategic partners, suppliers and vendors to accelerate our ESG initiatives and meet our net-zero ambition.

Axiata's Group Chief Executive Officer and Managing Director (GCEO), Vivek Sood, provides an overview of the progress of our sustainability journey. He elaborates on how we continue to deliver greater sustainable value for our stakeholders and the planet.

⇨ **IAR**, we recommend stakeholders to read this section together with **In Conversation with Our GCEO and Managing Director** for comprehensive insights into the Group's operational performance

Axiata 5.0 Vision Continues to Shape The Next Generation Digital Champion Aspirations

Q1 | What were Axiata's key ESG highlights in 2022?

Elevating our focus on and practices on ESG underpins our journey towards delivering our Vision of Advancing Asia. In this respect, we reached many milestones in 2022. Sustainability governance was elevated with the formation of a Board oversight committee, i.e. the Board Sustainability Committee (BSC). The BSC is a platform that enables overall governance and transparency of our sustainability framework, materiality assessment and progress monitoring and focuses on future developments in sustainability. The establishment of the BSC also helps in our commitment at the highest levels to delivering strong ESG performance.

The BSC has oversight of management deliverables and activities with respect to a broad spectrum of sustainability matters and scrutiny of climate-related risks, opportunities and measurement. For instance, the BSC oversees the development and adoption of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD recommendations will equip us with the insights to prepare our business to navigate, mitigate and respond to negative climate impacts.

Our ESG focus at Group level is mirrored by the commitment at OpCo level where each of our OpCos monitors and oversees the risk assessment and measurement of their sustainability-related matters. This ensures that committment to ESG deliverables is deeply embedded in operations and

strategies across the Group. We will continue to review and refresh our sustainability governance structure to align with emerging imperatives.

⇨ **SNCR**, for more information, refer to Sustainability Governance and Accountability on page 14

Another key achievement was the enhancement of the Axiata Sustainability Framework, whereby we took a step back and deeply considered our impacts on people and planet. As a result, we incorporated ESG elements such as green economy, good governance and inclusive communities into the Sustainability Framework. This holistic approach enables us to create ESG impacts for our stakeholders.

The refreshed Sustainability Framework also gives us the ability to adapt to the macroenvironment, while strengthening the integration of ESG considerations into our business. Thus, we will be able to unlock opportunities while effectively managing risks and add to the overall performance of the Company. In tandem with the Axiata 5.0 strategy, the Sustainability Framework will support our journey towards becoming a diversified digital and mobile telecommunications and technology organisation.

⇨ **SNCR**, for more information, refer to Axiata Sustainability Framework on page 11

⇨ **IAR**, to know more about Axiata 5.0, refer to Axiata IAR 2022

The other significant milestone is our participation as a signatory to the United Nations Global Compact (UNGC). By being part of the largest corporate global sustainability initiative, we have increased our commitment to building strong partnerships globally. This supports our role as an impactful nation-building partner in all the countries where we operate. In 2022 alone, we contributed USD9.2 billion in GDP and supported around 0.7 million jobs in the ASEAN and South Asia region.

Our sustained efforts in advancing our ESG performance continue to be recognised by various international ESG rating agencies. This year, our FTSE4Good score improved from 3.4 in 2021 to 3.6, while our S&P Global Corporate Sustainability Assessment score has risen by nine points to 35/100 over the last two years. This is attributable to our commitment to developing clear climate targets and aligning with the Science Based Targets initiative (SBTi). The improved ratings also assure our shareholders and broader stakeholder groups of our commitment to sustainability practices.

⇨ **SNCR**, for more information, refer to Sustainability Awards & Accolades on page 9

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IN CONVERSATION WITH OUR GROUP CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

Q2 Axiata has stepped up its climate action. Please share the measures taken to bolster your climate action this year.

Q3 To achieve "The Next Generation Digital Champion" vision, Axiata is committed to advancing the communities through digitalisation and inclusion. How did Axiata contribute in 2022?

We launched and rolled out our Net-Zero Carbon Roadmap across our OpCos in 2022. This will steer us along the path to achieving net-zero emissions no later than 2050. Ultimately, we want to accelerate the decarbonisation of our network operations, transform our value chain and deliver an inclusive climate agenda underpinned by our commitment to SBTi and the adoption of the TCFD recommendations.

We have also installed internal constructs which embed "leadership by action" and make our leaders accountable for Axiata's climate action performance. Performance scorecards applicable to leaders at Group and OpCo level have sustainability-related key performance indicators (KPIs) embedded that are linked to climate action. Sustainability initiatives have overall linkage to financial performance.

SNCR, for more information, refer to Climate Change on page 62

Axiata has consistently delivered on our commitment to advancing the frontiers of digitally inclusive societies. We strive to promote inclusivity through initiatives such as digital skills training, inclusive access and inclusive services. Our digital inclusion programmes are designed to empower small and local enterprises, as well as vulnerable communities such as women, girls and people with disabilities.

In 2022, we joined the EDISON Alliance and pledged to positively impact the lives of 23 million people between 2022 and 2025. We will deliver life-enhancing programmes across the areas of healthcare, education, financial inclusion and digital skills development across Asia. Across our markets, we will make digital banking services and microcredit available to the unbanked and underbanked, and enable the provision of telehealth services to rural areas, among others.

Our efforts in building digitally inclusive communities were recognised by the World Benchmarking Alliance's Digital Inclusion Benchmark for the third consecutive year. We were ranked as the 22nd best-performing company among the top 200 technology and communications companies worldwide that were evaluated in 2022.

SNCR, for more information, refer to Digital Inclusion on page 40

Read about the EDISON Alliance here https://www.edisonalliance.org/get-involved

We reach out to communities in need through the Axiata Foundation (AF). In 2022, we expanded the scope of the AF beyond Education to include support for Community Investments and the Environment, in line with our ESG ethos. Our efforts featured a contribution of RM16.7 million and benefitted the lives of more than 22,000 individuals through various initiatives across the three pillars of our ESG programme. Key initiatives included the equipping of 4,600 young talents from across Malaysia with leadership, digital and technology skills to improve their employability in the digital economy. The training was carried out under the Axiata Young Talent Programme, Axiata Digital Leaders Programme and Axiata Equity-in-Education Fund Programme.

We also improved the socioeconomic wellbeing of more than 21,000 individuals from vulnerable and indigenous communities across Malaysia. This would not have been possible without the continued partnerships we have established with our community investment partners.

With respect to the Environment pillar, we aspire to build a healthier and more sustainable planet through collaboration, advocacy and innovation. While the AF's focus has been on Malaysia, our other OpCos have implemented similar initiatives in their respective communities.

SNCR, for more information, refer to Community Development on page 91

We are committed to promoting and integrating the principles of Diversity, Equity and Inclusion (DEI). We strive to empower our people from wide-ranging backgrounds by encouraging them to share their unique perspectives to enrich the knowledge base and impact perimeter of our organisation. Beyond our Company, we aim to extend DEI to the markets and communities in which we operate. This is also why we are deeply committed to, and invested in, digital inclusion for the underserved. In 2022, we further advanced in this area by launching a DEI framework to set a clear pathway to embracing DEI. Our early adoption of the United Nations Women's Empowerment Principles Charter in 2022 supports our commitment to the DEI framework.

Internally, we will lead by example by striving for a more representative leadership that reflects the customers and communities we serve. We have achieved 25% women's representation at the Axiata Group Berhad Board level as of 31 March 2023 and are committed to having 30% women's representation in Axiata Group Berhad's senior management by 2025.

SNCR, for more information, refer to Fair, Diverse & Inclusive Employment on page 79

IN CONVERSATION WITH OUR GROUP CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

Q4 Good governance is vital for Axiata to build trust with stakeholders. What initiatives were taken to strengthen the Group's governance?

We are deeply committed to developing Governance constructs across the Group, which enshrine the principles of good governance, ethics and integrity. We consider best-in-class Governance as fundamental to the trust that we have earned and continue to enrich across our Partner and Stakeholder ecosystems. For instance, our launch of Axiata's Cyber Fusion Centre (ACFC) in 2022 demonstrates our commitment to protecting our data and assets. As part of the Group's Digital Trust & Resilience (DT&R) strategy, the ACFC will drive situational awareness in cyber security and adopt Zero Trust principles to enhance cyber resilience across the Group. With its world-class data network protection systems, the ACFC will catalyse and strengthen the various partnerships and collaborations we have, regionally and globally. We are confident that the ACFC will add significant value towards realising our aspiration of driving digital trust across the region.

Our core value of "Uncompromising Integrity" guides us in being accountable and responsible in everything we do, as reflected by our commitment to preventing corruption across our operating perimeter. This year, we held the Axiata Integrity Month 2022 to promote anti-bribery and anti-corruption awareness through a series of events. Almost 100% of our employees have gone through mandatory training in Anti-Bribery and Anti-Corruption, Cyber Security and Data Privacy. All our employees have undergone training and confirmation of the Code of Conduct.

Q5 What were some of the valuable lessons that Axiata learnt from this year?

We gained valuable experience from regional and global events that impacted our OpCos' operating environments. The agility of our operating constructs enabled us to translate the external challenges into opportunities to bolster our growth.

It was an especially tough year for our OpCos in Sri Lanka, Bangladesh, Nepal, Pakistan and Myanmar, given the macroeconomic headwinds. Sri Lanka, for one, faced one of the worst currency crises in history amid rising costs of food and energy, prolonged power outages and queues and shortages of essential commodities and increased interest rates.

Against the backdrop of complex operating and macroeconomic conditions, we reassessed and recalibrated our strategy to boost our business resilience and sustainability. Project Resilience, which was first rolled out by Dialog, proved to be successful and was subsequently used to align operating frameworks across other operators with the evolving macroenvironmental dynamics. The strategy of continuous learning and agile operations serves as a framework for an enterprise-wide response to external challenges and the achievement of sustainable growth.

We have been committed to maintaining alignment with evolving international ESG standards, reporting frameworks and regulations. We are the first telco in Malaysia to embark on the TCFD recommendations. We are also part of the consultation and pilot group of the GSM Association (GSMA) ESG Metrics for Mobile. This reflects our proactive approach in contributing to the development of the industry's ESG standards.

Q6 Going forward, what is Axiata's sustainability position and outlook?

We will continue to drive the frontiers of ESG practice across our businesses and operating markets. We will also intensify our efforts towards advancing a digital future, where people, planet and the business can thrive collectively against the backdrop of an ever-advancing digital landscape. We will make the required investments to support our climate action to align our Net-Zero Carbon Roadmap with the recommendations of the TCFD. A key component of our efforts will be transforming our value chain through the optimisation of partnerships and collaborations to achieve net-zero emissions. We will continue to play our role as a valuable nation-building partner in the countries we operate in to fulfil our purpose of Advancing Asia along a path of digitally inclusive social, economic and environmental development.

SUSTAINABILITY YEAR IN REVIEW

Introduced Board Sustainability Committee for enhanced ESG oversight

Refreshed the Axiata Sustainability Framework

Joined the United Nations Global Compact

Advancing Digital Societies

- **Joined the EDISON Alliance** and committed to impacting the lives of 23 million people by 2025

- Among the **first three Telcos globally to implement Open Digital Architecture (ODA)** at a large scale

- **#1 telco in 6** of our markets based on **Digital Reputation Score (DRS)**

- **44** start-ups under our **Digital Innovation Funds**

Advancing Green Economy

- Rolled out the **Axiata Net-Zero Carbon Roadmap** with three-strategic objectives

- Commenced the **adoption of TCFD recommendation**s supported by a three-year Roadmap

- Improved energy intensity of **495.5 GJ per million GB** from 674.6 GJ per million GB in baseline year (2020)[1]

[1] Based on Scope 1 and Scope 2 emissions

Advancing Our People & Communities

- **Axiata Diversity, Equity and Inclusion (DEI) Framework** launched

- **293,943** training hours logged this year[2]

- **> 22,000** lives touched under Axiata Foundation with **RM16.7 million** investment

- **Karuna.lk** launched by Dialog - Sri Lanka's first crowdfunding platform to assist non-profits, organisations and causes

[2] Training hours exclude Digital Businesses and Celcom

Driving Governance & Risk

- Three-year Privacy Programme improved average **Privacy Maturity Level to 3.1** from 1.4 in 2020

- **Axiata's Cyber Fusion Centre** launched to advocate cyber resilience

- Renewed the **Corruption Free Pledge** with Malaysian Anti-Corruption Commission

- **60%** of total spend on local suppliers[3]

[3] For Digital Telco, Infrastructure and Corporate Centre

Our Impact to ASEAN & South Asia[4]

- **USD9.5 billion** total GDP contribution

- Supported around **0.7 million** jobs across Asia

- Total CAPEX + OPEX investment **USD4.7 billion**

- Total taxes and fees paid to governments **USD1.5 billion**

[4] Measurement of economic impact and value creation in the markets and communities served by Digital Telcos and Infrastructure

SUSTAINABILITY AWARDS AND ACCOLADES

In 2022, we have shown steady improvements overall and met significant milestones in our sustainability journey due to enhanced reporting and impactful initiatives. This growth and maturity can be seen in improvements in our ESG Ratings and awards won.

ESG Ratings

Bursa Malaysia Berhad

Constituent of the **FTSE4Good Bursa Malaysia Index** and **FTSE4Good Bursa Malaysia Shariah Index** with 4-star ESG Grading Band

MSCI ESG Rating

Maintain AA (Leader) rating by MSCI ESG Ratings

FTSE4Good Bursa Malaysia (F4GBM) Index

Improved **score to 3.6** from 3.4

World Benchmarking Alliance's Digital Inclusion Benchmark

Placed within the top quartile for the 3rd year running, ranking Axiata at number **22 on the list for 2023**, improving from the 28th position the year before

Carbon Disclosure Project (CDP) Worldwide

Improved **CDP Score to C (Awareness)** from D

S&P Global Inc.

Scored 35/100

in the 2022 S&P Global Corporate Sustainability Assessment reflecting an improvement of 9 points over the last 2 years

ESG Awards

ARC Awards International
Honors - Interactive Annual Report: Combined Annual and Sustainability Report

Australasian Reporting Awards 2022 `Gold`
Gold Award for Integrated Annual Report

Frost & Sullivan 2022 Asia-Pacific Telecommunications Group
Company of the Year Award

MSWG-ASEAN Corporate Governance Award 2021
Industry Excellence Award for CG Disclosure, Telecommunications & Media

National Annual Corporate Report Awards (NACRA) 2022 `Gold`
Excellence Award (Gold) - Companies with More Than RM10 billion in Market Capitalisation Disclosure, Telecommunications & Media

Sustainability Performance Awards 2022 by UN Global Compact Network Malaysia & Brunei
Axiata Group's Head of Sustainability won Climate Action Fellow Award
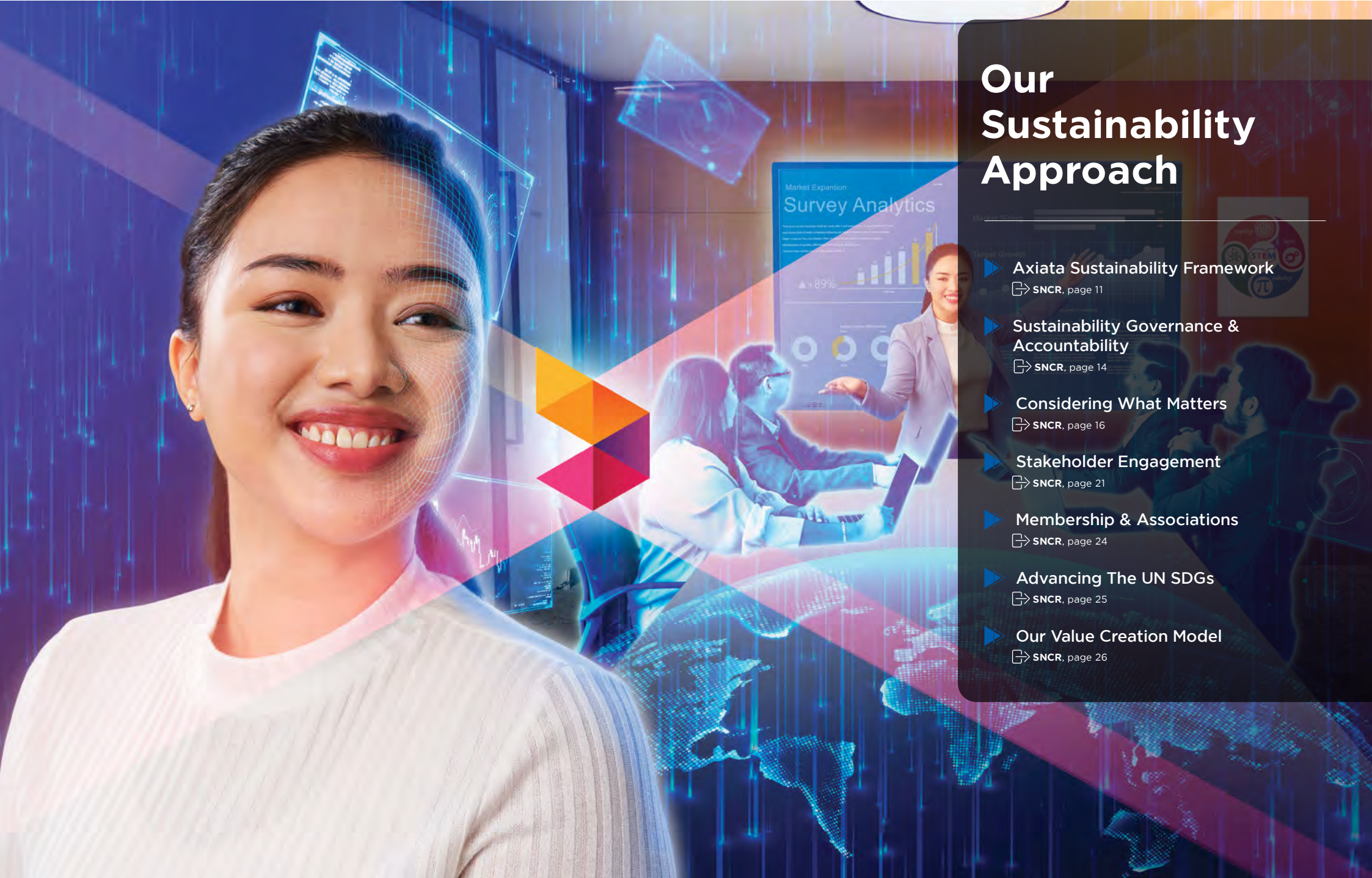
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Our Sustainability Approach

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AXIATA SUSTAINABILITY FRAMEWORK

ESG considerations are integrated into our corporate strategy and sustainability approach to ensure long-term value creation and sustainable business growth. We periodically review our approach to sustainability and priorities to meet stakeholders' growing expectations and incorporate value creation.

In 2022, we refreshed the Axiata Sustainability Framework to ensure that our approach aligns with current sustainability development to unlock opportunities and manage risks effectively. The aim is to adapt to changes in the operating environment, strengthen Axiata's integration of ESG considerations into operations and set key strategic priorities.

At the core of the Sustainability Framework is our commitment, where "we aspire towards advancing a digital future where people, planet and the business can collectively thrive". This supports our purpose of Advancing Asia and vision to become The Next Generation Digital Champion, both of which are founded on our belief that technology plays an enabling role to improve lives.

In rolling out the Framework, we believe in being responsible in everything we do, underpinned by our values of Uncompromising Integrity. Exceptional Performance (UI.EP) to operate responsibly and ethically.

The refreshed Framework continues to be supported by four sustainability pillars to guide us in creating value for the business, people and environment by enabling communities to stay connected through technology and innovation.

The Framework takes into consideration the global agenda to achieve a better and more sustainable future for all through the UN Sustainable Development Goals (UN SDGs), which aim to leave no one behind.

AXIATA SUSTAINABILITY FRAMEWORK

This Sustainability Framework supports Axiata 5.0 which reflects our commitment to making sustainability core to our business and managing what matters where it matters most. This is in line with the increasing demand for corporate organisations to play a more active role by focusing their business on ESG and thinking beyond short-term profits.

Guided by our purpose, the Sustainability Framework was developed by taking into consideration the different levels of maturities across the Group and global push for ESG. The process included assessing existing sustainability programmes and initiatives, considering changes in regulatory requirements and defining targets and goals to measure impacts.

> " **The refreshed Sustainability Framework also gives us the ability to adapt to the macroenvironment, while strengthening the integration of ESG considerations into our business. Thus, we will be able to unlock opportunities while effectively managing risks and add to the overall performance of the Company** "
>
> Vivek Sood
> Group Chief Executive Officer and Managing Director

The following factors were taken into consideration:

01 Insights from an external third party ESG evaluation on our ESG profile, risk exposure and future preparedness.

02 Axiata's material matters founded on what matters to our stakeholders and to Axiata's business.

SNCR, for more information, refer to Considering What Matters on page 16

03 Regular engagement with various stakeholders especially requirements and expectations from our regulators and key investors.

SNCR, for more information, refer to Stakeholder Engagement on page 21

04 Engagement with key corporate functions and our OpCos, taking into account OpCo's sustainability maturity.

SNCR, for more information, refer to Sustainability Forum case study in Stakeholder Engagement on page 23

05 Internal assessment and benchmarking against industry peers, recognised sustainability frameworks, standards and guidelines as well as global ESG ratings and benchmarks.

SNCR, for more information, refer to Basis of This Report on page 2 and Sustainability Awards & Accolades on page 9

The Sustainability Framework was deliberated by Axiata's senior management, while the Board Sustainability Committee (BSC) provided further guidance and approved the Sustainability Framework. With this Sustainability Framework, we have harmonised our approach to our sustainability disclosures.

AXIATA SUSTAINABILITY FRAMEWORK

Sustainability Targets and Performance

As part of the Axiata Sustainability Framework, a set of sustainability targets were adopted to measure progress towards meeting our sustainability commitment and keeping stakeholders appraised on the level of progress. Over time, we may further enhance these targets to focus attention on key areas, addressing growing requirements and changing stakeholder expectations.

Advancing Digital Societies

Material Matters	Targets	FY22 Progress
Digital Inclusion	• Impact the lives of around 23 million people between 2022 to 2025 in the areas of healthcare, education and financial inclusion (inclusive of digital skills)[1]	• 3.8 million lives impacted in 2022 - 1.0 million people in healthcare - 2.3 million people in education - 0.5 million people in financial services

Advancing Green Economy

Material Matters	Targets	FY22 Progress
Climate Change	• Become net-zero no later than 2050[2] ▷ 45% reduction in operational emissions (scope 1 and scope 2)[3] by 2030 ▷ Set baseline and target for scope 3[3] by end 2023	• Total Scope 1 and 2 emissions: 1,391,684.68 tCO_2e^ (vs baseline FY20: 1,318,444.74 tCO_2e) • Scope 3 baseline and target-setting in progress

Advancing Our People & Communities

Material Matters	Targets	FY22 Progress
Fair, Diverse & Inclusive Employment	• 30% women's representation in Axiata Group Berhad's senior management team[4] by 2025	• 27% women's representation as of 31 December 2022

Driving Governance & Risk

Material Matters	Targets	FY22 Progress
Digital Integrity	• Build Digital Trust & Resilience to ensure the protection of customer information and the security of the critical infrastructure ▷ Rank among the top 25th percentile in the ASEAN region on the National Institute of Standards and Technology (NIST)[5] maturity industry benchmark by 2025	• Ranked in the top 30th percentile in the ASEAN region on NIST's maturity industry benchmark • An aggregate of 3.7 out of 5 for Cyber Security Maturity across Axiata Group
Business Ethics & Governance	• Create long term value by fostering a winning culture based on integrity, ethics and compliance achieved through mandatory training and awareness programme for people and broader stakeholders[6] ▷ > 90% training completion for Anti-Bribery & Anti-Corruption (ABAC), Whistleblowing, Data Privacy & Cyber Security yearly	• ABAC: 98.8% • Data Privacy: 97.7% • Cyber Security: 96.5%
	• 30% women's representation in Axiata Group Berhad Board of Directors (BOD)[7] by 2025	• 25% women's representation as of 31 March 2023 • 22% women's representation as of 31 December 2022

Notes:
[1] Covers 19 programmes by Axiata's Digital Telcos (Celcom is only included until November 2022) and Boost with the aim to serve communities where we operate beyond our subscriber base. Target beneficiaries are people from lower incomes, Micro-SME's, women and girls, youth and students and people living in rural areas. These programmes achieved a baseline of 5 million people reached in 2021

[2] Ties with Axiata's Net-Zero Carbon Roadmap and aligns with Science Based Targets initiative (SBTi) Business Ambition for 1.5°C campaign

[3] Scope 1 refers to all direct sources of emissions owned or controlled by Axiata including fuel consumed (diesel and petrol) to power our back-up generators at network and facilities, and fuel consumed for company-owned vehicles. Scope 2 refers to indirect emission sources from purchased electricity consumed by the network and facilities of Axiata. Scope 3 refers to emissions that are outside our direct control and which occur across the value chain. Emissions reported for Celcom is for the period of 1 January 2022 to 30 November 2022, and include newly acquired Link Net from 1 July 2022 to 31 December 2022

[4] Refers to the senior leadership/ senior management team at the Axiata Group Berhad level and excludes senior leadership/ senior management team of our operating companies (OpCos)

[5] To learn more about NIST please go to www.nist.gov/about-nist

[6] Employees refer to all employees across Axiata; and broader stakeholders refers to suppliers and vendors at the Axiata Group Berhad level only and excludes OpCo suppliers

[7] Refers to the Axiata Group Berhad's Board of Directors (BOD) only and exclude BODs of our OpCos

^ This data has been externally assured. Refer to Independent Limited Assurance Report in this SNCR

SUSTAINABILITY GOVERNANCE AND ACCOUNTABILITY

In 2022, we reviewed and enhanced the roles across the various levels of our sustainability governance structure to strengthen our management and approach to sustainability. To effectively implement sustainability strategies and initiatives across the organisation, we focused on building closer collaborations between the Group and OpCos. We will continue to regularly review and enhance, where necessary, the roles and responsibilities of the relevant Axiata Committees and functions to support a holistic approach towards managing our sustainability performance and the credibility of our programmes and activities. Going forward, we aim to strengthen Group oversight across OpCos to support their journey and provide guidance to collaboratively achieve our strategic objectives.

We encourage stakeholders to read the Task Force on Climate-related Financial Disclosures (TCFD) section from pages 63 to 69 for more information on Axiata's climate-related governance.

AXIATA GROUP

OPCOS

Board Level
- Overall strategic responsibility and oversight

Board of Directors

Board Sustainability Committee (BSC)

OpCo Board and Board Committees

Axiata Directors and senior management represent Axiata at OpCo Boards/ Board Committees

Management Level
- Overall management responsibility and alignment across the Group

Group Chief Executive Officer (CEO) and Managing Director*

OpCo CEOs

OpCo Management Committee(s)

Working Level
- Operational responsibility and strategic implementation

Axiata Sustainability Steering Committee

Corporate Centre

Group Sustainability

Other Corporate Centre Functions

Sustainability Teams at Digital Telcos & Infrastructure

Sustainability Representatives at Digital Businesses

Note: The renaming and rescoping of the Board Annual Report Committee to Board Sustainability Committee took effect from 8 April 2022 to provide enhanced oversight on ESG management across Axiata Group
* New title as of 24 March 2023, formerly President & Group CEO

SUSTAINABILITY GOVERNANCE AND ACCOUNTABILITY

BOARD LEVEL

Axiata's Board holds ultimate responsibility of the Group's sustainability agenda and provides oversight of the integration of ESG matters in Axiata's corporate strategy with the aim of balancing stakeholder interests while ensuring that we grow responsibly and create long-term value.

Board Sustainability Committee (BSC)

The renaming and rescoping of the Board Annual Report Committee to the Board Sustainability Committee took effect from 8 April 2022 to provide enhanced oversight on ESG management across Axiata Group. This was in response to increasing stakeholder interest in ESG integration in Axiata. The change underlines our top-down approach and our commitment to embracing sustainability as a Group-wide agenda. The BSC also has oversight of climate-related matters, including climate risks and opportunities.

Led by two Independent Non-Executive Directors and the Group Chief Executive Officer and Managing Director (GCEO)*, the BSC also has the authority to appoint external counsels or advisers and obtain independent professional advice or services in managing sustainability practices. The BSC reviews and evaluates its performance at least once a year to ensure that it has carried out its responsibilities.

The BSC met seven times in the year under review, including four times as the Board Annual Report Committee (BARC), and among the matters discussed were:

- Reviewing and approving of the IAR suite
- Refreshing and endorsing the Axiata's Sustainability Framework
- Reviewing Axiata's sustainability performance and activities
- Receiving progress on Axiata's Net-Zero Carbon Roadmap rollout
- Commencement of TCFD adoption recommendations, and
- Tracking responses to local and global trends and developments pertaining to sustainability

MANAGEMENT LEVEL

The overall management responsibility and oversight of sustainability-related matters lies with our GCEO*. The GCEO is supported by the Group Chief Corporate Officer, who oversees Group Sustainability, and other senior management within their areas of responsibility.

For accountability, sustainability-related KPIs including climate change performance linked to our net-zero commitment are included in our GCEO as well as OpCo's Senior Leadership Teams (SLTs) annual remuneration-linked KPIs. All OpCo CEOs are also authorised to sign off on sustainability-related governance as part of internal control assurance.

WORKING LEVEL

Axiata Sustainability Steering Committee (Steering Committee)

Chaired by the Group Chief Corporate Officer, the Steering Committee consists of representatives from Group Sustainability, OpCo Sustainability, and selected Heads or nominees from key Group corporate functions. The Steering Committee is responsible for supporting the management of ESG matters and ensuring collaboration to streamline the approach within the Group and promote sharing.

Group Sustainability

Group Sustainability leads the development of overall strategy and framework to drive sustainability initiatives and programmes across the Group in a structured and cohesive way. Their responsibilities include monitoring and managing business sustainability practices and targets, keeping abreast of the sustainability development landscape and ensuring management of the Group's ESG risks and opportunities are assessed and evaluated. The team also provides advisory support and capacity building for the sustainability teams in all OpCos and receives sustainability progress updates.

In 2022, the team led the process of refreshing Axiata Sustainability Framework. To better engage the OpCos, Group Sustainability hosted a Sustainability Forum with the OpCos. The team was responsible for the development of the Net-Zero Carbon Roadmap and commencement of the journey to adopt the TCFD recommendations.

OPCOS

On all OpCo Boards and Board Committees, Axiata Group is represented by its Directors or senior management representatives. This enables alignment and oversight from the Group to OpCos, including ensuring the integration of sustainability across the organisation.

Each OpCo has its own sustainability governance, where sustainability-related matters are escalated to OpCo Board, Board Committee, CEO or Management Committee by Sustainability Teams or representatives. Moving forward, the respective OpCo's Board Risk and Compliance Committee (BRCC) will be responsible for monitoring and overseeing risk assessment of sustainability-related matters.

OpCos are responsible for the governance, daily management and operations, programme implementation and data collection for the Group's identified sustainability material matters. As part of the Group's Net-Zero Carbon agenda, OpCos monitor climate-related performance, and developments pertaining to the evolving regulatory landscape, policies and systems within their respective country of operations.

* *New title as of 24 March 2023, formerly President & Group CEO*

CONSIDERING WHAT MATTERS

MATERIALITY ASSESSMENT

Materiality assessments are integral to our sustainability journey, as they enable us to evaluate the Environmental, Social And Governance (ESG) issues that affect our business and our stakeholders. We conduct a materiality assessment once every two years to ensure that the ESG issues and material matters we look into remain relevant and aligned with current sustainability trends, industry developments and regulatory shifts. It also allows us to identify opportunities and mitigate risks posed by each material matter. The recent update was aligned with Bursa Malaysia's Sustainability Reporting Guide (3rd Edition).

In 2022, we re-evaluated our ESG material issues with the assistance of a third-party consultant. Our material matters represent key sustainability issues that will affect our business strategy and stakeholder value creation in the short and long term. We incorporated the perspectives of external and internal stakeholders as well as OpCos to develop a materiality matrix, mapped against Axiata's strategic priorities and its business environment. To ensure integration between Axiata's risk and materiality assessment, existing Enterprise Risk Management (ERM) risk parameters were used to guide the rating of likelihood and impact of each material matter.

The following infographics explain the steps taken in our materiality assessment process.

STEP 1: Review of Material Matters

For FY2022, Axiata's past list of material matters were reviewed and reassessed for its relevance to the business strategy and operations.

The material matters were reviewed against Bursa Malaysia's common material matters, GSMA materiality for the mobile industry, Axiata's OpCos material matters and other industry peers.

Then, a **revised list of 16 material matters** were proposed for Axiata's considerations and confirmed after deliberation with the senior management and Board Sustainability Committee (BSC).

STEP 2: Stakeholder Engagement

A **stakeholder prioritisation survey** was rolled out across the Group to understand the stakeholders' level of influence and dependence on Axiata. The preliminary outcome of the stakeholder prioritisation survey results was deliberated via a prioritisation workshop for deliberation and consensus.

A **stakeholder engagement survey** was then sent out to Axiata's key internal and external stakeholders to obtain their views on the importance of the sustainability matters.

By consolidating the outcome of the stakeholder prioritisation and engagement surveys, the average scores were tabulated to obtain the input for the **'Influence on Stakeholder Assessments and Decisions'** for the materiality matrix.

STEP 3: Sustainability Impact Assessment

A **sustainability impact assessment exercise** was rolled out across the Group to obtain a holistic input from business perspectives. Impact rating of each material matters were consolidated with weighted average to produce an overall material matter ratings. Representatives from Axiata Corporate Centre and OpCos were gathered in a **workshop** to discuss the impact ratings for all material matters.

To ensure integration between Axiata's risk and materiality assessment, Axiata's ERM risk parameters were used to guide the rating of likelihood and impact of each material matter.

Through this exercise, the consolidated material matter ratings were deliberated to form the input for the **'Significance of Axiata's Sustainability Impacts'** for the materiality matrix.

STEP 4: Calibration of Stakeholder Engagement and Impact Assessment

The results from the stakeholder engagement from Step 2 and the impact assessment from Step 3 were analysed and tabulated to form the materiality matrix. Based on the mapping in the matrix, the top material matters were identified.

STEP 5: Review and Validation of Materiality Matrix

The materiality matrix was **validated** and approved by senior management, and presented to the BSC for **endorsement**.

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MATERIALITY MATTERS

MATERIALITY MATRIX

As part of the review of material matters, we renamed 10 material matters to reflect how we define and respond to issues that are significant to our business and stakeholders. The final outcome of the stakeholder engagement and materiality assessment process is a materiality matrix that incorporates Axiata's and its stakeholders' input. All the material matters presented reflect matters that are important to the Group and are categorised into four levels of importance, ranging from High to Medium-High, Medium and Medium-Low importance.
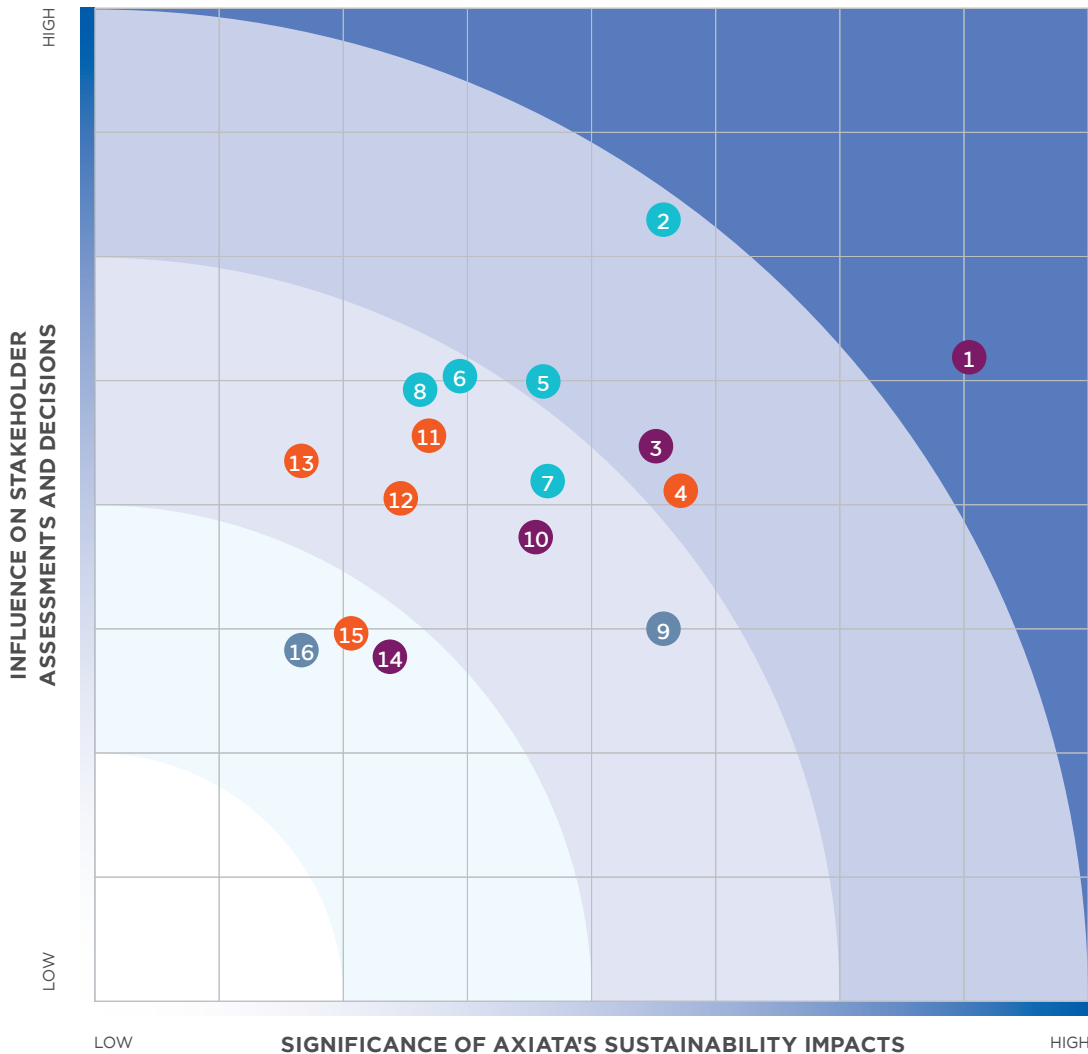
LEGEND

Ranking	Sustainability Matters	Importance Level
1	Digital Integrity#	High Importance
2	Network Quality & Connectivity#	Medium-High Importance
3	Business Ethics & Governance#	
4	Emergency & Disaster Response	
5	Sustainable Business Growth	
6	Customer Experience#	Medium Importance
7	Digitisation & Innovation#	
8	Digital Inclusion	
9	Climate Change#	
10	Regulatory & Political Risk	
11	Employee Health, Safety & Wellbeing	
12	Talent Development & Attraction#	
13	Fair, Diverse & Inclusive Employment#	
14	Sustainable Supply Chain#	Medium-Low Importance
15	Community Development	
16	Environmental Management#	

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\# The renamed material matters reflect what is important to the Group and are aligned with external expectations as well as standards

Chart axes:
- Y-axis: INFLUENCE ON STAKEHOLDER ASSESSMENTS AND DECISIONS (LOW to HIGH)
- X-axis: SIGNIFICANCE OF AXIATA'S SUSTAINABILITY IMPACTS (LOW to HIGH)

CONSIDERING WHAT MATTERS

Digital Integrity, which includes data privacy and cyber security, and Network Quality & Connectivity remained as the top material matters to Axiata, as well as to stakeholders. Our stakeholders placed Customer Experience, Digital Inclusion and Sustainable Business Growth as top material matters that the Axiata Group will need to continue focusing on.

As Axiata is expected to continuously provide uninterrupted service to the local community amidst any political instability, global pandemic or extreme weather conditions, Emergency & Disaster Response increased in priority when compared to previous materiality assessments.

The table below outlines our material matters and descriptions mapped against the pillars of our refreshed Sustainability Framework.

Sustainability Pillars	Material Matters	Descriptions	Importance to the Group	Importance to Stakeholder Groups	Stakeholder Groups
Advancing Digital Societies	Network Quality & Connectivity	Enhancing network quality, coverage and connectivity through continuous improvements in efficiency, availability and reliability.	Axiata strives to continuously enhance our network quality and connectivity by improving our technology capabilities e.g., 5G networks and IoT in order to maintain customer trust and remain competitive in the market.	As a regional mobile telecommunications and digital conglomerate, our customers, business partners and communities trust us in providing them the best quality of network with wide range coverage of our connectivity to navigate through the digital age.	• Customers • Community & Civil Society Organisations (CSO) • Suppliers & Business Partner
	Customer Experience	Delivering a differentiated user experience for customers, and offering the most affordable products and services relative to customer promise in our highly competitive markets.	We place customer experience and satisfaction as our utmost priority by delivering personalised experiences and providing seamless products and services to ensure long-term customer loyalty which supports the Group's relevance in our competitive market.	Understanding our customers' dynamic requirements is crucial for us to offer them products and services that go beyond meeting their current needs.	• Customer
	Digital Inclusion	Ensuring everyone including vulnerable members of the community have access to affordable and innovative products to participate in the digital economy, leaving no one behind.	We are committed to empowering our customers and communities by enabling all to thrive in the digitally-connected world through accessibility to our affordable and innovative products and services.	In supporting the national aspirations in bridging digital gap, we continuously improve and expand our network access to ensure everyone especially remote and vulnerable members of the community are included.	• Regulators & Government • Community & CSO
	Sustainable Business Growth	Promoting direct and indirect value creation in our strategic investment decisions to ensure sustainable growth for our business and enhance our shareholder returns, taking into consideration the ever-changing operating landscape e.g. global recession.	Our investment and partnership strategies guide our Group towards long-term sustainable business growth by ensuring operational performance growth and continuous positive value creation to all our stakeholders.	Our focus towards long-term sustainable business growth enables us to create value and enhance shareholder returns, national contributions, as well as employee and value chain livelihood.	• Shareholders, Investors & Analysts • Suppliers & Business Partners
	Digitisation & Innovation	Adopting technological innovation to enhance key internal business functions, improve process efficiency and effectiveness, and promote innovation and business continuity.	In achieving our vision to become The Next Generation Digital Champion, we prioritise technological innovation in enhancing the efficiency and effectiveness of our internal business processes.	Digitisation and innovation enables the digital transformation journey in businesses, allowing them to grow and deliver meaningful business outcomes.	• Supplier & Business Partners • Customers • Employees, Management & Board

CONSIDERING WHAT MATTERS

Sustainability Pillars	Material Matters	Descriptions	Importance to the Group	Importance to Stakeholder Groups	Stakeholder Groups
Advancing Green Economy	Climate Change	Implementing internal controls and monitoring mechanisms to manage climate risks and opportunities in alignment with achieving our Net-Zero Carbon commitment, to embark on our Task Force on Climate-related Financial Disclosures ("TCFD") journey and to benefit through a climate-positive enablement effect.	In line with our Net-Zero Carbon commitment, we are committed to reducing our operational carbon emissions and closely monitoring and managing the climate impacts of our business operations.	Responding to the global calls for action on climate change, we endeavour to provide innovative digital solutions to enable and encourage our customers and communities to transition towards low carbon economy.	• Regulators & Government • Shareholders, Investors & Analysts • Community & CSO • Industry Bodies
	Environmental Management	Managing environmental impacts through effective waste management, water consumption and biodiversity conservation in our aspiration towards a circular economy within our operations.	While maintaining our social license to operate, we will conduct our activities in a sustainable manner through water-use efficiency, effective waste management and biodiversity conservation.	We commit to operating responsibly by managing our consumption of natural resources to minimise adverse impacts towards the environment in markets we operate in. Progressively we will work together with our partners across our value chain to uphold the same level of environmental management practices.	• Regulators & Government • Community & CSO
Advancing Our People & Communities	Fair, Diverse & Inclusive Employment	Fostering fair recruitment practices by embracing a diverse and inclusive culture in the workplace, and offering employees fair compensation and benefits.	Establishing inclusive working environment for all employees promotes a healthy and productive work culture which boosts employees' morale that translates into enhanced operational performance.	By promoting a diverse, fair and inclusive and work environment, we create a wining culture for our employees to feel safe and inclusive in the workplace.	• Employees, Management & Board
	Talent Development & Attraction	Promoting development and uplifting competencies of employees to respond to the rapidly changing and complex business environment.	In building a modern, agile and digital talent factory, our specialised development programmes enhance our employees' competitive edge in responding to the rapidly changing and complex business environment, while also attracting new talent to our organisation.	With our specialised talent development programme, we develop competencies and empower our employees and enable them to progress in their careers.	• Employees, Management & Board
	Community Development	Paving the way to a digitally inclusive future where communities thrive through our financial and non-financial contributions as we continue to support, uplift and nurture local communities, underprivileged and underserved groups.	As a responsible corporate citizen, Axiata is committed to creating positive impacts and purposeful contributions to the local communities where we operate for long-term sustainable community development.	Through our community investment initiatives, we engage closely with the communities, understand their needs, provide them with basic utilities and uplift their living standards.	• Community & CSO • Media
	Emergency & Disaster Response	Providing support to society in times of emergency and disaster, through our business operations and contributions.	We ensure that we are always prepared with the right tools, infrastructure and resources to support improved access to communities and contribute to humanitarian response in times of calamities and disasters.	The society's dependence on connectivity imposes high trust on telcos' business resilience to ensure access to communication and information during times of crisis.	• Regulators & Government • Customers • Community & CSO • Industry Bodies
	Employee Health, Safety & Wellbeing	Providing for the health, safety and wellbeing of our employees in ways that address key challenges and bringing value to their livelihood in the workplace.	We commit to complying to all applicable environmental, health and safety laws and regulations to ensure that we provide a healthy working environment that promotes physical and mental health and safety.	Our employees entrust us in providing them with a conducive workplace with safety regulations and protocols that put them away from health and safety hazards and ensure rapid and appropriate action is taken when incidents occur.	• Regulators & Government • Employees, Management & Board

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CONSIDERING WHAT MATTERS

Sustainability Pillars	Material Matters	Descriptions	Importance to the Group	Importance to Stakeholder Groups	Stakeholder Groups
Driving Governance & Risk	Digital Integrity	Strengthening data privacy and protecting information and intellectual property against cyber security breaches, to ensure our consumers, safety and security from threats and online exploitation.	We continue to strengthen our cyber security practices to safeguard our customer data from cyber security threats and breaches in order to maintain their confidence in us and to ensure the long-term viability of our business.	In view of the heightened risks of data breaches, data privacy has become one of the top concerns of customers towards telco company.	• Regulator & Government • Customers • Industry Bodies
	Business Ethics & Governance	Maintaining strict business ethics and compliance with all applicable laws, regulatory requirements and policies across our markets of operation in regard to bribery and corruption, tax transparency, anti-competitive practices, human rights and freedom of expression, through business integrity and good corporate governance.	Maintaining strict business ethics as top priority for Axiata. We have established strong governance and all business conduct adheres to the Code of Conduct that conforms to the TRUST principles defined in the Malaysian Anti-Corruption Commission (MACC) Act.	With Axiata's strong ethical culture, we continue to establish and nurture relationships with transparency, mutual trust and integrity with our stakeholders.	• Regulator & Government • Shareholders, Investors & Analysts • Employees, Management & Board
	Sustainable Supply Chain	Incorporating considerations of Economic, Environmental, Social and Governance ("EESG") factors across our supply chain management and processes, while ensuring supply chain continuity.	Supply chain plays a vital role in maintaining our quality services and developing innovative products and services that address our customers' needs. Hence, it is crucial for us to hold our suppliers to high standards of business conduct, including sustainable practices.	We provide support and empower our supply chain, where needed, to build their capabilities in managing the EESG factors within their business operations.	• Suppliers & Business Partner
	Regulatory and Political Risk	Monitoring and management of evolving changes in the regulatory landscape and political context.	As we operate our business in countries across ASEAN and South Asia region which remain highly regulated by a broad range of regulations, it is crucial for Axiata to closely monitor and respond rapidly to the evolving changes in the regulatory and political landscape to ensure long-term growth of our business.	We maintain close relationships with regulators and government to ensure that we always maintain a high level of compliance towards the regulatory requirements and meeting their expectations.	• Regulators & Government

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STAKEHOLDER ENGAGEMENT

Axiata's commitment to create long-term value for our ecosystem of stakeholders throughout our regional footprint in ASEAN and South Asia takes into account the feedback we receive from our continuous engagements with our stakeholders which are conducted through multiple channels. The table below provides highlights of engagement activities and outcomes in 2022.

	Why They Are Important	How We Engage	Topics Raised	Axiata's Response and Results
Customers	Our customers refer to the subscribers of Axiata's services and comprises both individual and business consumers. We value each of our customers and the experience that they have on our network, and impact of our solutions and services. We are committed to delivering optimum performance to meet our customer's expectations and user experience.	We undertake a range of surveys across our markets to understand customer satisfaction and expectations. Scores are benchmarked against our peers, and the data analyses, among others, drive operational excellence.	• Network quality and availability • Improving customer experience • Price of packages, products and service differentiation	• Be the lowest cost producer relative to our customer promise • Drive operational excellence in relation to customer expectations • Creating digital lifestyle products and self-service customer care solutions • Support customers for remote assistance on products, deals and packages, and reliable connectivity
Suppliers & Business Partners	Our suppliers and business partners provide us business critical products and services that enable us to drive our business strategy. We work in partnership to deliver best value for our operations as well to build mutual beneficial support to grow respective businesses.	We conduct engagement with key suppliers to understand solutions and services that can drive operational excellence. We come together with our business partners and suppliers to address opportunities for improvement during performance management and the Annual Supplier Forum.	• Performance against Supplier Code of Conduct • Emerging corporate developments and understanding of long-term strategy • Opportunities for vendor and partner development • Supplier support and continuity of services during emergency situations (e.g. floods) • Embedding ESG within supply chain	• Sourcing local vendors • Supporting the Bumiputera Empowerment Agenda in Malaysia to build local, regional and global champions • Verticalisation of procurement services across the Group to provide scale • Supporting local direct and indirect employment through our supply chain • Value chain discussions for telco industry to operate
Community & Civil Society Organisations (CSO)	We are present in a diverse and fast-developing economic region. We recognise that strong community participation and engagement is needed as part of our social licence to operate.	Building relationships with the community through partnerships with local NGOs to foster digital inclusion initiatives, corporate responsibility programmes and needs assessment of local stakeholders. We communicate our initiatives through digital and print media.	• Support of the UN SDGs • Building capacity of future leaders • Pre- and post-disaster assistance • Addressing local social needs • Developments in digital connectivity and of the wider digital ecosystem for society	• Digital and Financial Inclusion initiatives covering aspects of digital skills and digital connectivity and inclusivity • Disaster Management and Response initiatives • Developing national talent towards becoming future leaders • Established Digital Innovation Funds in four countries to spur innovation and local entrepreneurship
Media	The media provides a platform to communicate with our key stakeholders and local communities. Media channels allow us to promote new products and services, corporate announcements and share thought leaderships.	We engage with the media through interviews, press releases, conferences and other engagement activities.	• Corporate developments • Financial and market performance • Industry trends and issues • Technology breakthrough	• Providing regular performance, network and Merger and Acquisition updates • Implementation of Axiata 5.0 Vision to advance our digital footprint
Shareholders, Investors, Analysts	As owners of Axiata, shareholders and analysts provide us with the financial capital needed to sustain our growth. They are entitled to receive a return on their investment and be apprised of developments in the Group.	We conduct an Annual General Meeting to meet and be accountable to shareholders. We also organise regular investor roadshows and analyst meetings to engage shareholders on current corporate developments, including ESG related matters.	• Financial performance • Long-term business strategy • Board composition • ESG strategy, performance and disclosures which include management of climate related risks • Share price performance and outlook • Support of the UN SDGs • Labour standards	• Transparency in corporate reporting and disclosures through multiple platforms, and sharing of these reports for wider public awareness • Briefings and engagements with shareholders on emerging topics in the industry and national landscape • Heightened investor focus on ESG matters

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STAKEHOLDER ENGAGEMENT

	Why They Are Important	How We Engage	Topics Raised	Axiata's Response and Results
Regulators and Government	Our regulators and authorities specify the national laws and regulations that determine the licence and scope of our activities in our respective markets operation. They provide our OpCos access to operating licences and impose regulatory measures which have potential cost implications for the Group.	We proactively engage with country regulators and authorities through industry meetings, thought leadership platforms, and capacity building workshops to support and enable the digital ecosystem.	• Spectrum allocations and licensing fees • Taxation and industry long-term sustainability • Compliance with regulations and customer service standards • Information security and data protection • IR 4.0 and digitalisation towards the Digital Economy • Developing local digital talents and national talent pipelines • Integration of ESG matters into the business operations, particularly climate change	• Investing in the development of local telecommunication infrastructure • Contributing directly and indirectly to the development of the local and regional digital economy • Supporting digital innovation funds to drive the development of local and regional digital ecosystems • Deploying world-class cyber security and data privacy practices • Active engagement and dialogues with regulators and government agencies to foster collaboration, highlight telco concerns as well as anticipate and adequately respond to ESG regulations or disclosure requirements
Industry Bodies	As a regional industry player in the telecommunications industry, we collaborate and partner with other industry bodies within and related to the industry as well as aligned with key area of interests.	We engage with relevant industry bodies through regular discussions and business roundtables for the continual improvements of telecommunications industry.	• Business continuity and opportunities • Partnerships and collaborations	• Roundtables with UNGCMYB and GSMA and industry players on renewable energy in Malaysia • As part of thought leadership, we actively engage with industry bodies to foster collaboration, highlight telco concerns as well as anticipate and adequately respond to ESG regulations or disclosure requirements • Engage in telco industry proceedings and policies that improves the industry and benefits for communities and society

Case Study

Malaysia Businesses Sustainability Pulse Report 2022

The demand for positive Environment, Social, and Governance (ESG) practices is now stronger than ever among global and ASEAN businesses, regulators, and investors – where it is not only perceived as a measure of risk mitigation, but also as an opportunity to tap into the multi-trillion green economy. Similarly, sustainability has become a strategic agenda in Malaysia. In aligning with our vision of Advancing Asia, we supported the development of the Malaysia Business Sustainability Pulse Report 2022. This project, led by UN Global Compact Network Malaysia & Brunei (UNGCMYB), also involved Bursa Malaysia, Malaysia External Trade Development Corporation (MATRADE), Malaysia Digital Economy Corporation (MDEC), HSBC Amanah, Sarawak Energy, Tata Consultancy Services Malaysia and Nottingham University Business School (NUBS).

The report is a timely research project measuring the landscape and sentiments around sustainability practices within Malaysia's private sector. The findings and analysis helps identify areas of opportunities and challenges for cohesive and meaningful action by the private sector. We see this report as important to enable conversations and considerations of both decision-makers and the public by understanding how and where they can make a difference, by enriching and strengthening discussions leading to the mainstreaming of sustainability actions to accelerate Malaysia's achievement of sustainable goals.

Read more here

Case Study

GSMA/ UNGCMYB Roundtable on a Renewable Energy (RE) Pathway for the Telco Industry in Malaysia

Axiata has set an ambitious target to hit net-zero by 2050. To reach the decarbonisation of scope 1 and 2 reductions by 45% by 2030, access to renewable electricity (RE) through national grids is essential. However, the current capacity of renewables in markets we operate do not meet this demand.

To solve this challenge, supporting regulatory and policy development that enable access to renewable electricity are needed to enable the transition to net-zero. Axiata, along with the other Malaysian mobile operators and with the support of GSMA and UNGCMYB, held a roundtable to engage relevant government agencies on the challenges faced to access renewables in Malaysia. The session discussed the opportunity for the mobile sector to play a role in supporting Malaysia's 2050 target of Carbon Neutrality.

This closed-door roundtable brought together mobile operators (MNOs), tower infrastructure (TowerCo), relevant government departments and the electricity utility provider in Malaysia to discuss the country's changing policy and renewable energy landscape. The key focus was to enable knowledge sharing, to identify opportunities for joint industry collaboration, to address challenges in accessing renewables and how to support Malaysia's climate goals.

We see this engagement as an opportunity to increase public-private dialogue and partnerships to expedite solutions that can increase availability and access to renewable sources of energy. Such partnerships can support governments to meet their carbon reduction targets, while also enabling the mobile industry's net-zero ambition.

Read more here

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STAKEHOLDER ENGAGEMENT

Employees, Management & Board

Why They Are Important	How We Engage	Topics Raised	Axiata's Response and Results
Our innovative and diverse workforce is essential to delivering the best digital experience for our customers. We drive a culture of high performance and accountability that attracts, develops, and retains the best talent to deliver our business strategy.	Axiata conducts an annual Employee Engagement Survey, regular Townhalls and a range of digital platforms to stay engaged with employees across the Group.	• Long-term business strategy and performance • Career and talent development opportunities • Work-life balance and employee wellbeing support • Pay and remuneration • Diversity and inclusivity • Board Sustainability Committee provides enhanced oversight on ESG management across Axiata in addition to the preparation of the Integrated Annual Report Suite (includes SNCR)	• Providing job opportunities to local citizens • Group and OpCo Talent Development programmes • Transforming towards a Modern, Agile and Digital (M.A.D.) organisation • Striving for a Diverse, Equitable and Inclusive (DEI) work environment

Case Study

Axiata Group Sustainbility Forum 2022

The Sustainability Forum held annually focused on refining the refreshed sustainability framework and strategy, to facilitate improved alignment across all OpCos and set clear ambition and direction Group-wide. This three-day forum saw sustainability representatives Group-wide converge in Kuala Lumpur for various knowledge-sharing workshops and discussions which touched on topics related to improving sustainability disclosure, understanding Core ESG Metrics and agreeing on a purpose statement to guide actions as we progress.

The forum served as a platform for each OpCo for different regions in Axiata's markets to converge and share not only their company's sustainability projects, initiatives and efforts but also as a convergence of cultures. The Forum included sharing of good practices that can potentially be adopted when setting sustainability ambitions.

With enhanced synergies and collaboration among the OpCos, it is hoped that the Forum forged healthy working relationships among the representatives with alignment of future goals and objectives.

MEMBERSHIP & ASSOCIATION

We value the connections we make through our memberships and associations, as they help us to stay on top of industry trends. Participating in selected memberships and associations also keeps us aligned with regulatory changes. Additionally, it enables us to build network, benefit from knowledge sharing and gain access to specialised skills and experiences. Being part of various local and global memberships and associations also serves as a gateway to expand our partnership effort. While Axiata Group Berhad participated in the following memberships and associations, Axiata's OpCos have their own memberships and associations, which will be disclosed in the near future.

GSMA

GSMA is a global organisation unifying the mobile ecosystem to discover, develop and deliver innovation that are essential to promoting positive business environments, making an impactful difference to society. Being a part of GSMA as a Board member and working team, we have a strong dedication towards collaborating with the industry to bring about significant positive changes by engaging in various regional industry initiatives. By connecting everything and everyone, these initiatives focused on specific themes to create knowledge and resources that enhance our dedication towards social and digital inclusivity. We have committed to three of GSMA's initiatives which are driven by the Group and across all of our OpCos.

Humanitarian Connectivity Charter	Climate Action Taskforce	Connected Women Commitment Initiative
At present, 160 Mobile Network Operators (MNOs) have signed the Humanitarian Connectivity Charter. These MNOs operate across 112 countries. The Charter has three main principles that emphasise on preparedness, scale and collaboration. By signing the Charter, Axiata has pledged to help people affected by crises by improving their access to communication and information. This commitment aims to reduce the number of lives lost during a crisis and to create a positive impact on the overall humanitarian response.	The Taskforce has more than 60 operator groups as members from all over the world. The GSMA and the Taskforce are working together to spur the mobile industry towards net-zero carbon emissions by 2050. The aim of the Taskforce is to gain support from governments and stakeholders on the climate policy frameworks and advocacy in transitioning to net-zero. The Taskforce also shares best practices and promotes thought leadership and research on how mobile technologies can drive climate mitigation and adaptation.	We are committed to closing the gender gap in mobile internet and mobile financing services to unlock more opportunities for women. Mobile operators are organising initiatives with support from the Connected Women team to increase the proportion of women in their mobile internet and/or mobile money service customer base. Robi has renewed their commitment to this initiative for the 2020 – 2023 period.
SNCR, for more information on other work we do with GSMA, refer to pages 72, 97, 109		
Refer to website here	Refer to website here	Refer to website here

United Nations Global Compact (UNGC)

The UNGC is the largest corporate sustainability initiative in the world and is a strategic initiative that supports global companies dedicated to ethical business practices concerning human rights, labour, environment, and corruption. Axiata is pleased to announce that we have joined the UNGC in November 2022. We support the Ten Principles by incorporating them throughout our business, operations, and culture. Aligned with our purpose of Advancing Asia, this significant step charts the increased responsibility we have taken on to become The Next Generation Digital Champion in the markets we operate in. Ultimately, this enables us to widen our efforts in improving our quality of service and enhances our continued efforts in creating positive environmental and societal impact.

SNCR, for more information on Axiata's current progress across the Ten Principles, refer to UNGC Index on page 153

CEO Action Network (CAN) in Malaysia

CAN is a peer-to-peer informal network of CEOs and Board members who advocate sustainability, capacity building, action and performance. CAN aspires to catalyse its members in shaping future ready and ESG-integrated business models and ecosystems through dedicated working groups, workstreams and active members driving initiatives. Axiata Group has been a member of CAN since 2020 and functions as a co-lead/secretariat to the Policy Advocacy Workstream. Following the 2021's round table sessions, the Report of Proceedings was launched. The outcomes of these round table sessions were highlighted and tabulated as policy recommendations, supported by CAN members to drive sustainable development. The launch also included three round table sessions, one of which was organised by the Telco team.

View the Report of Proceedings together with the launch of the 2020 Round Table series here

TM Forum

TM Forum is an alliance of 850+ global companies working together to break down technology and cultural barriers between digital service providers, technology suppliers, consultancies and systems integrators. Axiata has been a member since 2010 and signed the Open API & Open Digital Architecture Manifesto in 2019. Axiata remains committed to the design principles and essential standards required to enable a 'plug and play' set of technological capabilities.

Refer to website here

30% Club

Axiata Group Berhad joined the 30% Club, represented by Group CEO and Managing Director Vivek Sood, followed by the participation of Celcom, ADA, EDOTCO and Boost. The club aims to support the achievement of a minimum of 30% Gender Balance at all senior decision-making tables across Malaysia, including Boards and C-Suites.

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ADVANCING THE UN SDGS

The United Nations (UN) Sustainable Development Goals (SDGs) are a set of 17 global goals established by the UN General Assembly in 2015 to make the world a better place by 2030. By adopting the SDGs as well as the Paris Agreement on Climate Change, corporates including Axiata can play an important role for national climate action and global cooperation on sustainable development.

We incorporate the UN SDGs' global priorities and aspirations for 2030 as part of the Axiata Sustainability Framework to support the sustainable development agenda. In 2022, we identified and prioritised nine SDGs that are aligned to the Axiata Sustainability Framework, reflecting the Group's position, beliefs,

aspirations and most impactful activities. We are committed to bridging the digital divide, promoting climate action and circular economy, creating positive social impact, and adopting responsible and fair practices across our value chain.

Although other SDGs do not form part of our prioritised SDGs, we acknowledge that we are indirectly contributing to these goals through our unique Triple Core Businesses of Digital Telcos, Digital Businesses and Infrastructure and influential position as a responsible corporate citizen.
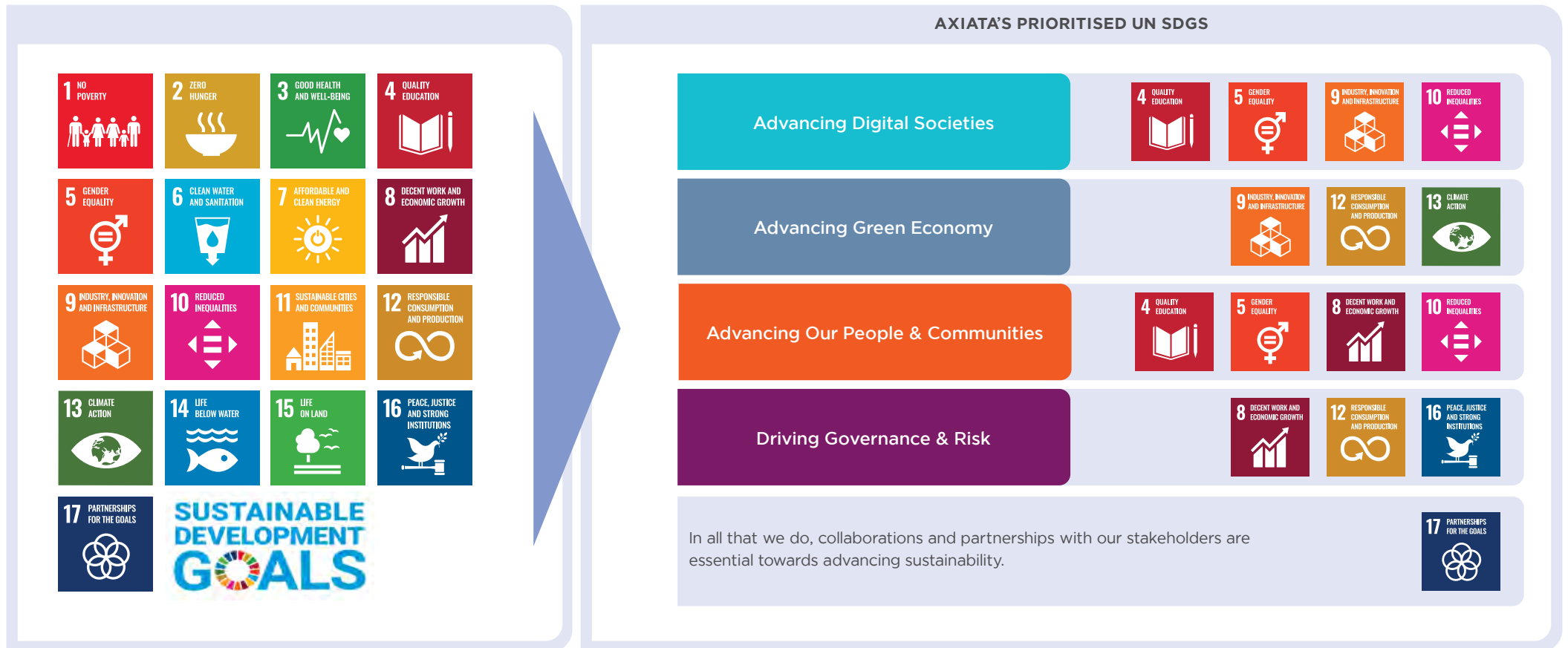
Note: Resources used to assist with identification and prioritisation included the SDG Compass and 'Linking the SDGs and the GRI Standards' document developed by GRI

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OUR VALUE CREATION MODEL

OUR SIX CAPITAL INPUTS

FC Financial Capital
Capital providers supply us with the necessary funding for our business, in addition to cash generated from operations and investment.

- Gross Debt/EBITDA ratio of **2.9x**
- Debt Equity Ratio of **1.2x**
- Operating expenses of **RM15.1 billion**
- Capital expenditure of **RM6.5 billion**

HC Human Capital
Our skilled regional workforce is a pivotal part of Axiata's business model. Our engaged, diverse and innovation-driven employees contribute to the success of our business.

- More than **14,341** employees from 80 nationalities across Asia
- **293,943**[1] **training hours** logged in 2022

IC Intellectual Capital
Our strong brand equity and trust, culture, digitalisation and analytics efforts, as well as our digitised procedures and processes differentiate us in the marketplace.

- Launched and operationalised Axiata Cyber Fusion Centre to deliver world-class cyber security capabilities
- Catalyse public-private partnerships and collaborations to heighten cyber resilience within the region

SRC Social & Relationship Capital
Continuous and ongoing close engagements and partnerships with our key stakeholders, among others, are key towards ensuring we maintain strong and trusted relationships with our stakeholders.

- 2022 Brand Power Results:
  - **#1** in Sri Lanka, Cambodia & Nepal
  - **#2** in Malaysia, Indonesia & Bangladesh

MC Manufactured Capital
Our network infrastructures and data centres are an important source of competitive differentiation. Our Manufactured Capital also includes office buildings for our workforce.

- **32,689** towers owned by EDOTCO
- **25,445** towers managed by EDOTCO
- Group-wide BTS infrastructure
- Group Plant, Property and Equipment (PPE) value of **RM27.2 billion**

NC Natural Capital
We consume energy in our operations and use land to house our towers and other infrastructure.

- Direct energy consumption of **0.94 million GJ**
- Indirect energy consumption of **6.90 million GJ**

Material Matters

- Sustainable Business Growth
- Network Quality & Connectivity
- Digital Inclusion
- Digitisation & Innovation
- Customer Experience
- Climate Change
- Environmental Management
- Fair, Diverse & Inclusive Employment
- Talent Development & Attraction
- Emergency & Disaster Response
- Employee Health, Safety & Wellbeing
- Community Development
- Business Ethics & Governance
- Digital Integrity
- Regulatory & Political Risk
- Sustainable Supply Chain

IAR, Considering What Matters on pages 26 to 27

BUSINESS ACTIVITIES

Our Purpose
Advancing Asia

Our Vision
The Next Generation Digital Champion

Our Values
Uncompromising Integrity, Exceptional Performance (UI.EP)

Triple Core Business

DIGITAL TELCOS | **DIGITAL BUSINESSES** | **INFRASTRUCTURE**

Axiata 5.0 Vision: 3 Core Pillars and 10 Key Focus Areas

1. SUSTAINABLE GROWTH
2. OPERATIONAL EXCELLENCE
3. STRUCTURAL CHANGES

10 Key Focus Areas

1. Positioning for New Norms
2. OpCos Transformation
3. New Growth Areas
4. Cost Management
5. New Engagement Model
6. Digitisation & Analytics
7. Stakeholder Management
8. Organisation 5.0
9. Industry Consolidation
10. Portfolio Optimisation & Value Illumination

IAR, page 35

In Alignment with Axiata Sustainability Framework

Advancing Digital Societies | Advancing Green Economy | Advancing Our People & Communities | Driving Governance & Risk

SNCR, Axiata Sustainability Framework on pages 11 to 13

Note: [1] The data above excludes Celcom and Digital Businesses

OUR VALUE CREATION MODEL

Outputs

- Differentiated connectivity services
- Seamless connection
- Comprehensive digital platforms for businesses
- Data-driven digital advertising
- Differentiated connectivity services
- Enterprise solutions/ IoT
- Reliable network availability
- Fibre connectivity
- Sustainable network tower solutions
- End-to-end tower management services
- Adverse Output: By-products: GHG emissions

OUTCOMES

1. **Delivering Long-Term Value to Shareholders**
   IAR, page 39

2. **Building a Modern, Agile and Digital Asian Talent Factory**
   IAR, pages 40 to 41

3. **Becoming a Trusted and Reliable Digital Partner**
   IAR, pages 42 to 43

4. **Supporting Governments and Communities in Our Markets**
   IAR, pages 44 to 45

5. **Enabling Digitally-Connected Societies**
   IAR, pages 46 to 47

6. **Minimising Environmental Impact**
   IAR, pages 48 to 49

Stakeholders

- Media
- Suppliers & Business Partners
- Shareholders, Investors & Analysts

- Employees, Management & Board
- Suppliers & Business Partners

- Customers
- Suppliers & Business Partners
- Regulators and Government
- Shareholders, Investors & Analysts

- Media
- Community & Civil Society Organisations
- Regulators and Government
- Suppliers & Business Partners

- Customers
- Community & Civil Society Organisations
- Media
- Regulators and Government
- Suppliers & Business Partners
- Shareholders, Investors & Analysts
- Employees, Management & Board

- Regulators and Government
- Industry Bodies

TRADE-OFFS

- In the short term, the corporate exercises pursued by the Group will put pressure on our Financial Capital but will increase our Manufactured Capital and strengthen Intellectual Capital and Human Capital in the long term. Despite the potential short-term impact on our Financial Capital, we are able to generate resilient financial value in the long run as guided by the Axiata 5.0 Vision

- As Axiata moves forward in its journey from Telco to TechCo, investments in technology capabilities and digital talents are necessary to expand offerings and generate stronger revenue streams. This may have an impact on our Financial Capital but will positively shape new value-creation opportunities through Intellectual Capital, Manufactured Capital and Human Capital. We will balance the utilisation of our Financial Capital by making disciplined and effective investment decisions that will achieve long-term growth and sustainable performance

- Axiata's TCFD adoption and net-zero journey will significantly impact all six capitals. This involves improving our Natural Capital consumption through reduction and mitigation initiatives. This requires channelling Financial Capital into our Manufactured Capital, as we invest in resource-efficient infrastructure and operations, such as integrating renewable energy and exploring 'outdoorisation'. We also invest in Human Capital by training and upskilling employees to accelerate the move towards a low-carbon economy, ultimately improving Natural Capital and contributing to Social & Relationship Capital in the long term

- We are committed to building digital inclusion to enable society to adapt to a digital future, which will positively impact our Social & Relationship Capital. While our efforts to bridge the digital divide and foster regional socioeconomic development require investments that may reduce our Financial Capital in the short term, in the long term, these investments will augment the value of our Social & Relationship Capital, Human Capital, Intellectual Capital and Financial Capital

FC · HC · IC · SRC · MC · NC

Axiata Group Berhad • SNCR 2022

Our Business

Approach To
Sustainability

**Advancing
Digital Societies**

Advancing
Green Economy

Advancing Our People &
Communities

Driving
Governance & Risk

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Advancing Digital Societies

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OUR APPROACH

Axiata is uniquely positioned to address the increasingly urgent need for digitalisation with its comprehensive capabilities in digital telcos, digital businesses and infrastructure. As the demand for data, converged services, fintech solutions and enterprise digitalisation continues to surge, Axiata is poised for sustained growth. Our ultimate goal is to become The Next Generation Digital Champion, which is consistent with our overarching purpose of Advancing Asia.

Axiata is dedicated to driving innovation, productivity and efficiency across industries, enabling individuals to work and learn together towards a shared future. We are confident that our continued efforts towards Advancing Asia through digitalisation will pave the way for a brighter, more sustainable future for all.

THE CONTEXT

Digital technologies have the potential to revolutionise society, and the Fourth Industrial Revolution[1] is already transforming the way we live, work and relate to each other. At Axiata, we believe that the real power of technology lies in its ability to drive positive change for families, organisations and communities.

We aim to foster digital societies[2], where everyone is connected to the internet and adopts digital technologies in their daily lives, at home, work and education, supported by advanced connectivity systems and solutions for social and economic development. Ultimately, a digital society is one where individuals, businesses and governments can collectively thrive by leveraging the opportunities offered by digital technologies.

Our goal is to provide equal access to technology and to ensure that everyone can participate in a digitalised society. The COVID-19 pandemic has made digitalisation more necessary than ever before, as many services, resources, knowledge, social connections, and opportunities have migrated to the digital realm. However, not everyone has equal access to digital technology due to limitations in connectivity, lack of skills, or high costs of access.

At Axiata, we are committed to bridging the digital divide by going beyond providing access to our networks. We are continuously innovating to support the connectivity needs of society, providing wider access to our networks and solutions to transform lives and drive progress for a better tomorrow.

[1] Source: https://www.weforum.org/focus/fourth-industrial-revolution
[2] Source: https://www.gsma.com/asia-pacific/resources/apac-digitalsocieties-2022/

"Our belief in the power of digitisation as an enabler of societal advancement is central to our inclusive investment philosophy. To this end, we are focused on bridging connectivity and usage divides and have enabled a host of empowering digital services spanning the spheres of education, health, commerce and entertainment for our 150 million plus customers across Asia. As we enter the era of 5G, IR4.0, Web 3.0, the Metaverse and beyond, we remain committed to empowering the communities we serve with affordable and inclusive access to the frontier digital capabilities these advanced technologies will enable."

Dr Hans Wijayasuriya
Group Executive Director and CEO
- Telecommunications Business

Material Matter	Target	Target's FY22 Progress
▶ Digital Inclusion	Impact the lives of around 23 million people between 2022 to 2025 in the areas of healthcare, education and financial inclusion (inclusive of digital skills)	**3.8 million** lives impacted in 2022 • 1.0 million people in healthcare • 2.3 million people in education • 0.5 million people in financial services

Advancing the UN SDGs

4 QUALITY EDUCATION | 5 GENDER EQUALITY | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 10 REDUCED INEQUALITIES | 17 FOR THE GOALS

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SUSTAINABLE BUSINESS GROWTH

At Axiata, we consider the direct and indirect value creation resulting from our strategic investment decisions, our sustainability performance and our ever-changing operating landscape in the pursuit of delivering sustainable business growth. Our ability to produce consistent and sustainable shareholder returns also requires a long-term perspective and a good understanding of our stakeholders needs and expectations.

APPROACH

Our Axiata 5.0 Vision will guide the company towards sustainable business growth, greater resilience and enhanced operational excellence, aided and strengthened by our Collective Brain and verticalisation initiatives to emerge as The Next Generation Digital Champion. The approach toward long term growth and profitability also prioritises operational performance, organisational excellence and transformation of OpCos, with a focus on digitisation and analytics and new growth areas.

SUSTAINABLE GROWTH

STRUCTURAL CHANGES

OPERATIONAL EXCELLENCE

AXIATA 5.0 VISION: 3 CORE PILLARS AND 10 KEY FOCUS AREAS

1 Positioning for New Norms
Emerging as the winner among the gainers by optimising assets, accelerating digital and managing interfaces

2 OpCos Transformation
Each OpCo to zero in on key focus areas to achieve long-term strategic objectives

3 New Growth Areas
Capturing double-digit growth in Enterprise, Home and Digital Value Added

4 Cost Management
To be the lowest cost producer of data and deliver on our Customer Promise

5 New Engagement Model
Transformation via the virtual centralisation of Collective Brain

6 Digitisation & Analytics
Leveraging on Data Analytics, AI and ML as a core differentiator

7 Stakeholder Management
Greater focus on regulatory and sustainability matters and our role as nation building partners

8 Organisation 5.0
Reimagining and refining evolving competencies

9 Industry Consolidation
Explore Mergers and Acquisitions where opportunities arise

10 Portfolio Optimisation & Value Illumination
Driving organic growth and identifying strategic inorganic transactions

IAR, In Conversation With Our GCEO and Refining Our Strategy to Unlock Future Value

OUTLOOK

Looking ahead, we will continue to harness the synergies present in our business for a brighter future in moving from a telco to a TechCo. We will continue to drive performance across Axiata's vast footprint in the South and Southeast Asian regions to strengthen our balance sheet and strive to meet market expectations. We are also prepared to face current and emerging challenges such as evolving consumer preferences, regulatory developments and the greater momentum seen around the world in implementing climate action.

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SUSTAINABLE BUSINESS GROWTH

DELIVERING SUSTAINABLE GROWTH AND OUR INVESTOR PROPOSITION

Despite macroeconomic risks, Axiata demonstrated agility and adaptability to execute its Axiata 5.0 Vision to drive sustainable business growth and empower communities and businesses with digital inclusivity and connectivity.

A financially resilient business

- Operating Free Cash Flow of **RM3.1 billion**
- Strong cash balance of **RM7.5 billion**
- Stable balance sheet
  - Gross Debt/EBITDA of 2.9x
  - Net Debt/EBITDA of 2.3x
  - Dividend per share of 14.0 sen in 2022
- XL Axiata issued IDR3 trillion in Bonds and Sukuk, both rated **'AAA'** by Fitch Ratings, the highest for Indonesia
- XL Axiata raised IDR5 trillion from its rights offerings, aligning with the Group's balance sheet deleveraging plan
- Dialog's revenue ex-device **remained resilient at +26% year on year (YoY)** driven by international and enterprise business despite the challenging macroeconomic environment in Sri Lanka, with Project Resilience helping mitigate escalating operating costs due to inflation and currency depreciation
- EDOTCO, Malaysia's largest tower company, raised RM1.4 billion through its first sukuk issuance, **rated AA+IS** with a **'stable' outlook** by MARC Ratings Berhad. The strong ratings reflect its solid market, strong cash flow visibility and growth potential from rising demand for broadband services and national digital connectivity

IAR, Outcome 1 on page 39

Driving structural changes to future-proof the Group

- **Completed Celcom-Digi merger** on 30 November 2022, forming the largest locally-listed technology company on Bursa Malaysia
- Axiata Group and XL Axiata **acquired 66.03% equity interest in PT Link Net Tbk** (Link Net) on 22 June 2022, which triggered a Mandatory Tender Offer (MTO) for the remaining shares. The MTO was completed on 6 October 2022, resulting in Axiata and XL Axiata holding a combined 99.52% stake in Link Net
- XL Axiata **acquired a 51% share in PT Hipernet Indodata (Hypernet)**
- EDOTCO Group became the **leading Tower Company in the Philippines** following the acquisition of 2,973 towers from PLDT in April 2022
- **EDOTCO entered the Indonesia** market by acquiring 859 towers from XL Axiata
- Boost−RHB consortium **wins digital bank license** in Malaysia

IAR, In Conversation With Our GCEO on pages 12 to 22

Continuously delivering value and growth

Revenue	EBITDA	PATAMI
RM27.5 billion	**RM12.4** billion	**RM9.8** billion
+6.2% (YoY) ▲	+9.0% (YoY) ▲	+> 100% (YoY) ▲

- Achieved Cost Excellence – total savings of **RM1.7 billion**
  - Opex savings: RM0.6 billion
  - Capex savings: RM1.1 billion

IAR, Chairman's Message, In Conversation With Our GCEO and Financial Resilience on pages 12 to 13 and 51 to 60

SRI LANKA AND PROJECT RESILIENCE

With Sri Lanka facing its worst currency crisis in history, which led to a range of issues such as hyper inflation, higher interest rates and energy shortages, Dialog had to act promptly to protect itself from the worst of its effects. As such, it rolled out an enterprise wide 'reset programme' titled Project Resilience that focused on growing revenue, optimising and rescaling costs, retaining must haves only, aggressively adopting technology and analytics and protecting the product, network and service experience. The effectiveness of this strategy for Dialog saw its learnings being shared Group wide with other OpCos, especially those with operations in frontier markets.

In terms of success, Project Resilience was able to cushion the impact of escalating operation costs despite the macroeconomic challenges and enabled Dialog to secure higher YoY revenue in 2022.

IAR, In Conversation With Our GCEO on pages 14

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SUSTAINABLE BUSINESS GROWTH

OUR IMPACT TO ASEAN AND SOUTH ASIA

Our value creation activities have significant impact in ASEAN and South Asia to the economies and communities in the 10 countries we operate in. We provide direct and indirect employment, consistently invest in the telecommunication industries we operate in the form of network infrastructure and talent development, and contribute to respective governments through taxes and fees paid. Beyond this, we are active in contributing back to society through our ESG and philantrophic initiatives.

axiata

Digital Telcos

celcom   XL axiata   Dialog
robi   Smart   Ncell   linknet

Infrastructure

EDOTCO

EDOTCO

Nepal
Pakistan
Myanmar
Cambodia
Laos
Bangladesh
Malaysia
Philippines
Sri Lanka
Indonesia
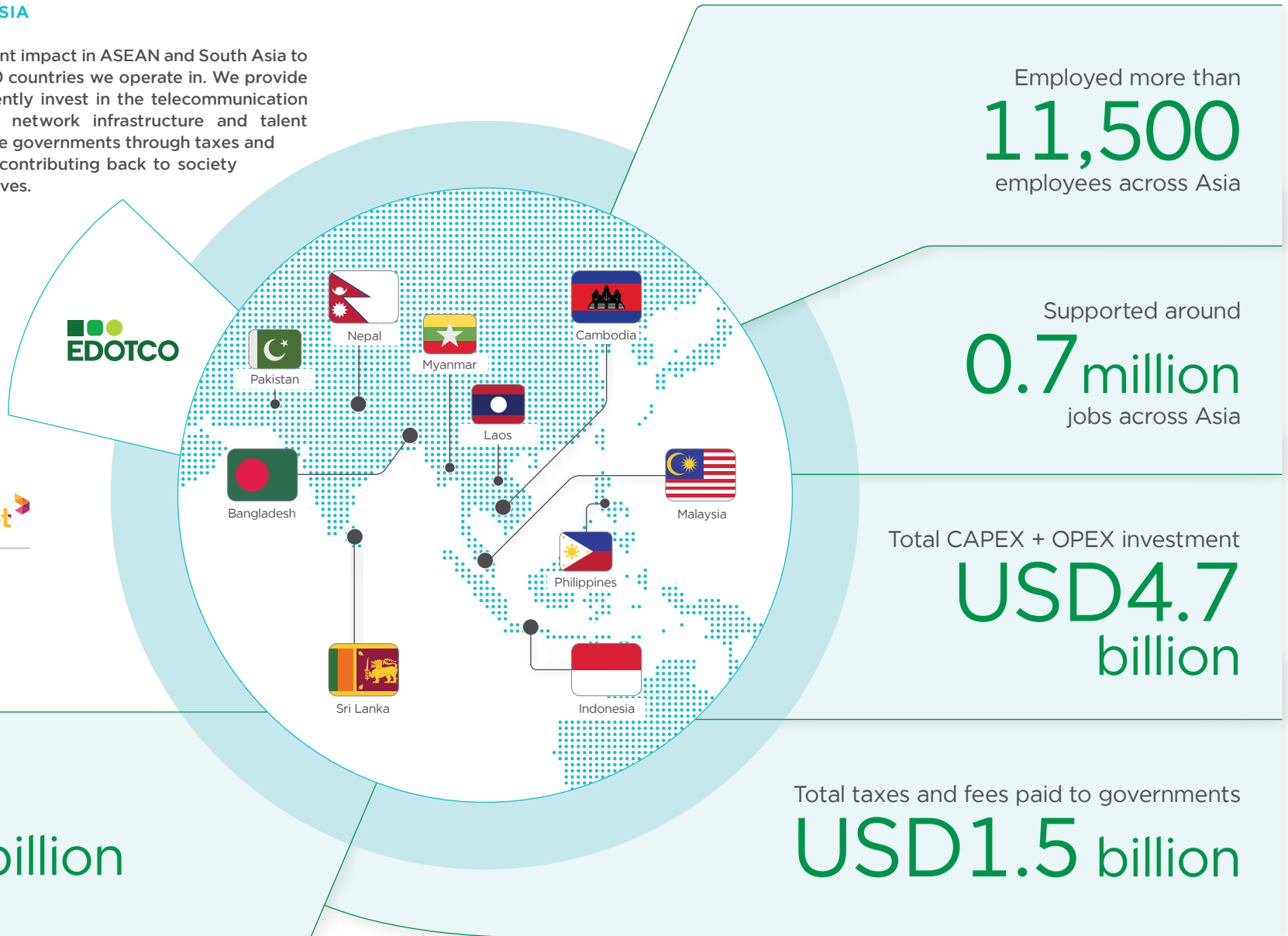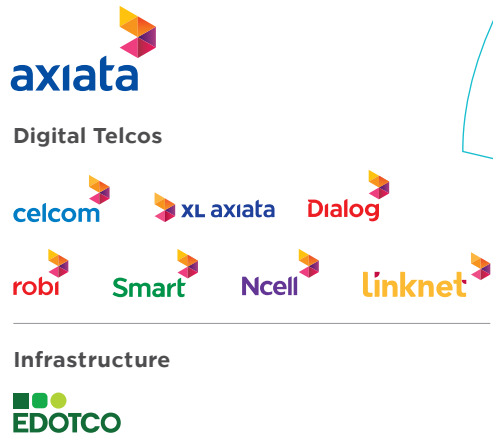
Employed more than
11,500
employees across Asia

Supported around
0.7 million
jobs across Asia

Total CAPEX + OPEX investment
USD4.7 billion

USD9.5 billion
Total GDP Contribution

Total taxes and fees paid to governments
USD1.5 billion

SNCR, for further details, please refer to our National Contribution Report 2022, page 119

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SUSTAINABLE BUSINESS GROWTH

REPRESENTING MALAYSIA AS A HOME-GROWN CHAMPION

As a company deeply rooted in Malaysia's socioeconomic development, we take pride in our contribution to the Bumiputera Empowerment Agenda (BEA), which provides vital support to Bumiputera entrepreneurs, employees, and students. Through a comprehensive investment programme, we actively support the BEA by building the capacity and capability of local vendors, providing financial assistance to a new generation of technopreneurs, and creating employment opportunities for university graduates.

RM5.3 million
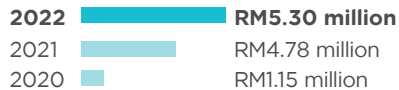spent for employee learning and development in 2022 (RM44.5 million in employee training and development since 2017)

2022	RM5.30 million
2021	RM4.78 million
2020	RM1.15 million

Tuisyen Rakyat has involved
**more than 10,000**
students since 2017

Procured goods and services worth
RM1,013 million
from Malaysian companies of which 72% or RM727 million was spent on Bumiputera companies

Axiata Digital Innovation Fund

First established in 2014, the Axiata Digital Innovation Fund (ADIF) is mandated to invest 70% of the fund size into Bumiputera-founded technology companies. ADIF was formed in collaboration with Malaysia Venture Capital Management (MAVCAP) and Johor Corporation Berhad ("JCorp") and is an early-stage fund, focusing on innovative digital and technology companies. It has exposure in e-commerce, logistics, big data, IoT and more. The fund size is currently RM80.4 million and has 12 portfolio companies, with a majority proceeding to receive up-round funding from other institutional investors. Some key portfolio companies include Aerodyne, Serunai and Maideasy.

ADIF supports innovative digital businesses, including Bumiputera technopreneurs (RM44.5 million in employee training and development since 2017)

INVESTEES
53%
47%

INVESTMENT VALUE
68%
32%
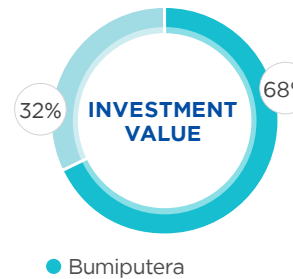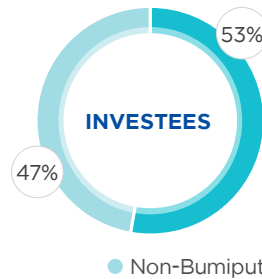
● Non-Bumiputera   ● Bumiputera

Contribution amount to Bumiputera companies (2015 - 2022):
RM43.0 million

Number of companies that are Bumiputera: **53%**

YoY revenue growth of companies:
9.66%

Developing e-entrepreneurs

Through Celcom, we have organised several collaborative initiatives such as Digitalpreneur, Google Bootcamp and SiswaCommerce to cultivate digital and entrepreneurial skills among the youth, university graduates and B40 communities for increased opportunities of employment in the current technology-dependent job market.

- **> 11,000 e-entrepreneurs** trained through Celcom's Digitalpreneur, Google Bootcamp and Siswa Commerce programmes
- Since 2016, Celcom has collaborated with the Ministry of Higher Education and > 170 institutions of higher learning to develop the digital entrepreneurship mindset among Bumiputera university students

Digitalpreneur

Digitalpreneur is Celcom's on-going programme designed to give exposure to the B40's business community on how to transition from a traditional to modern online business, focusing on marketing skills via digital platforms. Celcom collaborated with the Penang Girl Guide Association and trained more than 80 women entrepreneurs in upskilling their digital entrepreneurship skills.

Google Bootcamp

Celcom collaborated with Google Malaysia to equip students from higher learning institutions with digital skills for employability and entrepreneurship. The initiative garnered over 4,250 total participants from higher learning institutions (Public/Private/Community College/ Polytechnic) as compared to 2,300 female students from the previous year.

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NETWORK QUALITY & CONNECTIVITY

Axiata strives to be more customer-focused to improve connectivity and provide digital services to drive the success of the Group. Ensuring accessibility and that communities are connected including those in rural and underserved areas remains a priority. We believe that this will help build the nation's economy and support the ever-changing lifestyle needs of our consumers.

APPROACH

Axiata continues to drive its vision of becoming The Next Generation Digital Champion, by focusing on improving our network and operations, carefully developing them to provide reliable, affordable and resilient connectivity to ensure continuous service for consumers. Our Group's Network Transformation Programme and future network strategy has led us to create sectoral technological advancements like 5G.

Radio Access Network (RAN) infrastructure is rapidly growing. RAN accounts for 60% - 70% of the Total Cost of Ownership (TCO) of a network, representing the biggest Research and Development (R&D) spend of mobile network vendors. Open RAN Technology is a revolutionary approach with innovative Open RAN projects in the RAN domain, redefining the RAN architecture to provide greater benefits when 5G matures. It is a critical enabler for 4G expansions and 5G evolutions, which enables Axiata to serve rising regional connectivity needs and bridge the digital gap in rural areas. We have also finalised the planning and timeline of OpCo's 5G use cases to ensure business continuity.

We are committed to protecting our stakeholders' interests by ensuring our business continuity amid crises or disruptions. Axiata's Business Continuity Management (BCM) framework is implemented across the Group and guides us in building resilience. It enables us to address changes that may arise due to technological evolution or organisational shifts. Our OpCos have put in place the appropriate measures to deliver reliable connectivity and to address network issues. This will enable Axiata to maintain an agile and resilient network.

OUTLOOK

Axiata will continue to migrate to cloud infrastructure to be deployed in the network based on the requirements and terms of retail and enterprise applications. Cloud-based infrastructure network and 5G Standalone (SA) allow greater exploration of new engagement models in network, IT and finance, eventually optimising existing assets, improving customer experience and achieving cost and operational excellence. This also enables us to securely meet growing data demands.

INCREASED NETWORK COVERAGE

Significant progress was made in 2022 as we closed the chapter on 3G to make way for 4G and 5G use cases. Our OpCos have enhanced the coverage and quality of 4G across their operating markets, ensuring steady progress in their respective countries. The reinforcement of 4G LTE delivers better performance, higher bandwidth for faster transfer, quicker response rates and improved efficiency. Consequently, this has led to an overall improvement in network experience.

Areas of Focus for Network Transformation in 2022
- Operational improvements such as increase in renewable energy, reduction in generators, outdoorization, additional content caching, antenna consolidation and Quality of Service (QoS) enhancement
- Increase Fiberization over MW
- Drive 3G shutdown
- Voice over Long Term Evolution (VoLTE) migration

Key Areas of Focus with OpCos
- Network Automation & Predictive Maintenance covering energy monitoring and customer complaint handling
- Cloudification
- Roll out of 5G Readiness Strategy
- Softwarisation of Transport Network
- Leverage on 3rd party Network Insights (Meta)

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NETWORK QUALITY & CONNECTIVITY

NETWORK COVERAGE ACROSS OUR OPERATING MARKETS

NEPAL
Nature of Business:
Mobile Telecom Operator

Customers:
17.1 million

Technology Deployed:
Mobile:
GSM, EDGE, 3G/HSPA+

No. of BTS:
2G : 3,998
3G : 3,233
4G : 3,983

Network Coverage:
(by population coverage)
2G : 92.47%
3G : 43.77%
4G : 88.31%

CAMBODIA
Nature of Business:
Mobile Telecom Operator

Customers:
7.1 million

Technology Deployed:
Mobile:
GSM/EDGE, LTE/LTE-A

No. of BTS:
2G : 3,325
4G : 3,370

Network Coverage:
(by population coverage)
2G : 99.6%
4G : 98.7%

EDOTCO
EDOTCO is the largest and fastest growing pan regional TowerCo in Asia

- Unique portfolio of 32,689 owned and 25,445 managed towers across Malaysia, Indonesia, Bangladesh, Cambodia, Sri Lanka, Pakistan, Philippines, Myanmar, and Laos (1.64x co-location ratio)
- One of the leading TowerCo globally - 3rd largest multinational and 6th largest TowerCo in the world by tower count
- Ranked #1 or #2 TowerCo in six markets
- Diversified customer base with 38 MNOs and 40 Non-MNOs

BANGLADESH
Nature of Business:
Mobile Telecom Operator

Customers:
54.4 million

Technology Deployed:
Mobile:
GSM/EDGE, 3G/HSPA+, LTE/LTE-A, VoLTE

No. of BTS:
2G BTS : 15,558
3G BTS : 9,589
4G BTS : 15,650

Network Coverage:
(by population coverage)
2G : 99.6%
3G : 67.6%
4G : 98.3%

MALAYSIA
Nature of Business:
Mobile Telecommunications

Customers:
9.4 million

Technology Deployed:
Mobile:
GSM/GPRS/EDGE, LTE/LTE-A/VoLTE/VoWiFi, 5G
Fixed Network:
FTTx, WTTx

No. of BTS:
2G : 11,748
4G : 35,599

Network Coverage:
(by population coverage)
2G : 95.32%
4G : 96.37%

Note: Reporting period for Celcom is up to 30 November 2022 as a subsidiary of Axiata Group

SRI LANKA
Nature of Business:
Communication Services, Telecommunications Infrastructure Services, Media and Digital Services including Financial Services, Dialog Enterprise

Customers:
17.4 million

Technology Deployed:
Mobile:
GSM/EDGE, 3G/HSPA+, LTE/LTE-A, 5G Pilot
Fixed Network:
LTE, WIFI, DOCSIS, FTTx, Wibas
Media:
IPTV, DTH (Satellite TV) , ViU mini (Android Stick), ViU Hub 2.0 (Android TV)

No. of BTS:
2G: 5,559
3G: 2,877
4G Mobile Broadband: 5,242
4G Home Broadband: 2,523

Network Coverage:
(by population coverage)
2G : 98.2%
3G : 82.09%
4G Mobile Broadband: 95.4%
4G Home Broadband: 71.22% (Outdoor Coverage)

INDONESIA
Nature of Business:
Internet Service Provider

Customers:
0.8 million

Technology Deployed:
Fixed-line Fibre Broadband

Network Coverage:
(by population coverage)
3.1 million Homes passed

Note: Reporting period for Link Net as a subsidiary of Axiata Group from date of acquisition on 1 July 2022

INDONESIA
Nature of Business:
Mobile

Customers:
57.5 million

Technology Deployed:
Mobile:
GSM, GPRS, EDGE, 3F, HSPA+, DC-HSPA+, 4G LTE, 4, 5G

No. of BTS:
2G : 53,136
4G : 91,632

Network Coverage:
(by population coverage)
2G : 92%
4G : 96%

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NETWORK QUALITY & CONNECTIVITY

PAVING THE WAY FOR A FUTURE WITH 5G, IoT AND SMART INNOVATIONS

Axiata is in the process of moving to infra for its network based on the requirements of retail and enterprise applications. For OpCos, the migration of our operations to the cloud will enable agility, scalability, flexibility and cost efficiency. We are also implementing 5G SA or convergent core infra according to use cases, and as a future readiness strategy. We have started with a phased approach for 5G across the Group enhancing Mobile Broadband (eMBB) and during the growth and maturity phase, focused on industrial applications and the Metaverse.

Our preparations for 5G readiness across operating markets has also enabled us to form collaborations with manufacturers of network and IT equipment. This has provided us opportunities to partner with universities and think tanks to develop and showcase the potential of 5G technology to society.

- > 4,000 5G sites were on boarded in major cities across Malaysia
- Participated in National's 5G equity shareholding
- 5G services commercially available to customers in November 2022

XL Axiata continued to make waves in Indonesia, through various efforts to expand 5G and developing IoT-based solutions. XL Axiata's 5G coverage is now available across 75 locations and 23 cities, utilising DSS technology in 2.1 GHz spectrum band. The following are initiatives undertaken by XL Axiata in 2022:

- XL Axiata partnered with Huawei Indonesia to demonstrate the effectiveness of "Green 5G Catalyst Network" project concept which explores autonomous networks and energy efficient technologies to deploy environmentally friendly 5G networks. The project garnered two awards at the TM Forum 2022 Catalyst Awards at Copenhagen, Denmark
- XL Axiata's IoT lab, X-Camp released 'Temptrax 2501' into the market after several trials. 'Temptrax 2501' is a smart chiller to support the needs of the cold chain industry
- XL Axiata and PT Jakarta Infrastruktur Propertindo (JIP) agreed to collaborate to conduct R&D on 5G use cases, utilising AI and IoT, in transportation and waste management to smart buildings

Dialog continued to expand its 5G journey across the country to drive innovation including the following:

- Launched the first 5G SA Trial Network in South Asia
- DBN conducted 5G mmWave trials
- Launched 5G Innovation Centres across 12 universities to spearhead the 5G industry ecosystem development in Sri Lanka. This included setting up a "Future Zone" to showcase 5G at the Colombo Lotus Tower

To increase the readiness for 5G and IoT-based solutions in Bangladesh, Robi:

- Conducted successful trial of 5G in all divisions across the country
- Conducted a feasibility study with PRAN-RFL Group (Bangladeshi conglomerate)
- Developed a solution for PRAN-RFL 5G Industrial Park which is undergoing review. The solution features 5G industrial campus network, fleet management, wireless projection and more

- Currently awaiting regulatory approval to begin 5G trials

- Link Net joined forces with Bardi, an IoT solution provider allowing customers to buy IoT items from the Tokopedia store

NETWORK SIMPLIFICATION AND MODERNISATION DURING A CRISIS - DIALOG'S PROJECT RESILIENCE

Dialog faced a 70% fuel hike during 2022 due to the currency crises forcing it to rethink its network operations cost and ability to serve customers effectively. This led to Project Resilience, an effort to simplify, transform and optimise its network. Some of Dialog's key initiatives include:

- Opex Transformation Programme: Increased rental savings, energy savings, transmission cost, legacy removal, Camfil Solution System (CFSS)
- Accelerated 3G Shutdown: Phase 1 has been completed and the rest of the project is ongoing, increased the value of 5MHz, VoLTE, Improved 2G Voice
- Green Energy: Expanded solarization, capacity reduction, switched off layers at midnight, turned off FTG
- Core network cost exposure & flexibility: Bolstered HW efficiency, licensing model, reduced cost for CEM & UDN, simplification
- Control on Field maintenance expenses: Established spend analysis and monitoring mechanism, developed spend review committee
- In-sourced Operation: Conducted SAQs, drive test, surveys, internal TE and E&E installation, field operations, CX

Overall, these key actions together with cost, revenue and transformation initiatives enabled Dialog to manage and control rapidly escalating costs due to high inflation and macro-economic instability, leading to significant improvements in Dialog's profitability and ensuring connectivity across Sri Lanka. With the success of Project Resilience, Dialog led the sharing of learnings to bolster capabilities in areas such as Network Simplification, Transformation and Cost Optimisation across OpCos.

CUSTOMER EXPERIENCE

As we serve over 174 million users throughout the region, our approach to customer experience is critical to our business. We recognise that the expectations of our customers have evolved, with many preferring to engage online and be part of the digital ecosystem. Our top priority is our customers and their satisfaction, and we aim to uphold their trust by ensuring we are always meeting and exceeding expectations.

Committed to offering our customers excellent **network reliability** and access for the best network and service experience

↪ **SNCR**, Network Quality & Connectivity on page 34

Responsibility to **protect the data** that our customers, employees and other stakeholders have entrusted us with

↪ **SNCR**, Data Integrity on page 109

How we are serving our customers

Provision of services that ensure **we maintain the trust and confidence** of our customers

↪ **IAR**, Our Operating Companies on pages 62 to 81

Promotion of **ethical business activities** in how we operate internally and with our business partners and suppliers

↪ **SNCR**, Business Ethics & Governance on page 102

APPROACH

As part of our Axiata 5.0 vision, we have introduced digital products and platforms which are modernised and designed to meet the increasing needs and expectations of customers in the digital economy and society. With our continued efforts to widen network coverage and improve reliability, we are also enhancing our cyber and data security measures. This will ensure greater privacy for our customers and enable them to experience seamless and connected customer service.

We also record customer feedback and collect data at touchpoints in real-time to elevate the human-centric interaction between users and digital platforms. OpCos are constantly adapting to the prevailing economic landscape and shifting societal pressures on connectivity by presenting digital solutions across regions.

OUTLOOK

Looking ahead, our top priorities will be to maintain our commitment to providing exceptional customer experiences across our footprint, establish strong brand equity, and build trust with our customers. To achieve these goals, we will continue to enhance our digital platforms and offerings to cater to the evolving needs of our customers in the digital economy and society. Through these efforts, we seek to not only meet but exceed our customers' expectations and establish ourselves as the go-to provider for all their digital needs.

CUSTOMER SATISFACTION

We consistently keep track of our customer satisfaction scores and performance indexes across OpCos to ensure we are meeting the needs of our consumers in areas where we operate. Customer Experience (CX) is vital to our business. As such, we have in place systems to measure our progress to meet customers' expectations and needs.

Every year, CX KPIs are set for our OpCos, benchmarked against industry peers. Performance is evaluated on a quarterly basis. Leveraging on the strength of our networks, platforms, services and people, we are able to deliver our brand promise, which improves our customer experience metrics.

Many of our OpCos are ranked number one in respective markets across the three different scores. This reflects our commitment to excellence in customer satisfaction. Going forward, we will continue to maintain this trend and ensure our customers are satisfied with our service.

Customer Satisfaction Performance

Net Promoter Score (NPS)

2022	#1	#2
celcom Dialog Smart		XL axiata robi Ncell

Brand Power Score (BPS)

2022	#1	#2
Dialog Smart Ncell		celcom XL axiata robi

Digital Reputation Score (DRS)

2022	#1
celcom XL axiata Dialog robi Smart Ncell	

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CUSTOMER EXPERIENCE

CUSTOMER FEEDBACK AND COMPLAINTS

We pay attention to customers' expectations, requirements and complaints through the feedback they share across our platforms, whether it be in the form of surveys, social media or data analytics. Customer sentiment from using our products and services is significant to us as it represents our ability to meet their expectations.

We also place emphasis on a wider range of platforms, like chatbots, and more structured customer feedback requests to support the frequent use of digital tools for our performance measurement. Insights obtained from customer feedback and data analytics guide us in decision-making to continuously refine our services to serve our customers better.

XL axiata
90% of Customer Feedback obtained from digital platform

robi
48%+ increase in Customer Interactions at Digital Customer Touchpoints (compared to 2021)

Smart
51.63% of Smart's customers utilises its online services solutions/ sales platform

Ncell
71% of registered base (12.2 million) has downloaded the Ncell Customer App

CUSTOMER COMPLAINTS AND FEEDBACK

With the emergence of varying physical and virtual touchpoints, customers can lodge complaints and provide feedback. That said, OpCos' customer service personnel are able to receive and respond instantly, leading to faster resolution of any technical issues. We can engage with customers more closely to gather deeper insights and feedback, enhancing our customers' experience, and improving our operations and productivity. For instance, Celcom customers can track the status of their case via Celcom LifeHub and common messengers, notifying them once they are resolved. This provides reassurance to customers, reducing their overall billing and non-billing complaints, by 448 and 11,288 respectively after two quarters in 2022.
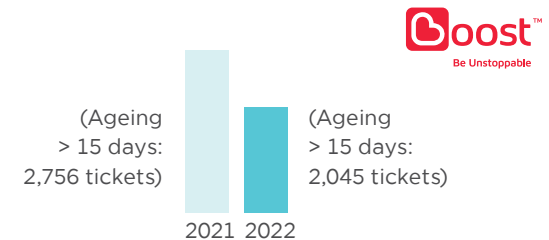
Management of Customer Experience and Satisfaction

Employees act as customer service frontliners. Through its employees, Dialog continues to pursue customer service excellence in order to maintain its customer satisfaction and build meaningful relationships with its customers.

- **One Day Champions Club:** A new rewarding scheme through which staff will be awarded an honorary title for delivering above expectations on a task assigned, achieving a rare feat or for consistent performance
- **Service From My Heart – Heroes:** A unique tradition of rewarding staff across all customer touch points for living up to the organisation's number one value – "service from the heart"
- **Cheers By Service From The Heart:** A spot recognition programme to celebrate the staff at customer touch points
- **Week Without Walls:** A first time initiative to encourage staff at non-customers touch points to be a part of fly-on-the-wall observations at touch points and mobile support teams to understand customer perspective
- **Truth vs Myth Campaign:** An engaging online campaign which busts the general myths that customers have about our products and services

The Boost Support Team developed an Elite group to oversee the management of ageing tickets with a focus on prompt resolution for customers resulting in a notable decrease in ageing tickets. Boost also introduced a Customer Satisfaction (CSAT) metric for Live Chat interactions to evaluate customer satisfaction levels with Support Agents yielding an impressive 98.3% positive response rate, indicating high customer satisfaction levels with the assistance provided.

(Ageing > 15 days: 2,756 tickets)

(Ageing > 15 days: 2,045 tickets)

2021 2022

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CUSTOMER EXPERIENCE

INITIATIVES TO ENHANCE CUSTOMER EXPERIENCE

Digitising The Customer Experience			
Purchase of Products	**Quality Improvement**	**Product Quality Control**	**Safe Use of Products**
Support through web platform, apps, chatbots, and virtual assistants	Enhancement of UI/UX to maintain standard portal performance	Ensuring products or services are affordable and reliable with value-adding capabilities	Allowing display of historical purchases, transactions or interactions available for users
In-app gamification for campaign engagement Eg. Monetisation of customer feedback, loyalty journey	Automated e-billing and accessibility	Personalisation of products and services based on customer's touchpoint information and profile	Provide reassurance on safeguarding customer's profile data

Established several digital apps to improve customer experience such as billing experience, self-troubleshoot and to increase revenue growth. Other initiatives included:

- Improved assurance of guaranteed purchase over digital transaction
- Established centralised omnichannel capability in customer care area
- Monetisation programme based on customer feedback
- Inbound personalised pricing on digital touchpoints

celcom

Continued to make headway in digital initiatives to support customers such as a customisable prepaid plan and a lifestyle app. Other initiatives included:

XL axiata

- Established e2e billing experience to support our digital apps
- Improved assurance of guaranteed purchase over digital transaction
- Developed added services to increase revenue growth on digital apps
- Established digital self-troubleshooting feature on apps for easier selfcare
- Established centralised omnichannel capability in the area of customer care

Introduced innovative features in Self-care App to personalise user experience and improve engagement such as features to support spiritual needs of Muslim users. Other initiatives included:

robi

- Conducted research and redesigned Robi's UI/UX
- Omni-Channel Experience to manage customers' complaints
- Customer data and sentiment analytics to improve CX
- Enabled BOT to capture and resolve customer's problem/complaint
- Achieved Level 5 in 2022 LEAP (Digital Maturity) Assessment (by Frost & Sullivan) for all parameters under Customer Experience Function
- High MAU on Self-Care App and stands at 13.88 MN as at 2022 year end

Improved CX Leap Score from 3.39 to 3.85 through various digital initiatives such as chatbot enhancement, seasonal campaigns and offers and loyalty journey improvement. Other initiatives included:

Ncell

- Robotic Process Automation based Damaged Recharge Card Issue resolution process in Customer App as well as Call Centre
- Best Offers, seasonal campaigns & Customer Lifecycle Management (CLM) implemented in App
- App Performance enhancement from 9 seconds to 5 seconds

Launched brand new initiatives to drive sales digitally through:

linknet

- NADIA (New Account Digital Interactive Assistant) an agent-free platform that enables customers to make purchases from selection to completion of products
- Omni-Channel Sales Force Solution enables digital sales agents to cater to the needs of potential customers through various channels

ADA collaborated with Omcom to improve Integrated Customer Support Management across eCommerce Channels

ada

- The collaboration with Omcom will catalyse ADA's objective to provide tech-enabled end-to-end eCommerce capabilities in the APAC region
- This allows ADA to refine its services to meet the needs of its customers and drive the business
- The average response time across all online stores has decreased by five times while the productivity of customer service has increased by 30%
- ADA manages flagship stores of major industry players such as Unilever, Procter & Gamble and Laneige. This partnership has enabled ADA to manage their messages across multiple channels, ensuring customers enjoy a uniform experience across the brands' products and markets in SEA

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DIGITAL INCLUSION

Axiata recognises digital inclusion as a crucial issue that demands our attention, as we remain committed to ensuring universal access to the digital world. With the emergence of new media technologies, it is essential for everyone to have access and be able to participate meaningfully. In recent years, the pandemic has accelerated the digital transformation and highlighted the urgency of digital inclusion, as more services, resources, opportunities, knowledge and social interactions move online. **Unfortunately, not everyone can participate in the digital transition due to challenges such as cost and lack of skills. Therefore, Axiata is determined to bridge this digital divide by leveraging our technology to enable every individual to contribute and benefit from the digital world, going beyond the provision of access to our networks.**

We are committed to advancing digital inclusion to enable all communities to have access to, learning and utilising technology, especially the underprivileged communities at the margins of the digital arena:

Lower Income Groups	Women and Girls	Senior Individuals
Rural Communities	Individuals with Disabilities	Individuals with Lower Levels of Education

APPROACH

Our approach towards digital inclusion is driven by four pillars:

Inclusive Access	Training for Digital Skills	Innovation and Inclusive Services	Safe & Responsible Use of Technology
Connectivity Ensuring everyone has access to broadband communication in rural areas and particular schools	**Digital Skills** Providing basic digital literacy, intermediate skills on the use of productivity and digital marketing tools to advanced and employable skills for future professions	**Innovation for Social Impact** Powering innovation in local ecosystems through our digital innovation funds, digital financial services and digital services for business	**Mitigating Harm & Responsible Use** Protecting users from digital harm and fostering responsible use of technology
Access to Vital Services Providing access to services for learning content and healthcare		**Empowering Marginalised Communities** Improving the lives of women and girls as well as People with Disabilities through technology	

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DIGITAL INCLUSION

Digital Inclusion Benchmark

Axiata is committed to achieving its digital inclusion goals by continuously measuring its performance against the highest standards. For three consecutive years, we have remained in the top quartile of the Digital Inclusion Benchmark by the World Benchmarking Alliance, which evaluates the top 200 technology and communications companies worldwide. The benchmark assesses 16 indicators across four areas: enhancing universal access to digital technologies, improving all levels of digital skills, fostering trustworthy use by mitigating risks and harm, and innovating openly, inclusively, and ethically. Moreover, the benchmark criteria were expanded in 2022 to include a new Core Social Indicator (CSI) comprising 12 new indicators across three key areas, namely, providing and promoting decent work, respecting human rights, and acting ethically. This achievement reinforces our commitment to leaving no one behind in a digitally-connected world.

Ranked **22nd** among the **top 200 technology and communications** companies worldwide

Top-quartile of digital technology companies for Digital Inclusion **for the 3rd year running**

EDISON Alliance

In December 2022, Axiata became part of EDISON Alliance, which aims to improve lives globally through its 1 billion Lives Challenge by ensuring affordable access to digital solutions across healthcare, finance and education by 2025. The goal is supported by over 250 initiatives across 90 countries, which have mobilised global digital leaders in bridging the digital divide for over 450 million individuals at the end of 2022. EDISON Alliance is an initiative launched by the World Economic Forum in 2021.

As part of our support for the 1 billion Lives Challenge, we are committed to improving the lives of around 23 million people between 2022 and 2025 in the areas of healthcare, education and financial inclusion (inclusive of digital skills) across Asia. This is in line with Axiata's commitment stated in our refreshed Axiata Sustainability Framework, where we "aspire towards advancing a digital future where people, planet and the business can collectively thrive". Axiata aims to impact the lives of underserved communities by making digital banking services and micro-credit available to the unbanked, providing telehealth services to rural areas, training women entrepreneurs on digital skills, and bringing digital education to students and teachers in remote rural communities. **As at the end of 2022, the Group has collectively impacted around four million people through this commitment*.**

Note: *   *This is limited to Axiata's Digital Telcos (Celcom is only included up to November 2022) and Boost with the aim to serve communities where we operate beyond our subscriber base. Target beneficiaries are people from lower incomes, Micro-SME's, women and girls, youth and students and people living in rural areas. Programmes supporting this target group within these three focus areas will run between 2022 and 2025*

OUTLOOK

Axiata is committed to making a positive and lasting impact on the lives of consumers through digital inclusion, with multi-year targets in place to continuously drive meaningful improvements. Our focus is on developing products, services, projects, and initiatives that empower and provide sustainable value to the communities we serve. In the years to come, we will be concentrating our efforts on three key areas: digital literacy, digital financial services, and healthcare services. We will ensure that all our initiatives prioritise user safety, so that we can deliver impactful and secure solutions to those who need them most.

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DIGITAL INCLUSION

IMPACTED THE LIVES OF MORE THAN 18.5 MILLION PEOPLE IN 2022*

Total
538,200
Nepal

Total
452,564
Cambodia

Total
1,430,000
Bangladesh

Total
11,127,374
Malaysia

Total
4,811,583
Sri Lanka

Total
190,729
Indonesia
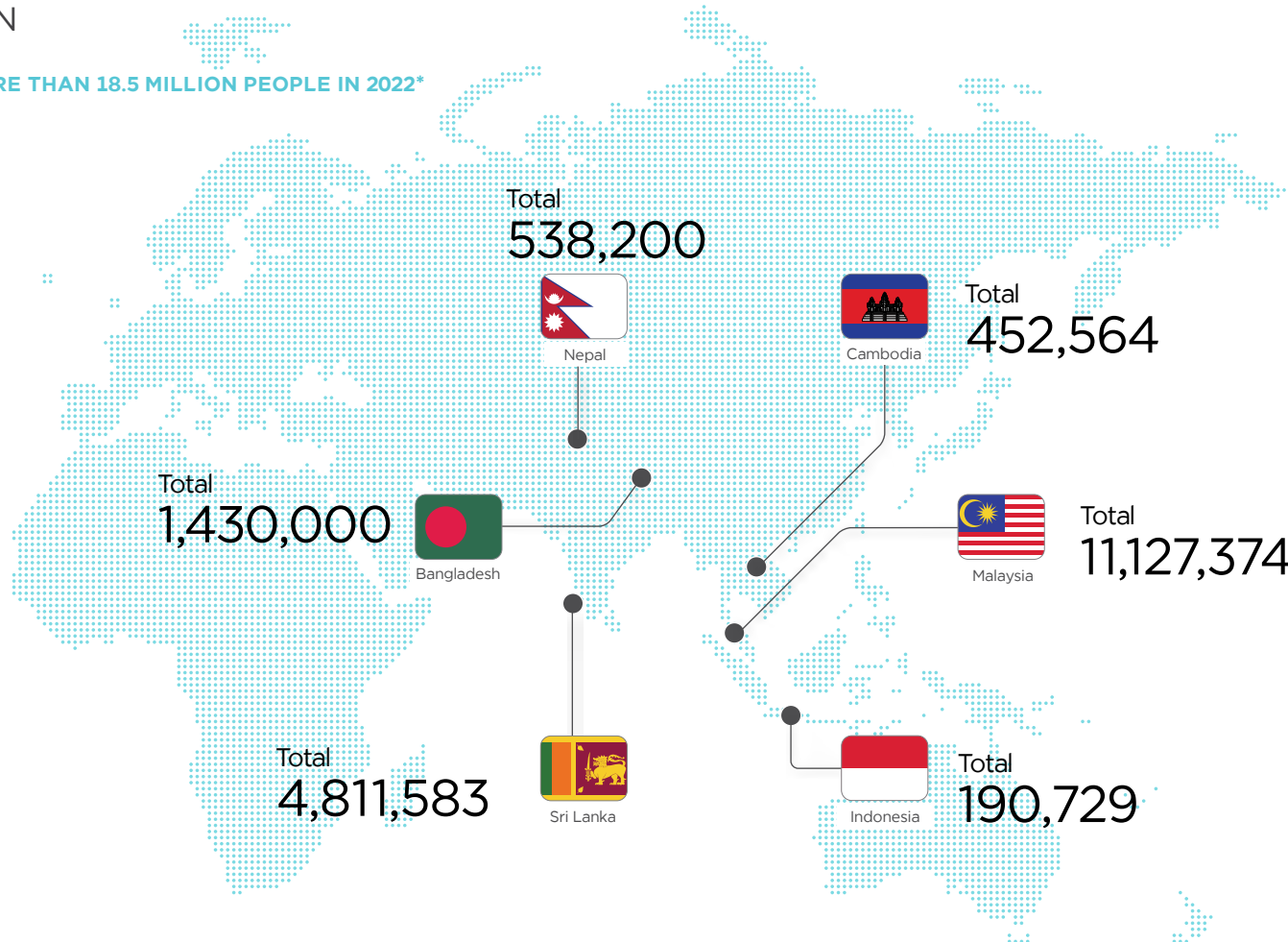
Extended connectivity to **over 50,000 people in rural areas**

Provided access to healthcare services to **over 1.5 million people**

Enabled access to educational services to **over 480,000 students**

Supported female health, digital literacy and entrepreneurial skills to **over 860,000 women and girls**

Extended training and exposure from basic to advanced digital skills to **over 530,000 students, teachers and entrepreneurs**

Provided digital financial services to **over 13.2 million people**

Empowered **over 1.8 million Micro SMEs (MSMEs) with digital services**

Note: *   *The total includes the impact all programmes including those captured under the EDISON Alliance commitment*

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DIGITAL INCLUSION

CONNECTIVITY AND ACCESS TO VITAL SERVICES

While we aim to provide affordable internet access to everyone to vital services, we acknowledge that we are still far from achieving that goal. According to the International Telecommunication Union (ITU), as of 2022, about 2.7 billion people, mainly in developing countries, did not have access to the internet. In developed countries, vulnerable groups such as ethnic minorities, the disabled, and seniors are the ones who are mainly offline.

The inability to access digital technologies is amplifying disparities, especially as more activities move online. The COVID-19 pandemic has accentuated this issue, with many schools worldwide closing and shifting to online learning, leaving those without digital access behind. As a result, access to healthcare services has also been impacted, which has led to many being excluded from proper medical care. Our objective is to assist in alleviating this problem by addressing the barriers that restrict the utilisation of digital services, through connectivity and access.

Connectivity

Together with our Digital Telco's, we provide access to broadband communication that is essential in today's digital age and through our network infrastructure investment, partnerships with governments, and community engagement initiatives, Axiata continues to connect communities, especially those in rural areas and schools, to have access to the internet.

Digital Telco

Indonesia

XL Axiata's programmes have directly and indirectly impacted around 50,000 people, especially rural communities and Islamic boarding schools through 'Pesantren Digital'. Link Net has now joined these connectivity efforts that is being used to train students in web development, video editing, and other digital skills.

Rural Connectivity
Together with the Telecommunications and Information Accessibility Agency (BAKTI), XL Axiata expanded its 4G connectivity in the Frontier, Outermost, Disadvantaged (3T) Regions which included 132 locations across Sumatra, including several remote islands in Eastern Indonesia, 150 locations in West Sumatra covering 1,021 village and 16 previously inaccessible remote rural areas in Southeast Sulawesi covering 1,200 villages.

XL Axiata Baik
XL Axiata staff volunteered in the Optimising Facilities & Sharing Digital School Literacy programme in the North Sumatra and Bali region benefitting 10 schools as part of it its on-going multi-year staff Programme.

#BerbagiTanpaBatas
Link Net together with benihbaik.com, sponsored school connectivity to support teaching and learning activities for 250 students.

Access to Vital Services

One of our primary focus areas is to enable access to vital services for education and healthcare through the provision of digital tools, technology, and online platforms. Digital technology has the potential to facilitate rapid and cost-effective scaling up of education and healthcare services through telemedicine, insurance, and the digitalisation of healthcare solutions that surpass physical outreach, overcoming the barriers to access.

Access to Learning Content

Digital Telco

Malaysia

Celcom supported schools across the nation through providing digital devices and access to digital libraries. Tutoring services were also provided through collaboration with local partners, aimed at assisting students from the Bottom 40 families with contributions totalling RM186,500.

Bantuan Peranti Prihatin (BPP)
Celcom continued its multi-year device contribution programme, which provided 196 laptops and smartphones to more than 30 schools, benefiting more than 1,500 students.

Unified Digital Library
As part of its partnership with KETAMA, Celcom established a digital library accessible to over 3,000 students in three schools, providing a valuable resource for their education and learning.

Pandai.org
Celcom funded the tutoring service pilot programme in collaboration with Pandai.org to provide 1,500 students with access to quality tutoring services.

Indonesia

The addition of Link Net into the Axiata family brought further contributions in the form of devices, complementing XL Axiata's connectivity and training programmes for schools.

Digital Education
Link Net donated 2,990 Chromebooks to 201 elementary, junior high, and senior high schools, impacting 15,450 students.

Gerakan Donasi Kuota (GDK)
Data quotas contributed by XL Axiata users through this multi-year programme enabled more than 3,150 students to access education across Indonesia in 2022.

Donation of devices to connect to internet
XL Axiata distributed 80 laptop units, alongside internet access devices in the form of routers and a monthly data quota of 20GB for a year to 39 boarding schools in rural areas across 29 districts. This included digital training on the use of social media for product promotion, photography, and the creation of effective digital content.

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DIGITAL INCLUSION

Cambodia

Smart continued its multi-year initiatives with UNESCO and Sipar, supporting unemployed youths and rural communities in improving their literacy and reading abilities by investing over USD80,000 in 2022.

Bsic Education Equivalency Programme
In partnership with the Ministry of Labour and Vocational Training, the Minister of Education Youth and Sport, and UNESCO, a collaborative effort was established to support 420 out-of-school youths to successfully complete self-paced digital courses.

Mobile Library
The multi-year collaboration with Sipar continues to deliver a mobile library service, promoting reading habits among isolated communities in 20 different locations throughout Cambodia, serving 5,000 students for the year.

Nepal

Ncell focused on providing access to learning platforms across the education spectrum from primary to undergrads along with devices.

Mero School (translated as My School)
Ncell in partnership with the local partner, provides access plans to Nepal's largest online learning platform for students from primary to undergraduate studies and currently serves 429,000 students.

Digital Labs
In partnership with the Ministry of Communications and Information Technology (MoCIT) and Nepal Telecommunications Authority (NTA), Ncell established digital computer labs in 60 government schools, serving over 30,000 students and some 150 teachers throughout the country. This initiative includes remote technical support and teacher training. Overall, the initiative is in line with Ncell's commitment to support the Government's vision of Digital Nepal to reduce the digital divide and enhance quality of education in Nepal.

Access to Healthcare

Digital Telco

Sri Lanka

Dialog's impact on the healthcare sector for the year was extended through systems deployed in the national healthcare system. Through these systems, Dialog supported automation for the facilities and ease of access for patients all over the country, especially during the fuel shortages experienced in 2022.

Doc 990 Clinic Management System
Deployed at Lady Ridgeway Hospital, the largest pediatric hospital in the country serving some 450,000 patients, the system provided free interconnectivity to over 40 clinics within the hospital. It also enabled registered clinic patients to schedule appointments via a toll-free hotline (1390) without physically going to the hospital or utilising a smartphone.

1390 COVID-19 Integrated Home-based Care Solution
Dialog collaborated with Wavenet International and the Ministry of Health (MOH) to set up this consolidated hub that combines a digital platform and outreach center to manage home-based care of asymptomatic or mildly symptomatic COVID-19 patients more effectively. It is one of the largest public-private collaborative national efforts in the country, involving medical professionals and institutions. As of 2022, the initiative has registered 154,279 patients and has been extended by integrating over 5,000 primary care medical units, including base hospitals, throughout the island.

Established Free Ambulance Service Connectivity - 1990 Suwa Seriya Foundation
The 1990 Suwa Seriya Foundation provides free ambulance services and is a one-of-a-kind emergency medical service that covers all of Sri Lanka. Working with the Foundation, Dialog provided a set of 4Gs for ambulances to enable IoT connectivity and 100 4Gs for hospitals to enable connectivity for ambulance monitoring dashboards. An SMS gateway was also set up for internal notifications of cases received.

Bangladesh

The in-country programme focused on affordable telehealth and insurance services to make healthcare accessible and affordable to the masses.

MyHealth
The service offers healthcare advice through SMS and allows customers to receive primary doctor consultations over the phone. In addition, it provides free life and hospital cash insurance, with over 50,000 users.

Nepal

Telemedicine and Health Informatics Programme
Ncell in collaboration with Dhulikhel Hospital (DH) has implemented the Telemedicine and Health Informatics Programme to serve remote and under served communities with quality health care services via four outreach centres under DH. This initiative directly benefits over 70,000 people from more than 15,000 households in the catchment area.

COVID-19 Vaccination Drive
In collaboration with the Ministry of Health and Population (MoHP) and United Nations Development Programme (UNDP), Ncell white-listed MoHP's COVID-19 vaccination pre-registration platform to encourage the public to upload their details and get vaccinated. Ncell's support included mass awareness drives via SMS and digital platforms.

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DIGITAL INCLUSION

Robi Health Plus: Connecting Rural Communities with Digital Health Services

Healthcare is the basic right of every person, regardless of their location or socioeconomic status. Unfortunately, many people living in the rural areas of Bangladesh do not have access to quality and affordable healthcare, leading to adverse impacts on their overall health and wellbeing. Robi is bridging this gap through its Health Plus service in collaboration with Unilever's 'Lifebuoy' brand, by providing free quality telemedicine services especially to serve rural communities.

Health Plus is a Robi and Airtel branded healthcare solution, which is available via APP/WAP/IVR/SMS channels. Subscribers and users of Robi and Airtel are given access to doctor consultations via audio or video, micro health insurance benefits and more. Robi Health Plus strives to make a difference in the community by improving the overall health of communities by providing this 24/7 holistic digital solution. This is in line with SDG Goal 3 - Ensuring healthy lives and promoting wellbeing for all at all ages.

Since January 2022, the service has catered to the health needs of over 850,000 customers in Bangladesh with the objective of protecting people from ongoing and post COVID-19 effects and winter ailments such as colds and fevers via doctor consultations in the comfort of their homes.

Awareness Campaign
A comprehensive marketing campaign was executed through television commercials promoting free doctors' consultations with every purchase of a limited-edition Lifebuoy soap containing the campaign details. Users are required to simply give missed calls to a designated number to take advantage of the free service. The system automatically registers the user and sends a confirmation via SMS. Users will then be automatically connected to a doctor within a minute for consultation. Prescriptions are delivered to users via SMS, and Health Plus ensures full confidentiality of the user's medical history and personal data.

Impact of the Campaign
The campaign was well-received and achieved the following:

Enabled increased access to quality healthcare services for individuals residing in remote areas, through the provision of free services.

Integrated digital health services with Fast Moving Consumer Goods (FMCG) effectively creating awareness among users on easy access to quality healthcare services.

Leveraged digital technology and solutions to improve health outcomes for individuals, resulting in positive feedback from medical professionals who have successfully served those in need of urgent medical attention.

Generated employment opportunities for medical professionals as part of telemedicine service network, resulting in the creation of sustainable jobs in the healthcare industry.

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DIGITAL INCLUSION

TRAINING FOR DIGITAL SKILLS

As technology continues to evolve at an unprecedented pace, it is imperative that we continually develop and enhance training and capacity-building initiatives that equip communities with the skills and qualifications necessary to harness the full potential of today's digital tools. According to the GSMA, 3.2 billion people who live in areas with mobile broadband, do not use the internet and the usage gap is more pronounced amongst women and rural populations due to a lack of literacy. At Axiata, we are committed to bridging the digital skills gap in our markets, especially among local communities, students, and MSMEs, by offering them comprehensive training and support that enables them to utilise the Internet and digital services in their daily lives.

Digital Telco

Malaysia

Celcom's programmes in the past year were focused on the spirit of entrepreneurialism, with a keen emphasis on fostering digital skills through an investment of over RM160,000 in a diverse range of initiatives that empowered teachers and students to meet the evolving demands of tomorrow's workforce.

Young Educators Challenge (YEC) 2022
Malaysian schools saw 42 weeks of closures owing to the pandemic, amongst the longest in the world according to UNESCO. Celcom in partnership with Project ID continued to address this issue through their multi-year programme with secondary school students pitching their own learning recovery intiatiatives through a series of guided online workshops to execute their individual projects.

Celcom Young Digital Innovators Programme (CYDIP)
Through its partnership with Universiti Teknologi MARA (UiTM), Celcom continued this multi-year programme that cultivates digital skills among youth and school communities nationwide to adeptly navigate the Fourth Industrial Revolution. The initiative reached 557 students and 10,215 teachers.

Program Pendigitalan Usahawan Desamall
In collaboration with the Ministry of Rural Development, the programme offered digital and e-commerce training to 816 entrepreneurs hailing from Kuala Lumpur, Sabah, and Penang states, equipping participants with skills needed to thrive in today's evolving business landscape.

Arena Usahawan Siswa
The programme delivered digital entrepreneurial skills to 320 students of higher learning institutions at University Putra Malaysia, equipping them with a diverse range of relevant skills.

Celcom Bebozz
The multi-year programme provides valuable business opportunities for B40 entrepreneurs to step into the digital realm and become successful digital entrepreneurs with Celcom's prepaid and post-paid products. The training programme, conducted at multiple public and private universities, trained 982 students, a significant increase from the 248 students in 2021.

Google Gemilang
In partnership with Google, the programme enhanced the employability of students and job seekers from B40 communities, using the Coursera platform to provide participants with access to a wealth of courses and earn professional Google Certificates to further their careers. 500 ambitious students and workers from B40 communities participated through rural internet centers and local university, UniKL.

Nepal

Ncell Saathi
Ncell implemented a social reselling network called 'Ncell Saathi' that allows low-income earners and unemployed individuals to become resellers of Ncell recharge products by integrating with the top mobile wallet providers.

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DIGITAL INCLUSION

Case Study

Uplifting Education through one of Sri Lanka's Largest e-Learning Platform

Through its partnership with the State Ministry of Education Reforms, Open Universities, and Distance Learning Promotion, Dialog has played a pivotal role in transforming Nenasa into one of Sri Lanka's most comprehensive e-learning platforms. The platform offers an extensive range of local syllabuses, spanning from Grade 1 to 13, which are delivered via multiple channels, including the cutting-edge Nenasa App and Nenasa TV. This collaboration has made education more accessible and convenient for students across the country, setting the stage for a brighter and more sustainable future. The impact of the service was further felt throughout 2022 as the country closed schools and universities due to a fuel shortages.

The Nenasa Educational App

The Nenasa Educational App is a platform that provides primary and secondary school students with equal access to high-quality educational materials, ensuring a more immersive and equitable learning experience. Through a rigorous process supervised by the Ministry of Education, trained teachers and third-party educators develop the app's educational content, ensuring that students have access to the very best resources available. The app also serves as an aggregator of educational, edutainment, and infotainment content, providing students with a diverse range of engaging resources. Currently, the app boasts an impressive 35,327 registered subscribers, with 43% of users being female.

In the past year alone, Dialog has invested over LKR 8 million in app maintenance and development, including the integration of the award-winning "Tilli" social-emotional learning platform. This innovative feature expands the app's scope to include edutainment and infotainment domains, providing children aged 5 to 10 with interactive, gamified tools to enhance their social and emotional skills.

Nenasa TV

Nenasa TV was established with a vision to provide free and uninterrupted access to educational content for students preparing for their General Certificate of Education (GCE) Ordinary Level (O/L) examination, without any data charges. Initially launched with a single channel and made available to 1,000 schools in 2008, this innovative platform has since expanded to include eight channels and over 3,000 participating schools. To further support equitable access to education, Dialog has distributed 510 TVs to plantation sector schools, complete with Dialog Television ViU Mini and ViU hub devices, transforming them into smart classrooms with full Android TV functionality. These efforts have helped more than 1.8 million viewers access credible, validated educational content produced by the National Institute of Education.

Empowering Teachers through the Nenasa Smart School

The Nenasa Smart School initiative, launched in 2017, aimed to digitally transform the education sector in Sri Lanka. The initiative is funded by the Dialog Foundation, executed by Headstart (Pvt) Ltd., with guidance from Ministry of Education and in collaboration with provincial education departments. Its primary goal is to create a smart ecosystem in Sri Lankan schools by training teachers to become ambassadors in their respective schools. The project started with 100 schools from the Western and Southern Provinces and later expanded with 53 more schools from Central and Sabaragamuwa Provinces in 2018.

The initial phase of the Nenasa Smart School initiative, which ended in 2021, involved training a small number of teachers through train-the-trainer programme. These teachers were then responsible for sharing their knowledge with colleagues and helping students meet the smart school key performance indicators. Throughout the initiative, feedback was collected and used to continuously improve the programme. A comprehensive study conducted by Nielsen found that the initiative was highly effective in enhancing digital teaching and learning skills and attitudes among teachers and students. Despite the challenges posed by the pandemic, Dialog and the State Ministry of Education are committed to expanding the programme in order to reach more teachers and students across the country. As of 2022, the Nenasa Smart School initiative has trained around 3,000 teachers impacting 100,000 students.

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DIGITAL INCLUSION

Cambodia

Smart's comprehensive suite of programmes spans from foundational literacy to dynamic bootcamps for aspiring university students and entrepreneurs. Over USD 340,000 was invested in the delivery of these impactful programmes, reflecting its steadfast commitment to fostering sustainable progress in the communities it serves.

Digital Literacy Programme
In collaboration with the Ministry of Education, Youth and Sport, Smart continued its multi-year programme to cultivate digital literacy among the next generation, successfully impacting the lives of 1,080 students and 25 trainers across the 3 provinces: Kampong Thom, Kampong Cham, and Kampong Chhnang.

Women Digipreneurs Festival
Smart supported SHE Investments as key strategic media partner on Women Digipreneurs Festival to improve Women-Led Small and Medium Enterprises (WSME)'s digital literacy and safety skills. The initiative was to generate economic, environmental and social impacts, which will focus on communication, market, operation, finance and digital safety. The programme, which was posted on Smart's facebook page, benefitted 540 individuals.

STEM Fair in Banteay Meanchey Province Schools
In partnership with Samaritan's Purse, Smart hosted a STEM Fair that attracted 6,125 students (3,337 females) from 15 schools in Banteay Meanchey province. The event aimed to introduce students and teachers to the exciting world of STEM, covering subjects such as Mathematics, Chemistry, Physics, Robotics, Biology, Technology, and Engineering. By offering exposure to these subjects, the fair sought to prepare students for future careers in STEM-related fields.

Techno Innovation Challenge
Smart with its employees serving as judges collaborated with the Institute of Technology of Cambodia (ITC) to host a four-week competition, in which 157 university students formed teams to explore their potential and apply their STEM knowledge to develop innovative solutions to tackle real-world issues.

Kid-KAThON
In partnership with Teach for Kids Academy, Smart introduced a new coding programme to develop prototype solutions for problems related to the UN SDGs. Targeting children aged 12 to 17, the programme impacted 108 students. Other partners in the programme included the Ministry of Industry, Science, Technology and Innovation (MISTI) and Ministry of Education, Youth and Sports (MoEYS).

SmartStart Young Innovator Programme
The programme is aimed at enabling and empowering young Cambodian talents to develop their innovative tech and digital ideas with the company by turning the best concepts into actual enterprise solutions. Held in partnership with Impact Hub Phnom Penh since 2017, 100 university students took part in 2022 with over 550 students having been through the programme since its inception.

Cambodia Digital Awards 2022
The awards with local partner, Cambodia Academy of Digital Technology, recognised the best digital innovation in Cambodia amongst public institutes, ministries, companies, digital startups, universities, research institutes and NGOs with a total 172 submissions and one winner from each of the five award categories.

Basic Education Equivalency Programme (BEEP) - UNESCO
A joint initiative of the Ministry of Education, Youth and Sport (MoEYS) and the Ministry of Labour and Vocational Training (MoLVT) with support from UNESCO to provide flexible alternative education to out-of-school youth to complete lower secondary/basic education, equivalent to Grade 9 while continuing professional activities. In 2022, the programme attracted 601 learners (33% female) through its learning centres in three provinces. To this end, in kind contributions of additional tablet devices installed with SIM cards were provided to UNESCO, which were then distributed to the learning centers. Free internet packages were also provided to BEEP learners to access online learning platforms.

Cambodia Entrepreneurship Day
Smart partnered with the International Labor Organisation (ILO) and the Ministry of Education, Youth, and Sport (MoEYS) for Cambodia's 5th Entrepreneurship Day on 21 September 2022. More than 60,000 young people from around 25 provinces participated in the event, which saw 4,887 youth taking part through remote sessions on skills required for sustainable enterprises using digital technologies. Amongst the participants were 2,890 women and 123 young people from indigenous communities.

SmartStart Unipreneur Learning Platform (SmartStart ULP)
Together with Impact Hub Phnom Penh, Smart provided an online learning and interactive platform that introduces entrepreneurship concepts through a blended learning approach to university students and schools in Khmer and English. The initiative aims to develop both technical capabilities in entrepreneurship and business and was implemented in five schools and universities, benefitting 611 students.

Mover Workshop
The Movers Programme 2022 was delivered with Impact Hub Phnom Penh and represents a regional volunteer movement, empowering communities through Sustainable Development Goals awareness, entrepreneurial thinking, and essential 21st-century skills using training-of-trainer methodology and collaborating with community partners. The programme impacted 4,889 students and youth.

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DIGITAL INCLUSION

INNOVATION AND INCLUSIVE SERVICES

Innovation for Social Impact

Axiata is dedicated to Advancing Asia forward through technology and adding value to connectivity by becoming a key catalyst for technological innovation in our markets. By providing training, funding, and digital services, as well as opportunities for businesses, we actively support local innovation, entrepreneurship, and start-ups. We offer a range of solutions, including mobile financial services and digital tools for agriculture and fisheries applications, which contribute to social development and provide vital tools for countless individuals.

Digital Innovation Funds

Since 2014, we have been proactively funding and collaborating with tech start-ups to foster innovation and to cultivate the growing digital ecosystems in the communities where we operate. Presently, we have four funds in Malaysia, Sri Lanka, Cambodia, and Bangladesh, backing 44 start-ups. These start-ups are at different stages of development and offer a range of services that also generate numerous job opportunities. One of the more notable enterprises is Aerodyne, which has been recognised as the world's top leader in enterprise drone services for 2021 and 2022 and operates across 37 countries.

Digital Innovation Funds ▶ **Currently has 44 start-ups with active funding with over USD21 million disbursed up to 2022**			
	Digital Innovation Funds (Active)	**Investee Companies**	**2022 Outcomes**
axiata **Axiata Digital Innovation Fund (ADIF)**	The fund was introduced in 2014 to contribute to the growth of Malaysian tech start-ups and returns to the participating companies' nation-building efforts, with Bumiputera participation identified as key focus area. Formed by Axiata in collaboration with Malaysia Venture Capital Management ("MAVCAP") and Johor Corporation Berhad ("JCorp"), ADIF's portfolio companies operate in e-commerce, logistics, big data, IoT and more.	12 (5 exits)	ADIF has invested RM63.2 million (2014-2022) from a fund size of RM80 million with RM43 million going to Bumiputera companies. These companies make up 53% of the 17 companies invested in since 2015, and have achieved a 12.78% Net IRR. Key highlights from the use of this investment included the creation of 2,047 jobs and assistance provided to 1.5 million SMEs. Aerodyne, a DT3 (drone technology, data technology & digital transformation) enterprise solutions provider has been ranked as the No.1 Global Drone company by Drone Industry Insights in 2021 and 2022. Other notable items include that 25% of the companies are led by women.
Dialog **Dialog Innovation Fund (DADIF)**	As part of its commitment to driving digital progress in Sri Lanka, Dialog established the Dialog Axiata Digital Innovation Fund (DADIF) to foster collaboration with digital start-ups and enable investment in promising digital ventures. With a total contribution of LKR1.5675 billion across two funds (LKR817.5 million for Fund 1 which has been fully disbursed and LKR750 million for Fund 2, of which LKR118 million has been disbursed) Dialog is empowering the growth and success of Sri Lanka's digital ecosystem.	10 (2 exits)	DADIF continued to expand its investments in banking software services through its follow-up investment in Infinity Pte Ltd through its Fund 2. Meanwhile its new investment in Learning Management Systems (LMS) through Headstart (Pvt) Ltd, a partner to Dialog's Nenasa Smart School initiative, demonstrates the companies continued efforts to support both the growth of local start-up and its Digital Inclusion efforts. The fund continues its focus on AI, IoT, Digital Healthcare, Insurance Tech, Edu-Tech, Agri-Tech and last mile delivery for e-Commerce.
robi **R-Ventures**	Robi introduced R-Ventures in 2020 as a pioneering digital entrepreneurship platform, committed to providing funding, mentorship, grooming, and support to local digital start-ups in Bangladesh. With a focus on connecting them with other investors, R-Ventures has made progress in its mission with BDT113.6 million disbursed, and allocated an additional BDT25 million in 2022 for selected start-ups, bolstering the efforts to nurture and empower the digital ecosystem of Bangladesh.	13	In 2022, R-Ventures was formalised and approved as an Alternative Investment Fund by Bangladesh Securities and Exchange Commission (BSEC). Application for the third cohort of startups under R-Ventures was launched in November 2022. Notably under R-Ventures is Shuttle, a transport-tech startup that charges less than one-third the price of regular ride-sharing by clubbing 4-10 people together in sedans. It started off as a women-only business model to offer maximum security and comfort to women in their daily commute. It has since scaled to unisex and B2B offerings as well. More than 30,000 university students and office commuters are registered on Shuttle, the majority of whom are women, in addition to more than 50 corporate clients. Besides Robi, other investors include Accelerating Asia, South Asia Tech, SBK Tech Ventures, The Ventures and Bangladesh Angels Network.
Smart **Smart Digital Innovation Fund (SADIF)**	In 2017, Smart launched the Smart Digital Innovation Fund (SADIF) with a committed capital of USD5 million, aimed at investing in technology companies based in Cambodia and driving the growth of the country's digital ecosystem. Through partnerships with Forte Insurance and Mekong Strategic Capital, the fund has made strides in achieving its goals. As of 2022, Smart has disbursed USD3 million towards SADIF, reinforcing the commitment to empowering the digital landscape of Cambodia.	9 (1 exit)	Most of the companies have continued to expand and strengthen their operations. Nham24, the leading food and grocery delivery platform in Cambodia, has expanded its service coverage from 16 to 19 cities, providing jobs and income to over 2,500 motor drivers and more than 5,000 tuk-tuks. Okra, which now powers over 1,500 households, has expanded its presence to four countries, including Cambodia, the Philippines, Nigeria, and Haiti. Meanwhile, Morakot Systems has facilitated and managed around $300 million in loans and 250,000 borrowers on its platform. Additionally, the Sala School and Learning Management System now manages over 22,700 students. The fund continues its focus on Fintech, Advertising and Media, Logistics and Delivery, Edtech and Health Tech sectors.

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DIGITAL INCLUSION

DIGITAL FINANCIAL INCLUSION

Axiata's digital financial services, such as digital payments, micro-loans, and digital sales and marketing channels, are aimed at reducing the digital divide and promoting financial inclusion. By providing access to financial services and tools, we aim to enable communities to participate in the digital economy and improve their livelihoods.

Digital Business

Malaysia

Boost is a regional full spectrum fintech arm of Axiata that financially empowers millions of customers, both users and merchants, across seven countries in Southeast Asia. Its holistic fintech ecosystem is an all-in-one fintech app, merchant solutions, AI-based lending business, and cross-border payment platform has been driving greater financial inclusion for over five years. Boost remains at the forefront of the industry having received an A1 investment-grade rating from the Ratings Agency of Malaysia (RAM) for its lending business, winning the Digital Bank License in Malaysia, and completing its brand refresh across the region.

Digitally-Enabled Lending with Boost Credit
In 2022, through improved machine learning-powered credit scoring, Boost Credit dispersed more than RM1.4 billion in loans, achieving a 90% repeat rate on loans issued in both Malaysia and Indonesia. These loans were directed towards truly underserved segments of society, empowering this neglected demographic with access to much-needed funds.

Retail Digitalisation Initiative (ReDi Programme)
Through a partnership with the Ministry of Domestic Trade and Consumer Affairs, the ReDi programme promoted the use of eWallets to encourage its widespread adoption. The Ministry distributed vouchers worth RM20 to users, redeemable through the Boost app and additionally, incentivised merchants to register through an RM30 offer.

Boost Biz Malaysia
Boost Biz Malaysia is playing a crucial role in driving sustainable growth by expanding its B2B offerings to accelerate MSME digitalisation. With the introduction of Biz Booster, analytics, in-app merchant financing solutions, and cross-border payment services, Boost Biz has increased its touchpoints to over 550,000 merchants.

Malaysian Sales Programme (PJM)
Together with the Ministry of Domestic Trade and Consumer Affairs, Boost participated in the sales programme to boost the retail sector through the use of eWallets, impacting 49,020 participants.

Distribution of Aid
Local Malaysian entities such as the Federal Islamic Council (MAIWP), Nasional Action Council on Cost of Living (NACCOL) and the Axiata Foundation now use Boost as a means of improving the efficiency and transparency of delivering financial aid to B40 communities such as the hardcore poor, underprivileged students and struggling families. The rapid assistance through Boost alleviates their challenges while bringing them on-board into financial inclusivity. Through Boost, over RM120 million in aid was delivered to 61,132 individuals and 3,000 families in 2022.

Indonesia

Boost Kedai in Indonesia
Launched in March 2022, the online B2B e-commerce platform for sellers (e.g., distributors and suppliers) supported FMCG SMEs with their bulk purchase orders and financing. It has successfully onboarded over 2,000 SME merchants onto the platform and facilitates over USD100,000 in monthly supply chain financing.

Sri Lanka

eZ Cash and Banking
Sri Lanka's first and largest mobile money and payment service with 220,843 active users, partnered with Sampath Bank, to allow its customers to deposit or withdraw from eZ Cash retailers thus enabling these merchants to earn additional revenue through these transactions. As of 2022, more than 1,300 merchants have registered to be branch retailers with plans to extend the programme to four other banks in 2023. In 2022, Dialog introduced a micro loan credit facility allowing customers in need to meet their ad hoc credit requirements, starting from LKR1,000. The loan amount is determined by the relationship between Dialog and the Dialog services used by the customer. Dialog disbursed over 4,000 loans in 2022.

Cambodia

SmartPay
SmartPay allows customers to use their Smart credit balance to purchase mobile applications or their in-app items on the App Store, Google Play, or Codashop. SmartPay also allows customers to purchase game items directly from Smart's Leng Center Website.

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DIGITAL INCLUSION

DIGITAL SERVICES FOR BUSINESS

Axiata provides digital services and solutions that support the daily activities of businesses, SMEs, and individuals across a diverse range of sectors. These tailor-made services, in partnership with local organisations, offer crucial information on crop health, animal husbandry, weather patterns, and more are particularly valuable to those in the farming and fishing industries. By integrating these entrepreneurs into the digital ecosystem, our services have a profound impact on their livelihoods, enabling them to make informed decisions and grow their businesses sustainably.

Digital Telco

Indonesia

Laut Nusantara
Since its launch in 2019 in partnership with the Marine Research and Observation Office, the Laut Nusantara app continues to be a leading tool for the fishing industry in Indonesia, with over 62,000 downloads and more than 57,000 active users. The app provides fishermen with location and catch information, weather updates and trip planning support to ensure their safety.

XL Axiata Business Solution support MSME
XL Axiata's Business Solutions focuses on the growth of MSMEs in Indonesia through the provision of innovative solutions which include card bundles with its partner Avana, that provides licenses to enable MSME players to create online shops. XL Axiata through its Live.On brand, launched the innovative #KuotaSeumurHidup programme, in collaboration with both maujual.com and Tokopedia allowing customers to exchange their old smartphones with a Live.On quota of up to 5.5GB and 2.5GB of monthly data respectively for life.

Sri Lanka

Dialog is driving sustainable change by focusing on agriculture and fisheries through their digital solutions for businesses. These solutions provide real-time market prices, digital payment options, and marketplaces that streamline work and generate more income opportunities for lower-income groups as well as advisory on organic farming practices. These services served a critical role when the ban on chemical fertilisers was introduced in 2021, and exacerbated in 2022 due to low foreign currency reserves, leaving farmers with no choice but to farm organically.

Dialog has now extended this even further through R&D efforts aimed to improve crop quality and provide more accurate information to farmers.

Govi Mithuru
Since its launch in October 2015, Govi Mithuru has led Dialog's digital inclusion strategy to help smallholder farmers to "secure crop and family health" at the grassroot level, through personalised agricultural advice for each stage of the farming cycle, from land preparation to post-harvest support. To date, the service has over 200,000 app users and 858,886 IVR users, and partnerships with the Ministry of Agriculture, University of Ruhuna and University of Rajarata.

Saviya
Provides a dairy farming advisory service for small-scale dairy farmers aimed at improving their production capacity, the quality of milk produced, and promoting the health of livestock through daily voice calls and SMS support, in partnership with the International Executive Service Corps (IESC). Approximately 19,500 farmers currently use the service.

Saru
Aimed at accelerating agriculture and enhancing crop quality through affordable protected and automated agriculture Internet of Things (IoT) kits, SARU, is run by Dialog Axiata in collaboration with University of Moratuwa and University of Ruhuna. Through the service, smallholders are liberated from the need to manually monitor crop conditions and intervene regularly. Currently, the service is being used to manage over 150,000 sq ft of protected house area.

Sayuru
A free tri-lingual and multi-platform weather and warning service to safeguard the lives of fishermen across coastal communities now serves more than 80,000 registered fisherfolk since its launch in 2020 and includes 12 Sayuru televisions installed in major harbours across Sri Lanka, providing weather forecasting and promoting educational content on sustainable fishing. Partners include the Department of Fisheries and Aquatic Resources and Department of Meteorology.

Both Saru and Sayuru were recently named winners at Sri Lanka's prestigious e-Swabhimani Awards 2021, in the following categories:

Saru
Joint winner in the Environment & Green Energy Category

Sayuru
Winner in the Inclusion and Empowerment Category

Tea Value Chain
The service offers a Digital Agri Advisory service to tea farmers to digitise existing informal and manual procurement systems. In partnership with the Tea Research Institute, Dialog launched this service after being awarded a grant under the GSMA Innovation Fund for Digitisation of Agricultural Value Chains and has successfully onboarded over 550,000 farmers.

Diriya.lk
The platform is a free, trilingual online knowledge portal that functions as a one-stop hub for Sri Lankan entrepreneurs and offers expertise from reputed industry specialists, downloadable educational content and access to networking opportunities. Partners include the Centre for Entrepreneurship and Innovation (CeFEnI), University of Sri Jayawardhanapura and Sri Lanka-Singapore Business Council (SLSBC).

Bangladesh

bdapps: National App Store of Bangladesh
Launched in 2014 and recognised as the National App Store of Bangladesh by the ICT Division of Bangladesh, bdapps is the largest and leading digital community of the country, with more than 48,000 App Developers, with over 7,000 of them being female and over 50,000 applications on the store. It also won the best SDG Inclusion Initiative at the Bangladesh Innovation Awards. In 2022, bdapps' hackathon drew over 2,000 submissions from a total of over 150,000 youth from more than 50 campuses across the country.

DIGITAL INCLUSION

EMPOWERING MARGINALISED COMMUNITIES

At our core, we believe in promoting digital inclusion and accessibility for all individuals. Our digital programmes are designed to empower women of all ages and backgrounds, providing them with opportunities to enhance their digital skills and expand their presence in the online space. We are also working on making our technologies accessible to users of all abilities, recognising the benefits of digital technology for individuals who are differently-abled and prioritise its use as a means of improving their quality of life.

Empowering Women & Girls
Digital Telco

Sri Lanka

Yeheli
Launched in 2018, the free service dedicated to assisting women's health and wellbeing anonymously connects users with experts for counselling, legal advice, medical advice, and navigating situations involving the police and other authorities. It has over 300,000 users and has answered more than 15,000 user queries in partnership with the Women in Need, Without Borders and other qualified agencies. Yeheli was recently named the joint winner in the Health & Wellbeing Category at Sri Lanka's prestigious e-Swabhimani Awards 2021.

IDEAMART For Women
Launched in 2018, the programme designed to promote digital entrepreneurship among women and improve their technical skills through training ran Athena Hack, providing aspiring female innovators and entrepreneurs a platform to showcase their ideas, solutions and products that bring positive change across Sri Lanka.

Bangladesh

Ichchedana
Ichchedana is a comprehensive service pack for women providing free life insurance, emergency location tracker, free emergency units, online medicines and home delivery, locations of nearby health services as well as health and nutritional information. Launched in 2020, the programme now has over 500,000 users.

Nepal

Ncell Women ICON Awards
Ncell in association with ICT Awards for the last 3 years has been conferring awards to women who have made outstanding contributions towards the ICT sector in Nepal as part of its commitment to diversity, equity, and inclusion. In 2022, this award was conferred to former Deputy Inspector General Ms Sheela Kansakar Karkee of Nepal Police for her contributions in establishing the computer section within Nepal Police, helping to modernise and digitise the organisation.

Hacking for Humanity
Ncell organised 'Hacking for Humanity', Nepal's largest All Female Hackathon in collaboration with Shequal Foundation, providing a platform to young female students to collaborate, ideate and innovate together. A total of 48 participants (16 teams) from all over Nepal worked on their innovative ideas that aims to create unique and impactful prototype solutions to address problems being faced in sectors including in health, education, and agriculture among others.

Empowering People With Disabilities
Digital Telco

Sri Lanka

The GSMA – Principles for Driving the Digital Inclusion of differently-abled persons
Dialog committed to the principles in 2021 and in its focus to improve the digital inclusion of differently-abled individuals conducted a thorough review of its customer touchpoints to improve accessibility. These improvements will be rolled out in 2023.

Ratmalana Audiology Centre
Since its establishment 15 years ago, the Centre has been continuously supported by Dialog and upholds its founding aspiration to be a centre of excellence in hearing and speech testing, and therapy. It provides regular free testing and speech therapy for students and lower-income individuals. In 2022, it conducted 1,618 tests, 772 special education sessions and fitted out 78 hearing aids for free and this year also saw Dialog spending over LKR9 million to upgrade the facility.

Petralex/ Shravya
Dialog continued its partnership with Petralex, a global leader in smartphone-based hearing enhancement solutions which pairs mobile devices with a regular wired headset. The solution served 1,300 people in 2022.

Neth Suwaya
In partnership with Vision 2020 since 2015, the Dialog continued its efforts to raise awareness to eliminate avoidable blindness by raising awareness of avoidable issues that cause blindness across rural regions of the country. 2022 saw 750 free spectacles provided to fishing community members.

DeafTawk
Dialog's partnership with the service saw it onboarding 25 out of 30 sign language interpreters in the country to provide a bridging service between the deaf community and society. The estimated 500,000 hearing impaired individuals can now communicate with doctors, teachers, cab drivers, and relatives via accompanied video calls.

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DIGITAL INCLUSION

Case Study

Sisternet

According to data released by the Ministry of Cooperatives and SMEs, only about 26.5% (or 17.25 million) of the 64 million MSMEs in Indonesia are connected to the digital ecosystem. In light of this, XL Axiata has made efforts to empower women in business through its Sisternet initiative, which aims to expand their market reach and promote their products and services to a wider audience.

In alignment with SDG Goal 5 and 8, Gender Equality, Decent Work and Economic Growth, XL Axiata launched the initiative in 2015 to empower women entrepreneurs by connecting them to the digital ecosystem.

Sisternet is a programme that provides digital soft skills for Indonesian SME women entrepreneurs through various webinars, training courses, forums, incubation programmes and competitions. Topics include the gender perspective in entrepreneurship training, business planning, marketing, branding and financial literacy, are provided through partners such as Bank BRI. There are also classes on starting an online business, photography for marketing food products and other subjects. The service currently has over 60,000 users and since its launch, has impacted over 200,000 women entrepreneur beneficiaries in Indonesia and ultimately aims to reach 1 million Indonesian women MSMEs.

Sisternet also collaborates with various women's communities, organisations and social activists in various regions to empower Indonesian women SME's. Government agencies such as the Ministry of Communication of Information, the Ministry of Transportation, the Ministry of Villages, Development of Disadvantaged Regions and Transmigration, the Ministry of Health and the Ministry of Women's Empowerment and Child Protection have also collaborated to support the programme.

Additionally, Sisternet's incubation programme through competitions coaches MSME's on how to elevate their business with prizes worth up to IDR200 million. Participants are required to go through the following three stages: Product Ready, Market Ready and Digital and Marketplace Ready, to develop their businesses by utilising digital technology to reach a wider market. To qualify for these competitions, participants are required to attend all the training classes and webinars and submit a 5-year business plan. To date, 3,500 MSME's across 24 cities have been incubated through the programme.

Awards
- **International Asia Pacific WEPs Award 2020** – Honourable Mention in the Community and Industry Engagement category
- **Selular Award 2022** – Best Practices for Women Empowerment Programme
- **Mata Lokal Award 2023** – Best Mixed Media Campaign with Entrepreneur Theme

International Recognition
- **W20 & G20 Empower Under G20 Indonesia Presidency 2022** – Best Practices for Women Empowerment Programme

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DIGITAL INCLUSION

SAFE & RESPONSIBLE USE OF TECHNOLOGY

By fostering responsible usage of technology, Axiata is committed to creating a safe and secure digital environment for all by proactively protecting our users from potential harm, including Child Sexual Abuse Material (CSAM), cyberbullying, and cyber risks by promoting a culture of awareness and responsible use.

Mitigating harm & responsible use

Our Digital Telco's and Digital business are dedicated to raising awareness among consumers about the potential risks online, with a particular focus on the wellbeing of children and youth. We understand the importance of promoting responsible and safe digital practices, and we are committed to fostering a culture of digital responsibility.

Digital Telco

Malaysia

CyberSafe Awareness Programme
In partnership with its internal regulatory and cyber security team, Celcom organised a series of CyberSafe Awareness Programme seminars at primary and secondary schools, reaching out to more than 2,000 students and to promote responsible digital use.

Sri Lanka

Be Technology Wise (BTW)
Dialog has been actively promoting mobile safety and responsible digital behaviour through its ongoing education and awareness programme since 2012, contributing to addressing the uninformed, unethical, or unknowing misuse of mobile phones. In 2022, a year-long campaign focused on online safety and cyberbullying, with a social media campaign to raise awareness for Safer Internet Day in partnership with the GSMA to localise their Mobile Internet Skills Training Toolkit (MISTT) and address the digital skills gap in Tamil and Sinhala speaking communities.

Bangladesh

Bangladesh Safe Internet Forum
Robi partnered with Save the Children International to establish "Bangladesh Safe Internet Forum", a public advocacy platform designed for law enforcement agencies, mobile network operators, internet service providers, internet infrastructure providers, and private sector stakeholders to work together in combating Child Sexual Abuse Material (CSAM). The platform will drive notice and takedown procedures, facilitate reporting, and establish support hotlines in the country.

#CommonSense: Promoting Ethical Uses of Technology
Robi continued to run its on-going social campaign, #CommonSense, launched in 2019, through social media and SMS focused on promoting awareness about various technology-related issues such as fake news, child safety and online fraud.

Cambodia

Safer Internet Day: Together for a Better Internet 2022
Smart in partnership with APLE Cambodia and various ministries, organised two events aimed at promoting safe and positive digital technology usage among children and youngsters, as well as inspiring a national dialogue about responsible, respectful, critical, and creative technology use. 598 participants were in attendance which included students, teachers, NGO's, media and social media influencers.

Nepal

Safe Site Search
Under the guidance of the Nepal Telecommunications Authority, Ncell implemented a safe site search feature that effectively blocks access to unsafe websites protecting users from potentially harmful content.

Online Safety Awareness Programme
Ncell partnered with Katha Nepal and produced an audio and video series educating viewers on best practises for child online safety, cyber threats and risks associated with poor cyber awareness, as well as cyber theft and cyber-attacks.

Digital Business

Malaysia

Financial Services Fraud Awareness
Boost regularly disseminates communications to increase awareness among users on how to safeguard themselves online, especially on the topic of performing secure financial transactions, safekeeping of personal information and transaction related credentials.

National Scam Response Centre (NSRC)
Malaysia regulatory bodies (i.e. Bank Negara Malaysia (BNM), Polis Diraja Malaysia (PDRM) and Malaysian Communications and Multimedia Commission (MCMC)) had collaboratively setup the NSRC in October 2022 to strengthen the awareness, reporting and management of financial fraud within the industry, especially with the recent increase of scams globally. Boost, as one of the fintech players, participated in the NSRC with a commitment to provide assistance to regulators with regards to responding to reported scams logged by victims.

DIGITISATION & INNOVATION

The advancements of Data, Cloud, Artificial Intelligence (AI), Internet of Things (IoT), 5G, and Edge Computing is transforming our economy, industry and society. In its journey towards becoming The Next Generation Digital Champion, Axiata needs to continuously embrace these cutting-edge technologies, which requires transitioning from a telecommunications company to a technology company through Telco to TechCo transformation strategy. As we recognise the importance of innovation and technology play in our Triple Core Business, Axiata is fully committed to integrating digitisation, innovation, and analytics to achieve functional and operational excellence to gain a competitive advantage.

APPROACH

As part of our commitment to Axiata 5.0, we strive to enhance collaboration among our OpCos, leveraging on our Collective Brain initiative, which emphasises virtual centralisation to unlock optimal synergy across the entire Group. This allows us to collaboratively develop solutions through integrating collective knowledge and strengths from various businesses to drive Technology Transformation and Cost Excellence.

Driving our digitisation and innovation efforts, is the Axiata Group-wide Digital Transformation Framework. This Framework is a five core purpose-led strategy to accelerate our OpCos' evolution into an end-to-end digitised telco and drive effective sustainable solutions by leveraging IR4.0 technologies:

Five Core Areas of Digitisation	
Products & Services	External Interfaces
Infrastructure & Platforms	Internal Processes
Organisation & Culture	
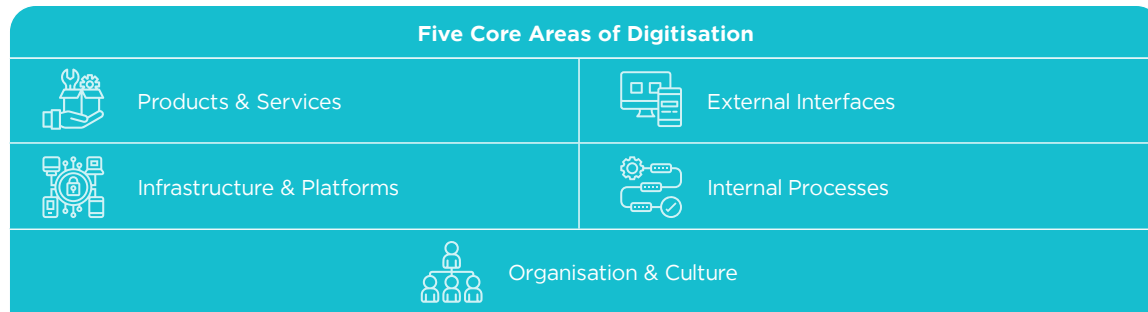
Our emphasis was on promoting a digital mindset and prioritising AI/Machine Learning (ML) use cases and applications through the LEAP (Learn, Engage, Advance, and Perform) programme and AI Maturity programs across our various businesses.

In addition to process automation, we introduced Microservices, scaled APIs ecosystem and economy, and built B2B marketplaces and IoT platforms. Furthermore, we adopted an Agile approach as a fundamental aspect of our solutioning process.

OUTLOOK

To enhance collaborative efforts aimed at driving the evolution of analytics and AI, and enabling the creation of innovative and sustainable solutions. This will further extend the capabilities of the Group to move towards a future that goes 'beyond connectivity' and help in transitioning from Telco to TechCo.

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DIGITISATION & INNOVATION

AXIATA'S DIGITISATION JOURNEY

Over the past four years, we have ramped up focus on our five core areas of digitisation, which has resulted in significant improvements across all our key digitisation programmes and maturity indices.

Our Progress towards Becoming an End-to-End Digitised Telco

IT Transformation	Digitisation Programme: LEAP and Digitised Telco Model (DTM)	AI Maturity Programme
• IT transformation across **all OpCos to TMF ODA using ADL DTE** and open API platforms powering internal IT as well as external partner/ developer engagements • **40% reduction** in IT costs and improved GTM speed	• LEAP, a multi-year programme that acts as a catalyst, driving digitisation across all OpCo functions, both front-end and back-end, keeping track of its progress • **Three OpCos - Robi, Dialog, and XL, at LEAP "Leading Digital Stage" (> 4.0)*** whilst others have further improved with implementation of AI/ML use cases • Estimated **2x increase** in imputed savings across OpCos through DTM * *LEAP Digital Maturity Index is from 1.0 to 5.0*	• Determines our AI maturity levels to create and scale business impact implementing high impact use cases (Marketing & Sales, Network and Operations) leading to increase in Revenue and Operational Excellence • Three OpCos are at level 4 (TM Forum AI Maturity Model (AIMM)) and remaining OpCos are making progress towards level 4 • AI Maturity Average **(5 OpCos) improved to 64.4%** in 2022, 20 pp improvement YoY • As a part of AI transformation program, conducted inaugural AI Summit, and AI training for CXOs, completed AI Architecture blueprint, established central repository for AI models and released first version of AI Governance & Ethics Standard

LEAP PROGRAMME

LEAP (Learn, Engage, Accelerate and Perform) programme is Axiata's digital transformation initiative designed to promote both intra- and inter-OpCo collaboration. This approach cultivates a digital mindset and accelerates digital maturity across all OpCos, while simultaneously measuring and certifying their progress.

LEAP Engagement

To support our OpCos, we created "Digitisation Playbooks" for documenting internal knowledge and best practices. We also facilitated inter-OpCo sharing sessions through the Digitisation Expert Working Group (EWG), to share and discuss common pain points and areas of interest.

- **Digitisation EWG** – Facilitated 20+ sessions comprising of LEAP Best Practices and External Sharing Sessions
- **LEAP Best Practices** – Focused on internal knowledge sharing to elevate Digital Maturity across all OpCos
- **External Sharing Sessions on Best Practices** – Bringing external global perspectives in selected focus areas such as on Agile, Data Driven Decisions, Analytics Use Cases and B2B Marketplace

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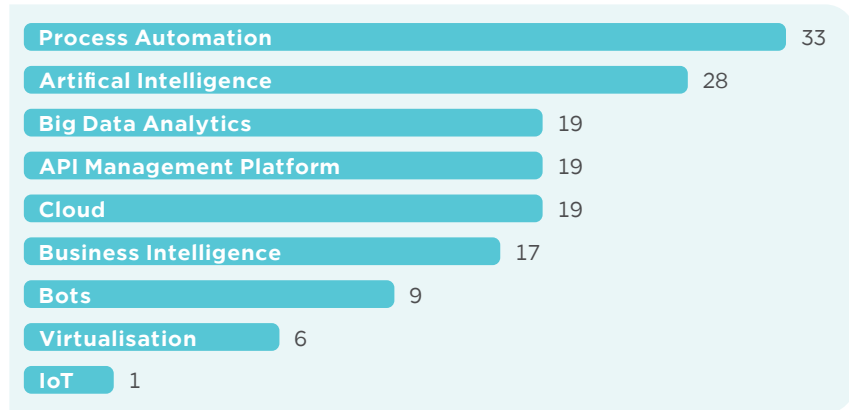| Our Business | Approach To Sustainability | **Advancing Digital Societies** | Advancing Green Economy | Advancing Our People & Communities | Driving Governance & Risk | National Contribution Report | Appendices | 57 |

DIGITISATION & INNOVATION

LEAP NOW Project Submission 2022 Highlights - Enabling Sustainable Development

The annual LEAP NOW is an internal competition providing an opportunity for OpCos to submit their digitisation projects and initiatives that incorporate ESG elements. In 2022, 52 unique digitisation projects were submitted for LEAP NOW, with 87% of the projects using more than one enabling technology. The most used technology lever was process automation, followed by AI. Other technologies utilised included big data analytics, API management platform, cloud, business intelligence, bots, virtualisation and Internet of Things (IoT).

Technology Lever and Number of Projects Submitted

Technology Lever	Projects
Process Automation	33
Artifical Intelligence	28
Big Data Analytics	19
API Management Platform	19
Cloud	19
Business Intelligence	17
Bots	9
Virtualisation	6
IoT	1

Unlocked Business Benefits

In 2022, we analysed the value of the LEAP NOW projects and catalogued multiple business benefits. Most projects adopted the 'customer-first' approach with a focus on enhancing customer experience. We also witnessed how our projects helped to improve decision-making and reduce cost.

Benefit			
Better Customer Experience 34	Stronger Competitive Advantage 20	Better Asset Utilisation 13	
Improved Decision Making 31	Additional/ Improved Revenues 19	Failsafe Business Continuity 6	
Reduced Operating Costs 27	Improved Workplace Productivity 18	Stronger Data Security 3	
Better Risk Migation 21			

LEAP NOW Project Highlights that Enable Sustainable Development

Among the 52 unique projects that were submitted, these are the outstanding few that drive sustainable development:

Project Orion by Celcom

- The AI/ML project automation safeguards Celcom's data space business by protecting and monitoring the movement of sensitive data and providing insights for risk analysis and mitigation. The automation also enables smart cyber protection to prevent data and privacy breaches that could lead to revenue loss and reputational damage

Weather Impact Predictor by Robi

- The objective of this project is to enable smart solutions to step up our preparedness towards weather impacts by providing accurate weather forecast to avoid outages at our sites. Historical site outage and weather data are collected to train the AI model to predict weather impacts and identify locations with higher risks due to extreme weather conditions. This led to reduced operating costs, as well as uninterrupted and sustained services to customers during harsh weather

eKYC Single Retail App by Ncell

- The project aims to decrease fraudulent acquisition and improve accuracy of digital acquisition using smartphones. With smartphones as converged devices for bio-metric features, additional investments for devices (fingerprint and tablets) can be reduced, which lessens carbon footprint

IT TRANSFORMATION

As part of IT Transformation and supporting our Telco to TechCo journey, we are working with partners across the industry to further drive innovation. For instance, TM Forum recognises Axiata Group as one of the first three telecommunications companies worldwide to successfully implement Open Digital Architecture (ODA) on a large scale. Axiata has deployed this Telco Operations framework based on TM Forum's ODA standards in various Asian markets.

ODA drives Axiata's operational and cost efficiencies, enhancing speed and innovation by standardising software development models and streamlining market relations. Therefore, it provides opportunities for collaboration with developers and enables us to optimise our business as an agile, end to-end digital service provider.

Initiative	Key Highlight	Outcome
• Introduced a programme to train and integrate TM Forum Open API (IG1228) to improve Decoupling Systems of Engagement (SoE) from System of Records (SoR) in the existing IT landscape • Established a fully decoupled architecture as per the ODA Technical Architecture to upskill IT personnel in new technologies such as APIs for development and operations	• Implemented 21 TM Forum APIs and increased ODA coverage in our Digital Telco Enabler (DTE) stack • 29 more Open APIs will be certified on top of the current 21 Open APIs	• 40% reduction in IT costs and improved Go-To-market (GTM) speed

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DIGITISATION & INNOVATION

Highlight

ADL - Advancing Digital

Axiata has set up its own DevOps company, Axiata Digital Labs (ADL) delivering a wide range of IT services through a digital engineering skill set. With over 1,000 digital telco experts and 100 fintech experts, ADL also plays a catalysing role in providing the DevOps support required to drive the development of Enterprise solutions within all our regional Digital Telcos.

ADL Axonect

Axiata Digital Labs launched Axonect, offering a suite of enterprise products. This enables enterprises to be agile digital service providers and allows them to meet evolving digital business needs. The Axonect Product Suite launched customisable products designed to fast-track digital transformation and allow enterprises to capitalise on new market opportunities. Axiata Digital Labs plans to onboard their other products, platforms, and services onto the Axonect product suite over the course of 2022.

ADL Axonect Hybrid Cloud Orchestrator

AXIATA DIGITAL LABS

Aligning with TM Forum engagements via TM Forum Catalyst programme, the Axonect Hybrid Cloud Orchestrator was developed as an extension of Axonect Enterprise Enabler to facilitate rapid yet sustainable cloud adoption in the Group's operating companies, accelerating their journey of transformation towards being digital Telcos. Due to the complexity of OpCo's legacy Business Support Systems (BSS), the orchestrator platform eases the migration of applications to cloud for OpCo developers to expedite the deployment process and provide microservices rapidly from one environment to another.

The Axonect Hybrid Cloud Orchestrator offers measurable benefits including lower infrastructure costs, increased efficiency and revenue. Infrastructure costs have reduced as the platform combines on-premises and cloud infrastructure and enables cloud-agnostic development, reducing our carbon footprint.

SMART SOLUTIONS ACROSS OUR BUSINESS AND FOR SOCIETY

As part of an ongoing Group-wide digitisation effort, we offer enterprise solutions covering 10 Smart areas with the aim to support Enterprise digital transformation, keeping them at the forefront of technology, including AI, robotics and other IR 4.0 principles.

OpCo Enterprise ICT and Connectivity Solutions

We leverage our position as a digital telco to promote digitisation among our stakeholders, through connectivity and digital capabilities.

We also strive to enhance environmental management through improving operational and resource efficiencies and contributing to socioeconomic development digitally.

With presence across over 193,000 enterprises, we are able to build new capabilities, unlock opportunities, accelerate our growth and meet evolving business needs.

We will continue to focus on IoT, cloud capabilities, cyber security and smart enabled solutions, to align enablement factors of our business.

Environment

Contributing towards climate action through marketing of solutions that improve operational efficiencies, reduce carbon footprint and reduce energy usage.

Smart City
Leveraging IoT and data analytics to deliver required business outcomes and support digital transformation initiatives.

robi Smart Attendance
Smart SMART IoT Pack
linknet AI-supported CCTV

Smart Grid
Smart meters deployment with analytics and remote monitoring of grid distribution to improve energy efficiency.

Dialog Smart Electricity Metering

Smart Buildings
Powering up buildings with waste and energy efficiency initiatives to reduce consumption.

Smart Fleet
Fleet management solutions recommends and tracks with route optimisation for efficient cost and time management.

Dialog Vehicle Tracking and Travel Optimisation
Smart Fleet Management Solution

Smart Agriculture
Improving production, crop management and maintenance through accessible and affordable solutions.

Dialog Saru

Smart SMART IoT Pack

Smart IoT Pack

Smart

Smart IoT creates a smart environment by integrating building managing systems, IT properties and security systems on an easy-to-use platform. The innovation enables customers to remotely control home and office amenities such as lights, air conditioning, security system, smart lock and IoT automation. This initiative caters specifically for consumers from the hotel, restaurant and catering segment, as well as small offices, real estate, property companies and residential customers.

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DIGITISATION & INNOVATION

Social

Empowering society with the ability to prosper through digital inclusivity as well as digitised and modernised processes aligned with sustainable development.

Digital Education
Providing affordable education for students and upskilling opportunities for employees.

Ncell Digital Labs

⇨ **SNCR**, for more information on Digital Labs initiative, refer to page 44

Digital Inclusivity
Bridging the digital gap of underserved communities.

robi with BRAC Bank for SMEs

Smart Healthcare
Enabling affected individuals to request for donations or medical assistance easily.

Dialog Karuna

⇨ **SNCR**, for more information on Karuna initiative, refer to page 99

Dialog with 1990 Suwa Seriya Foundation

⇨ **SNCR**, for more information on the initiative, refer to page 44

Smart Safety and Wellbeing
Increased safety-monitoring and regulation of physical, mental and emotional health through accessible technology.

Dialog Yeheli

⇨ **SNCR**, for more information on Yeheli initiative, refer to page 52

robi Factory Social Score

Factory Social Score

robi

In view of increasing ESG demands by investors and regulators, Robi took a step forward in enabling factories in Bangladesh to increase their social and governance impact. In 2022, Robi signed a Memorandum of Understanding (MoU) with PrimaDollar Operations Limited to jointly promote and deliver their globally-recognised metrics, including the Factory Social Score to working factories in Bangladesh. PrimaDollar is the leading global provider of data collection services.

As part of the MoU, Robi provides connectivity and devices to PrimaDollar's factory workers to enable them to provide information of their work environment through a mobile app or directly via kiosks. Workers can share feedback anonymously in key social categories namely, pay, conditions, safety and treatment, among others. The data will be used in real time to create the Factory Social Score, which then forms part of the automated flow of data supporting every shipment that the factory makes.

The Factory Social Score will help to improve the social and governance credentials and transparency of the participating factories in Bangladesh.

Governance

Enabling safe, secure and responsible business practices.

Smarter Cyber Protection
Safeguarding sensitive data of internal and external parties with adoption of AI and data analytics to prevent data breaches and cyber security risks.

Smart M2M Plan

linknet Cloud Environment and Trend

Cloud Environment and Trend

linknet

Link Net worked and collaborated with Indonesia Stock Exchange (IDX) and other parties to realise the vision of having a strong and trustworthy base in Financial Services and Industries Market, supporting their needs for financial-switching and other ICT solutions. Link Net enabled and supported the migration process from on-premises environment in Capital Market, which was a remote and core System, to Cloud Environment, using a Global Cloud Service Provider, Local Cloud Provider and Private Cloud.

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Advancing Green Economy

▶ **Climate Change**
⤷ **SNCR**, page 62

▶ **Environmental Management**
⤷ **SNCR**, page 75

OUR APPROACH

Climate change is a pressing issue for humanity, as it has pervasive effects on the environment, society and our economy. Addressing climate change is a shared responsibility all must undertake. Fortunately, connectivity and digitalisation offer valuable resources that aid us in tackling these crucial issues, benefitting individuals, industries and communities. Environmental management has always been the core of our approach and ESG agenda. We strive to optimise the management of our climate risks, climate action, energy and emissions to achieve net-zero. We also measure the consumption of our resources and biodiversity impacts in addition to identifying climate-related risks and opportunities.

THE CONTEXT

To prevent severe impacts of climate change, a global transition to a net-zero carbon economy by 2050 is vital. In assessing the global economy's circularity performance, the Circularity Gap Reports, produced over a five-year period, have revealed the world is linear. Currently, only 8.6% of our global resources are recycled or reused, indicating that the rest of the resources end up as waste or in landfills. Meanwhile, our circularity gap is over 90%, which represents a challenge for us to move into a more sustainable, circular economy[1].

Circular economy solutions can have a huge impact on climate change. This is because 70% of GHG emissions are emitted in the production and use of products such as the buildings we live in, transportation, food and clothing[1]. The current infrastructure and linear systems are insufficient to support the effective management of materials for a global circular economy.

Healthy ecosystems are crucial for a healthy planet. The latest report from the United Nations Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES-8) reveals that the ecosystems supporting all life forms are rapidly deteriorating. Our entire civilisation is in jeopardy as the declining biodiversity and degrading ecosystems are due to the impacts of climate change.

Axiata has aligned itself with the mobile sectors' ambition to meet its net-zero emissions target and to shift towards greater circularity, in alignment with aspirations set by GSMA. Our leaders are driving the Company's climate action to strengthen the Group's climate resilience. The measures taken include establishing effective climate oversight and management and defining climate-related roles and responsibilities. Progress reports on climate-related issues are also submitted regularly.

[1] Source:
https://circulars.iclei.org/wp-content/uploads/2022/02/1.-Report_-CGR-Global-2022.pdf

"Advancing Asia is only a reality when our planet thrives. We need to take action and support the green transition by collaborating and partnering with every key stakeholder across sectors and markets. This will help us to understand issues and leverage our strengths as a leading digital and telecommunications conglomerate to enable solutions for decarbonisation and better environmental practices."

Asri Hassan Sabri
Group Chief Corporate Officer

Material Matter	Target	Target's FY22 Progress
▶ Climate Change	Become net-zero no later than 2050 • 45% reduction in operational emissions (Scope 1 and Scope 2) by 2030 • Set baseline and target for Scope 3 by end of 2023	• Total Scope 1 and 2 emissions: 1,391,684.68 tCO_2e^ (vs baseline FY20: 1,318,444.74 tCO_2e) • Scope 3 baseline and target-setting in progress

Advancing the UN SDGs

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 17 FOR THE GOALS

^ *This data has been externally assured. Refer to Independent Limited Assurance Report in this SNCR*

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CLIMATE CHANGE

The climate science is clear and the call for climate action is undeniable. Incorporating climate action into our overall sustainability agenda reflects our responsibility towards the future generation. Since 2020, we have taken a heightened approach to climate action, knowing that the failure to act will be detrimental to the future generation. We aim to lead by example across our footprint as a digital company and take proactive climate action to mitigate and minimise the effects of climate change.
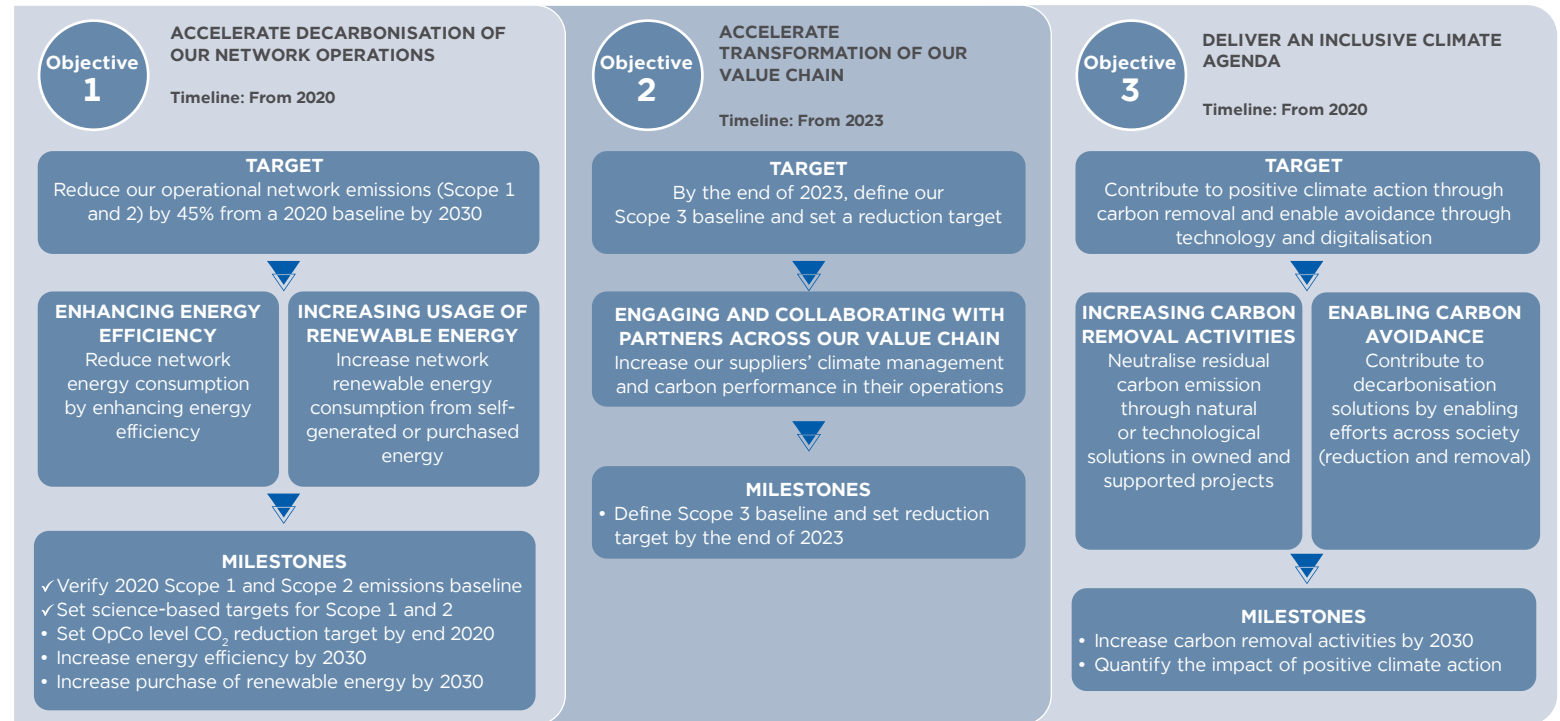
APPROACH

Taking immediate climate action and building climate resilience is critical to our business and surrounding communities, as the effects of climate change continues to worsened in recent years. We are committed to establishing clear climate targets aligned with the Science Based Targets initiative (SBTi) Business Ambition for 1.5°C. Signing up to SBTi serves as a critical minimum that signals our commitment to meeting global climate targets in line with the Paris Agreement, and the GSMA's target of net-zero greenhouse gas emissions by 2050.

We have progressed in our commitment to net-zero by 2050 through the launch of our Net-Zero Carbon Roadmap, in May 2022 which sets the direction for the Group to achieve our climate ambition. Our Net-Zero Carbon Roadmap aligns our climate action and aspirations into the specific context of our operations. Detailing specific objectives and climate actions, the roadmap holds us net-zero accountable to our commitments.

🔍 For more information on our Net-Zero Carbon Roadmap here

Our Net-Zero Carbon Roadmap has a three-objective approach which focus on accelerating the decarbonisation of our network operations, transforming our value chain, and delivering an inclusive climate agenda. Axiata has set the goal to achieve net-zero emissions by 2050 in line with the industry ambition by GSMA.

OUR NET-ZERO CARBON PATHWAY COMPRISING A THREE-OBJECTIVE STRATEGY

Objective 1

ACCELERATE DECARBONISATION OF OUR NETWORK OPERATIONS

Timeline: From 2020

TARGET
Reduce our operational network emissions (Scope 1 and 2) by 45% from a 2020 baseline by 2030

ENHANCING ENERGY EFFICIENCY
Reduce network energy consumption by enhancing energy efficiency

INCREASING USAGE OF RENEWABLE ENERGY
Increase network renewable energy consumption from self-generated or purchased energy

MILESTONES
✓ Verify 2020 Scope 1 and Scope 2 emissions baseline
✓ Set science-based targets for Scope 1 and 2
• Set OpCo level CO_2 reduction target by end 2020
• Increase energy efficiency by 2030
• Increase purchase of renewable energy by 2030

Objective 2

ACCELERATE TRANSFORMATION OF OUR VALUE CHAIN

Timeline: From 2023

TARGET
By the end of 2023, define our Scope 3 baseline and set a reduction target

ENGAGING AND COLLABORATING WITH PARTNERS ACROSS OUR VALUE CHAIN
Increase our suppliers' climate management and carbon performance in their operations

MILESTONES
• Define Scope 3 baseline and set reduction target by the end of 2023

Objective 3

DELIVER AN INCLUSIVE CLIMATE AGENDA

Timeline: From 2020

TARGET
Contribute to positive climate action through carbon removal and enable avoidance through technology and digitalisation

INCREASING CARBON REMOVAL ACTIVITIES
Neutralise residual carbon emission through natural or technological solutions in owned and supported projects

ENABLING CARBON AVOIDANCE
Contribute to decarbonisation solutions by enabling efforts across society (reduction and removal)

MILESTONES
• Increase carbon removal activities by 2030
• Quantify the impact of positive climate action

Since the launch of the roadmap, our OpCos have aligned themselves to the Group's net-zero carbon agenda by incorporating energy efficiency and renewable energy initiatives into their operations.

Additionally this year, we stepped up our climate action by adopting the recommendations of the TCFD, supported by a three-year TCFD Roadmap. This will enable us to identify our climate-related risks and opportunities and better manage climate-related matters and disclosures. Within the chapter is our first climate report aligned with the four core elements of TCFD's recommendations: Governance, Strategy, Risk Management and Metrics and Targets. Disclosing our climate report is in line with our Net-Zero Carbon Roadmap.

advancing to zero

axiata
NET-ZERO CARBON ROADMAP

OUTLOOK

Our journey towards net-zero requires the building of transformative partnerships through collaborations within our industry, other industries and government agencies. Collectively, this will enable bigger impacts as we transition towards a lower carbon economy.

On our SBTi targets, we will commence the validation process in 2023. As we progress towards meeting our goals, we are confident that there will be advancements in technologies, shifts in the regulatory landscape and increasing national-level action to expedite the transition to a low-carbon economy. We will continue to invest in energy efficiency and renewable energy while manoeuvring the local regulatory landscape climate policies to mitigate effects of climate change.

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CLIMATE CHANGE - TCFD

ADOPTION OF TCFD

Recognising the emerging importance of addressing climate issues, in 2022, we bolstered our climate action by embarking on our TCFD journey. Taking the first step in adopting the TCFD recommendations will improve the transparency of our climate disclosures, ensuring that our stakeholders will be better informed.

Thus, we have taken the following strategic steps in our pilot year:

1. Worked with relevant partners and third party experts to identify TCFD-related gaps from the previous year's disclosures and practices.

2. Shortlisted selected OpCos for the pilot assessment based on considerations such as exposure to natural hazards, revenue contribution and business segments.

3. Identified and assessed climate-related risks and opportunities relevant to the selected OpCos.

4. Selected suitable climate scenarios to be applied to evaluate the potential implications of the material climate risks and opportunities on the business, financial performance and resilience.

We established a strong foundation by conducting TCFD and climate change training and awareness sessions for our Board of Directors and relevant committees. This includes the Board Sustainability Committee and Board Risk and Compliance Committee, which includes key representatives from our OpCos.

We are committed to closing any gaps by progressively expanding our TCFD scope and conducting more comprehensive climate risk and opportunity assessments. Our report is based on the latest information and current practices available, and we expect to amend, update, and improve climate-related practices. We are confident that our data and methodologies will improve over time and we have taken strategic steps to enhance our climate practices as we progress in our TCFD journey.

TCFD

What is a TCFD Framework?

The TCFD framework was established by the Financial Stability Board Board to guide organisations in identifying and evaluating the risks and opportunities emerging from climate change. Established in 2015, TCFD first released its recommendations in 2017 to assist companies in sharing clear and comprehensive information with their shareholders to support informed decision-making and capital allocation.

Comprising 11 recommendations across four core elements, the framework provides guidance on how to identify and assess the risks and opportunities that arise from climate change.

Core elements of recommended climate-related financial disclosures:

Governance

The organisation's governance around climate-related risks and opportunities

Strategy

The actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning

Risk Management

The processes used by the organisation to identify, assess and manage climate-related risks

Metrics and Targets

The metrics and targets used to assess and manage relevant climate-related risks and opportunities

CLIMATE CHANGE - TCFD

GOVERNANCE

Disclose the organisation's governance around climate related risks and opportunities. It covers describing board's oversight and management's role in assessing and managing climate-related risks and opportunities.

Source: TCFD

There is a strong push from Axiata's leadership on sustainability and climate resilience. To ensure effective oversight and climate response, climate-related roles and responsibilities have been clearly defined.

Further to that, we are in the midst of establishing structured processes and controls and commenced reporting on the progress of climate matters on a regular basis to ensure effective climate oversight across the organisation.

Climate-related roles and responsibilities

We leveraged our current ESG governance structure outlined in the Sustainability Governance & Accountability section of this Report to provide oversight on climate matters and ensure a coherent response across the Group. While the ultimate responsibility over climate issues lies with the Board of Directors, there are climate-specific roles cascaded to Board, Management and Working Levels, as well as the OpCos, as shown in the table.

BOARD LEVEL	
Board Sustainability Committee	• Provides guidance to management in implementing Axiata's Net-Zero Carbon Roadmap
	• The climate-related topics discussed in the year under review include:
	- General awareness of climate change, TCFD and Axiata's progress in aligning with the recommendations and pillars
	- The progress on Axiata's Net-Zero Carbon Roadmap rollout
	- Key initiatives and action plans under Axiata's Net-Zero Carbon Roadmap, and how they may create opportunities for Axiata's business (e.g. through enhanced resilience and thus reduced operational costs)
	- Climate considerations in Axiata's budget planning
WORKING LEVEL	
Sustainability Steering Committee	• Platform for collaboration to streamline the approach within the Group and promote sharing within Group and OpCos
	• Oversees the management of sustainability matters across the Group and OpCos, which include climate action and environmental management
Group Sustainability Team	• Responsible for the rollout of Axiata's Net-Zero Carbon Roadmap
	• Oversees the implementation of the TCFD framework at the Group level and monitors the implementation progress among the OpCos with support from TCFD Project Working team
	• Acts as a Centre of Excellence with responsibilities that include:
	- Compiling and managing Group GHG emission inventory
	- Determining GHG emission baseline and target-setting
Key Group corporate functions	• Enables cross-functional collaborations between Sustainability, Risk & Compliance, Strategy, Operations and Finance to implement climate-related strategies and integrate climate considerations into respective operations
	• Collaborations with the Chief Technology Officer (CTO) Council for technical expertise on Axiata's progress towards net-zero
OPCOs	
OpCo Sustainability Teams	• Supports Axiata's Net-Zero Carbon Roadmap and monitors carbon emissions
	• Links climate related KPIs to OpCo's Senior Leadership Teams (SLTs) aligned to the Group's climate agenda
	• Regularly reports to the Group regarding climate initiatives as well as their progress against climate-related targets
	• Monitors the environmental agenda, regulatory landscape, policies and systems in the respective jurisdiction to deliver more sustainable operations

Next steps

Progressively, we will regularly review, and where necessary, update the roles and responsibilities to support continuous progress to incorporate climate risks and opportunities considerations into our business strategies and financial planning. We will further enhance the Group's climate governance by continuously refining the monitoring and reporting mechanisms for the TCFD framework implementation efforts, which will be subsequently embedded within the overall sustainability governance. Moving forward, for the OpCo level, the respective OpCo's Board Risk and Compliance Committee (BRCC) will be responsible for monitoring and overseeing risk assessment of sustainability-related matters.

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CLIMATE CHANGE - TCFD

STRATEGY

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.

It covers describing the list of climate-relate risks and opportunities identified over the short, medium, and long-term; outcomes based on different climate-related scenarios and how it is considered in businesses, strategy, and financial planning.

Source: TCFD

While climate change poses physical and transition risks, it also presents opportunities. According to TCFD, physical risks are risks caused by climate change and can be event driven (acute) or longer-term shifts (chronic) in climate patterns. These risks may carry financial implications, such as direct damage to assets and indirect impacts from supply chain disruption. Meanwhile, transition risks are risks that occur during an organisation's transition to a low-carbon economy. They consist of policy and legal risks, technology risk, market risk and reputational risk.

In 2022, we conducted a climate risk assessment to identify and assess the potential risks and opportunities associated with climate change that are relevant to the Group and its core business segments – digital telcos, infrastructure and digital businesses.

The following approach was taken when assessing the climate risks and opportunities relevant to Axiata.

STEPS	OUTCOMES
1. Define scope and coverage for pilot TCFD implementation and reporting	• Identified OpCos to be included in the pilot TCFD scope based on considerations such as exposure to natural hazards and revenue contribution as shown below:

Digital Telco	• XL Axiata (Indonesia) • Dialog (Sri Lanka) • Robi (Bangladesh)	The OpCos were shortlisted as they are in countries with 'Very High' or 'High' exposure to natural hazards, with a revenue ≥ RM1 billion
Infrastructure	• EDOTCO (focusing on Malaysia and Bangladesh as the highest revenue contributors from EDOTCO)	
Digital Business	• Boost (Malaysia)	Boost was shortlisted as a representative OpCo from digital business to ensure completeness in terms of assessing all of Axiata's key business segments

STEPS	OUTCOMES
2. Establish list of relevant climate risks and opportunities	• Identified and assessed potential transition and physical risks, as well as opportunities impacting Axiata, based on various sources such as TCFD recommendations, industry peer practices and market and regulatory research
3. Assess materiality of climate risks and opportunities for Axiata	• Nine climate risks and eleven climate opportunities have been shortlisted to be material to Axiata and its business • Assessed the OpCos' vulnerability to the risks and exposure to the opportunities based on current practices • Obtained the OpCos' feedback and validation on the findings ⤷ **SNCR**, for more information, refer to Risk Management on page 69
4. Identify and analyse climate scenarios relevant to Axiata	• Identified two climate scenarios based on relevance and applicability to Axiata • Selected scenarios are the more commonly applied "Current Policies" and "Net Zero 2050" scenarios that are outlined by the Network for Greening the Financial System (NGFS) due to their emphasis on financial impacts associated with climate risks and opportunities
5. Develop impact pathways based on material climate risks and opportunities	• Mapped out impact pathways of material climate risks and opportunities to assess the qualitative impacts to Axiata

CLIMATE CHANGE - TCFD

Axiata's Climate-related Risks and Opportunities

Nine material risks and 11 material opportunities were identified and assessed in terms of their level of materiality, as well as the potential qualitative impacts to our business. These impacts were assessed through impact pathways, which showcase the linkage between each risk/opportunity, their drivers and the business and financial impacts to Axiata. The risks and opportunities, along with some examples of these impacts are outlined in the table below:

Risk Category	Risks Relevant to Axiata	Potential Impacts to Axiata (Non-exhaustive)
Transition Risks		
Policy & Legal: Implementation of governmental policies designed to tackle climate change	• Increased pricing of GHG emissions (carbon pricing mechanisms) • Mandates and regulations of existing products and services	• Loss of customers due to increased prices of products and services subject to carbon tax liability • Higher compliance requirements and costs • Stranded assets (e.g. copper networks, inefficient building control systems)
Technology: Write-offs for investments in obsolete technologies/investments in new technologies	• Transition to lower emissions technology	• Increased investments in climate-resilient and low-carbon infrastructure • Higher spending on workforce upskilling • Higher spending on research and development (R&D) and innovation
Market & Economic: Market shifts in supply and demand for certain commodities, products and services	• Changing customer behaviour and/or investor expectations	• Untapped opportunities arising from new stakeholder demands • Higher risk of losing access to capital markets due to lower market valuation and failure to meet finance providers' climate-focused expectations
Reputational Risks: Damage to brand value or reputation	• Increased stakeholder concern or negative stakeholder feedback	• Negative impact on overall reputation (e.g. due to failure to meet climate-related goals, or lack of climate action), resulting in loss of customers as well as lower employee attraction and retention
Physical Risks		
Acute Physical Risks: Exposure to increasingly frequent and severe extreme weather events	• Increased severity of extreme weather events	• Higher spending on repairs and maintenance of infrastructure/offices damaged from weather events • Increased frequency and severity of network and customer service disruptions • Devaluation and/or early-retirement of assets in high-risk locations (e.g. flood-prone or water scarce areas) • Reduced quality of services due to lower productivity • Higher insurance premiums and/or reduced availability of insurance for assets in high-risk locations
Chronic Physical Risks: Exposure to longer-term, incremental shifts in climate patterns	• Changes in precipitation patterns and extreme variability in weather patterns • Rising mean temperatures • Rising sea levels	

CLIMATE CHANGE - TCFD

Opportunity Category	Opportunities Relevant to Axiata	Potential Impacts to Axiata (Non-exhaustive)
Resource Efficiency: Use of more resource efficient processes and equipment to optimise consumption of energy, water, waste and materials	• Use of more efficient production and distribution processes*	• Lower utility bills, potential carbon prices, and costs from purchased goods and services due to reduced consumption of resources • Increased value of fixed assets (e.g. highly-rated energy efficient buildings)
Energy Source: Use of green or renewable sources of energy, and exploration of carbon trading platforms	• Use of lower-emission sources of energy* • Participation in carbon markets	• Avoided penalties, legal action, and reputational risks due to non-compliance with climate regulations • Increased reputation from proactive response to shift in consumer and investor demand
Products & Services: Development of low emission goods and services, as well as climate adaptation and mitigation solutions	• Transition to low emission products and services* • Increased collaboration with external organisations to provide low emission and climate resilient solutions	• Additional source of revenue from new low carbon products and services • Increased quality of products and services due to upskilled employees in enhancing low emission-related offerings • More resilient supply chains due to shift from linear supply chains towards circular business models
Market: Exploration of new markets and avenues for lower financing costs with low carbon products and services	• Access to new markets across more climate-conscious consumers* • Increased reputation from proactive response to align with shift in consumer and investor demand* • Use of public and private sector incentives to fund emission reduction projects	• Engagement with a wider customer base across new markets • Increased access to sustainable, green, and/or climate financing to fund research, development and innovation of low carbon products and services • Better competitive position, resulting in larger number of customers as well as higher employee attraction and retention • Increased access to capital market due to higher market valuation with improved ESG and climate performance
Resilience: Increase in adaptive capacity to respond to climate change	• Participation in renewable energy (RE) programmes and adoption of energy efficiency measures* • Achievement of sustainability certifications and energy labels for energy efficient products and services* • Improved community and consumer resilience	• Additional source of revenue from certain RE programmes • Increased value of fixed assets due to better energy performance (e.g. high-risk energy efficient buildings) • Lower risk of downtime of services due to reduced impacts towards the health and safety of workforce, as well as increased reliability of supply chains (especially data centre services)

Note: * Overlaps in opportunities

Once the risks and opportunities have been identified, we will assess their potential impact on our financial performance, reputation and strategic objectives. This will involve conducting scenario analysis and other quantitative and qualitative assessments to understand the potential range of impacts.

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CLIMATE CHANGE - TCFD

Climate Scenario Analysis

Conducting climate scenario analysis is integral to understanding our potential business impacts from climate change. This will be our focus in the next couple of years as we identify, assess and manage risk and opportunities by utilising scenario analysis to model the potential impacts of different climate scenarios on our operations, financial performance and value chain.

What is a scenario?
- Describes a path of development leading to a particular outcome
- Not intended to represent a full description of the future, but rather to highlight central elements of a possible future and to draw attention to the key factors that will drive future developments
- They are hypothetical constructs, not forecasts, predictions or sensitivity analyses

What is scenario analysis?
- A well-established method for developing strategic plans that are more flexible or robust to a range of plausible future states
- In a world of uncertainty, scenarios are intended to explore alternatives that may significantly alter the basis for "business-as-usual" assumptions

Source: TCFD

In 2022, we selected two climate scenarios which we will be aligning with when conducting our scenario analysis against our climate risks and opportunities moving forward:

Scenario	
Current Policies	Existing climate policies and actions to address climate change are insufficient to address commitments and targets and remain unchanged, and it is aligned to a future with 3°C of warming To provide a view on severe physical risks faced due to worsening climate change without any human intervention
Net Zero 2050	New climate policies and investments introduced to achieve commitments and targets; aggressive actions taken to address climate change, and it is aligned to a future with 1.5-1.8°C of warming To provide a view on severe transition risks as more aggressive policies and market and technology changes are adapted to combat climate change

These selected climate scenarios correspond to those that are outlined by the NGFS that accounts for projections from both physical and transition risks, enabling a more holistic view on climate-related risks. Besides having global and regional coverage, the NGFS also comprises downscaled national data for 200 countries, including Asia Pacific countries where most of Axiata's OpCos are located.

NGFS is also recommended by Bank Negara Malaysia to be applied by financial institutions in Malaysia, enabling Axiata to align its scenario projections with the climate expectations of lenders and regulators. The guide covers a time frame of up to 2050, which is in line with Malaysia's aspirations to be carbon neutral by 2050.

While we will be aligning with NGFS as our foundational guide, we may leverage on data from other guidelines such as the Intergovernmental Panel on Climate Change (IPCC) and International Energy Agency (IEA) to supplement risks and opportunities assessments going forward.

Next steps

In the future, we will take the necessary steps to progressively enhance our alignment with the "Strategy" pillar from the TCFD recommendations. These include:

- Expanding the scope to cover all of Axiata's OpCos in the detailed risks and opportunities assessment
- Defining short-, medium-and long-term time horizons when assessing climate risks based on factors such as useful life of assets and infrastructure, expected time of occurrence of climate impacts, internal strategies as well as alignment to external commitments and regulations
- Performing climate scenario analysis to identify the potential impacts under the two projected climate conditions and time horizons
- Conducting TCFD-aligned quantitative analysis and using the relevant outcomes to formulate action plans. The action plans will be used to address climate matters that are aligned with Axiata's Net-Zero Carbon Roadmap and will be integrated into our corporate strategy and financial planning

Ultimately, these outcomes will be integrated into decision-making processes related to investment decisions, supplier selection and product development as we progress. Embedding this into our overall business will help future-proof our operations to remain competitive in the rapidly changing business landscape.

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CLIMATE CHANGE - TCFD

RISK MANAGEMENT

Disclose how the organisation identifies, assesses and manages climate-related risks. It covers describing the processes for identifying, assessing, and managing climate-related risks and integration into the overall risk management process.

Source: TCFD

As part of our climate risk assessment, we undertook the following steps to assess the materiality of Axiata's climate risks and opportunities for the shortlisted OpCos that cover Axiata's key business segments:

1. Macro factors Country-and industry-level view

- Considered country-and industry-specific views on the relevance of climate-related risks and opportunities to the shortlisted OpCos
- Factors for consideration included:
  - Likelihood of occurrence/recurrence of natural disasters
  - Existing/upcoming climate-related regulations/policies
  - Market considerations and customer behaviour

2. Micro factors OpCo-level view

- Considered how individual shortlisted OpCo responded to climate risks and the level of exposure to climate-related opportunities
- The level of vulnerability of each OpCo to the nine climate risks was assessed based on:
  - Availability of control measures to manage and reduce the impact of climate risks
  - Availability of alternatives/substitute resources or infrastructure
  - Level of management towards natural disasters (i.e preparedness, response and recovery)
- The level of exposure to the 11 climate opportunities was assessed based on:
  - Access to new revenue streams/cost savings
  - Potential for job creation or upskilling and reskilling
  - Capital deployment required

While the assessment was conducted at the Group level, key representatives from the five shortlisted OpCos were engaged for their feedback and validation of the outcomes. The assessment will allow the shortlisted OpCos to monitor their respective vulnerability to the climate risks and potential climate opportunities, which will be represented by materiality heat maps. They will also be able to take actions progressively to mitigate the identified risks and capitalise on the opportunities. Axiata's Group Sustainability Team will oversee the progress of the OpCos in addressing the relevant climate matters and provide guidance where necessary. They will be supported by a TCFD working group which consists of representatives from risk, strategy, finance and "operational development and support" functions at Group level.

Next steps

Moving forward, we will take various strategic measures to strengthen the integration of climate-related risks into Axiata's ERM Framework, including policies, procedures, risk appetite, risk tolerance and risk management strategies. This will include adjusting risk appetite and risk tolerance to integrate climate matters and climate considerations into Axiata's current risk assessment process such as materiality assessment of climate risks and impact pathways.

We may also expand our existing risk taxonomy and Group risk profile to include relevant physical and transition climate risks. When necessary, we will assess new climate risks and opportunities by business segments and/ or geography. We are committed to standardising our global climate risk assessment process to ensure consistency and transparency. Once finalised, we will actively communicate the process to all OpCos, empowering them to assess their climate risks and opportunities using a standardised approach. This will enable us to manage climate risks and seize potential opportunities proactively.

Further enhancements will focus on developing monitoring mechanism structures to ensure that climate risk is integrated into the overall risk management practices where it is regularly reviewed by the Board.

METRICS AND TARGETS

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material. It covers disclosures of Scope 1, Scope 2, and, if appropriate, Scope 3 Greenhouse Gas (GHG) emissions, and the related risks. It includes disclosing targets used to manage climate-related risks and opportunities and performance tracking against targets.

Source: TCFD

Setting clear targets, monitoring climate-related metrics and regularly reviewing our practices to ensure that they remain up-to-date and effective in addressing emerging climate risk and opportunity is critical to realising our climate ambition.

Our current climate-related metrics are Scope 1 and Scope 2 GHG emissions, carbon intensity, energy consumption and energy intensity. We also have our climate targets outlined as part of our Net-Zero Carbon Roadmap.

Next steps

We will continuously work towards enhancing how we monitor and track our climate impacts, along with our progress towards creating a positive impact on the environment. We will expand our climate-related metrics and targets to include those beyond GHG reduction, such as the quantified financial impacts from a certain risk or opportunity (e.g. amount of capital expenditure deployed for climate initiatives).

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CLIMATE CHANGE

ADVANCING TO ZERO - OUR CARBON EMISSIONS AND ENERGY CONSUMPTION PROFILE

Carbon Emissions Across the Group

Data collection enhancements will continue to be part of our plan to continuously track and monitor performance. In 2022, we reviewed the boundary and data collection of our carbon emissions. The boundary excludes digital businesses. We incorporated into our emission calculations the updated Emission Factors (EF): as follows:

- Emission factors for Malaysia (Peninsular, Sabah and Sarawak) taken from the latest Fourth Bienniel Report Under the United Nations Framework Convention on Climate Change (UNFCCC). Hence, for Celcom and EDOTCO Malaysia offices, the emissions in 2020 and 2021 were recalculated using this EF
- Emission factor for Nepal updated using the International Energy Agency (IEA) Emission factors 2022. Hence, the emissions in 2020 and 2021 were also recalculated using this EF
- Emissions factors for other countries were updated using the Institute for Global Environmental Strategies (IGES) List of Grid Emission Factors version 11, with most recently available data up to September 2022. These EF are used for the calculation of 2022 emissions

This resulted in a revised 2020 baseline and 2021 emissions incorporating these updates.

Group Total (Scope 1 and 2) Carbon Emissions (tCO$_2$e)

Total 2020: 1,318,444.74 tCO$_2$e
Total 2021: 1,361,814.48 tCO$_2$e
Total 2022: 1,391,684.68 tCO$_2$e

Scope 1
Scope 2

Year	Scope 1	Scope 2
2020	77,888.21	1,240,556.53
2021	74,016.87	1,287,797.61
2022	**69,109.33^**	**1,322,575.35^**

^ This data has been externally assured. Refer to Independent Limited Assurance Report in this SNCR

Group Total (Scope 1 and 2) Carbon Emissions (tCO$_2$e) for Digital Telcos and Infrastructure by Percentage

Year	XL Axiata	Celcom	Robi	Dialog	Smart	Link Net	EDOTCO	Ncell	Total
2020	45.96%	24.75%	13.91%	9.74%	5.04%	0%	0.36%	0.24%	1,318,444.74
2021	46.07%	23.34%	14.30%	10.51%	5.24%	0%	0.30%	0.24%	1,361,814.48
2022	**47.73%**	**20.12%**	**15.62%**	**10.56%**	**4.76%**	**0.61%**	**0.37%**	**0.23%**	**1,391,684.68**

	2020	2021	2022
XL Axiata	45.96%	46.07%	**47.73%**
Celcom	24.75%	23.34%	**20.12%**
Robi	13.91%	14.30%	**15.62%**
Dialog	9.74%	10.51%	**10.56%**
Smart	5.04%	5.24%	**4.76%**
Link Net	0.00%	0.00%	**0.61%**
EDOTCO	0.36%	0.30%	**0.37%**
Ncell	0.24%	0.24%	**0.23%**

Note: Link Net was added as a new entity with emission data from June to December 2022, and Celcom data is represented until November 2022 only

Overall, carbon emissions across the Group in 2022 increased by 2% compared to 2021. These are mainly attributed to the increase in the number of sites, additional equipment and efforts to enhance network quality and efficiency.

Robi's increase in total emissions by approximately 12% is attributed to load increment due to various node integration in existing sites and additional new sites. EDOTCO's overall increase is due to additional new entities and offices as well as employees returning to office to work.

XL Axiata added new sites, upgraded some devices and installed new equipment resulting in an increase in carbon emissions. However, its energy intensity per unit of data production was lower than the previous year.

Both Smart and Ncell recorded an overall reduction of approximately 7% and 4% compared to 2021 emissions respectively. For Smart, this is due to an increase in the number of solar sites. For Ncell, this is due to replacing existing lead acid battery with Lithium Ion Battery (LIB) during high running hours to fuel consumption. All these efforts are coupled with energy efficiency measures within the network.

Due to the political challenges in Sri Lanka in 2022, Dialog reported an overall increase of approximately 3% due to frequent power outages, leading to higher usage of diesel fuel gensets. Through the implementation of solar sites, Dialog aims to cut carbon emissions by 2,771 tCO$_2$e by the end of 2023.

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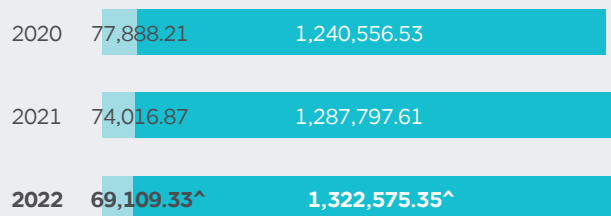
CLIMATE CHANGE

Energy Consumption Across the Group

Close to 98% of energy consumed across our operations in 2022 was to power our network.

Total Energy Consumption by Source

2020: 6.98 million GJ				2021: 7.59 million GJ				2022: 7.84 million GJ			
Direct	0.55 million GJ	Indirect	6.43 million GJ	Direct	0.87 million GJ	Indirect	6.72 million GJ	Direct	0.94 million GJ	Indirect	6.90 million GJ
Network Fuel	7.88%	Network Electricity	90.92%	Network Fuel	11.32%	Network Electricity	87.84%	Network Fuel	11.92%	Network Electricity	86.48%
Facilities Fuel	0.04%	Facilities Electricity	1.16%	Facilities Fuel	0.09%	Facilities Electricity	0.75%	Facilities Fuel	0.07%	Facilities Electricity	1.53%

Carbon and Energy Intensity

In 2022, although the total data traffic grew by approximately 8.5% in the year, but energy intensity reduced by approximately by 4.8%. Data traffic is defined as total amount of traffic generated by data services (2G, 3G, 4G, 5G).

Energy and Carbon Intensity (Digital Telcos Only)
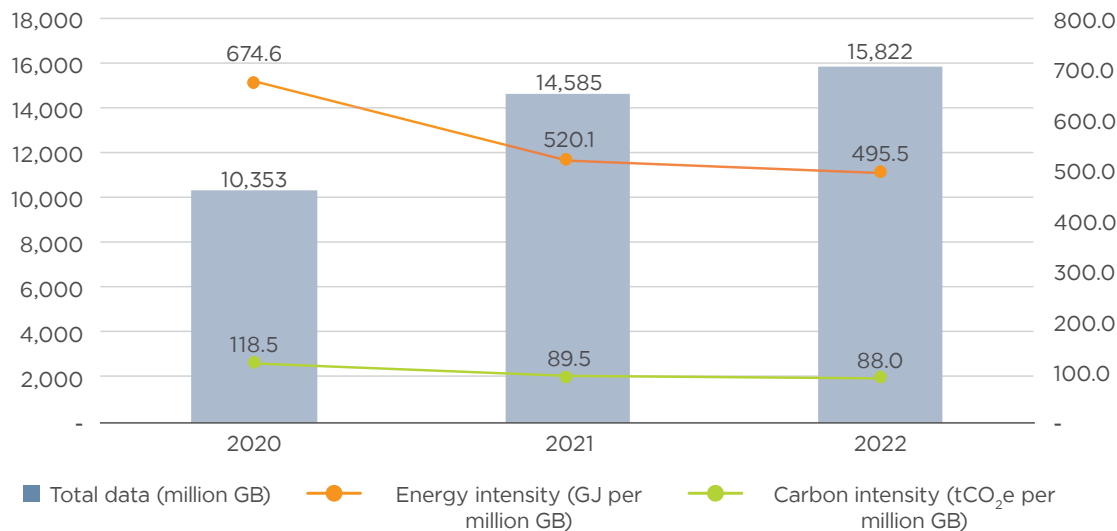
Strengthening Emission Data Management and Capabilities

We continue to improve our data collection process to track and monitor carbon emissions in support of meeting our Net-Zero Carbon Roadmap goals. To promote better data management and accuracy in reporting, we encourage every OpCo to track and report on their GHG emissions on a quarterly basis to Group. Efficient data management is important in helping us to improve our understanding of current energy consumption trends. This plays a key role in building our data capabilities for better operational improvements. The Group's CTO Council continues to assess technological adaptations to enable OpCos to leverage from best practices adopted across the organisation.

OBJECTIVE 1- DECARBONISATION OF OUR NETWORK OPERATIONS

One of the three key objectives of Axiata's Net-Zero Carbon Roadmap is centred around reducing operational emissions. This involves enhancing energy efficiency and identifying opportunities for cleaner sources of energy to power our operations. The two-fold approach is based on five categories, with multiple use applications in each category across the telco value chain. Our efforts to optimise energy usage stretches across our facilities and network.

Electrification	Artificial Intelligence and IoT	Data Capabilities
Digital Technology	Tower Site Optimisation	

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CLIMATE CHANGE

Energy Efficiency Across our Network and Associated Facilities

In line with Axiata's climate ambition, our OpCos have continuously implement energy saving initiatives by exploring smart technology and incorporating renewable energy on site.

XL Axiata implemented green Base Transceiver Station (BTS) which includes intelligent ventilation cooling system, that use direct current fans and air conditioning to optimise energy efficiency. The BTS equipment modernisation since 2014 has reduced energy consumption by up to 50%, covering over 90% of BTS. XL Axiata also modified our old energy consuming BTS shelters and replaced it with outdoor devices that do not require air conditioning for cooling. Currenty, more than 2,000 BTSs have been replaced last year, which makes in total 34,000 BTS are outdoor and XL Axiata will continue to expand this initiative. In 2022, XL Axiata implemented the use of lithium batteries as a substitute for generators. It also introduced the hybrid system charge discharge battery (CDC) to power BTS in remote locations. The successful implementation of CDC has resulted in a 54% reduction in diesel consumption. XL Axiata will continue to measure our energy consumption and GHG emissions annually for ESG effectiveness and efficient energy planning.

Robi Corporate Office is installed with solar energy panels with a 10kW capacity. The office is also equipped with touchless initiatives such as motion sensors and touchless turnstile, which has enabled effective energy saving. In enabling energy saving, Robi's air-conditioning temperature is adjusted to 25°C and supported with a light on-and-off system to keep the ambient temperature cooler. Robi is also Bangladesh's first operator to power more than 1,600 base stations with tower-mounted solar cell. Other energy saving initiatives include turning off generators and lifts on Fridays, Saturdays and providing transportation for employees.

Smart participated in the Cambodia Energy Efficiency Initiative organised by Sevea, an energy competition to create awareness and encourage power saving. As part of the project's activities, a Green Team was formed to enhance the effectiveness of on-ground implementation and employee engagement. One outcome is the Smart Energy Hero campaign resulting in the launch of a video campaign to encourage employees to share examples on how energy is used more efficiently. The winning groups were awarded prizes and recognised for their efforts.

At Smart's HQ data centre, nearly half of its hardware was relocated to containment modules to optimise cooling and improve power usage effectiveness. The cloud infra team also enabled scheduled power-off for cloud services that are not required during off-peak hours. Other energy efficient initiatives included shutting down oversized content development network deployments and controlling the temperature of air conditioning so that the data center area is not colder than needed.

Ncell has implemented initiatives for ensuring energy efficiency through the deployment of high efficiency rectifier at 250 sites (96%) and implementation of Enabled Energy Saving Mode at 140 sites. While Ncell's base stations predominantly rely on national electricity grids, areas without access to the national grid are powered using either solar energy or diesel/petrol. Additionally, collaboration with strategic partners Huawei and ZTE to reduce the amount of steel used in towers is in progress.

EDOTCO tracks and progressively reports its diesel and electricity consumption as part of its ESG journey in measuring its emissions. As generators are combined with renewable solutions such as solar and battery, EDOTCO has managed to lower its generator run hours.

Highlight

Going Green with Energy Efficiency

This year Axiata participated as 1 of 10 operator groups in "GSMA Intelligence Going green: benchmarking the energy efficiency of mobile networks" exercise. Collectively all 10 operators provided data about 58 networks in 56 countries and actively participated in workshops and provided useful insights for this report. A customised report for Axiata Group was also developed, providing insights on energy consumption benchmarked against other operators coupled with the sharing of good practices for adoption and improvements.

Read more about the report, refer here

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CLIMATE CHANGE

Renewable Energy Adoption

To reach the Scope 1 and 2 reductions required by 2030, access to renewable electricity (RE) through national grids is essential. Although most of our OpCos have embraced the opportunity to adopt the use of renewable energy where practicable. We have a total of more than 4,000 solar sites, which is 15% higher than the previous year as at the end of 2022.

Supporting regulatory and policy environments that enable access to stable renewable electricity marketplaces are needed to help our transition to net-zero. This year we held a closed-door roundtable that involved mobile operators (MNOs) in Malaysia, relevant government departments and the electricity utility provider in Malaysia to discuss the country's changing policy and renewable energy landscape. The key focus was to enable knowledge sharing to identify opportunities for joint industry collaborations to address challenges to access renewables and to support Malaysia's climate goals.

The aim of the roundtable was to advocate for policymakers to consider the mobile industry as a strategic partner in the decarbonisation of the global economy to expedite the availability and access to renewable sources of energy. These partnerships can support governments to meet its carbon reduction targets, while enabling the mobile industry to meet our net-zero ambition.

Some of the initiatives carried out by OpCos to adopt more renewables were:

In line with the Group's Net-Zero Carbon Roadmap, Dialog installed solar power panels at 169 sites in 2022. The initiative reduced Dialog's grid usage by 184,280 kWh and saved 55,635 litres of fuel for generators. Fuel consumption for generators also reduced by 231,091.35 litres due to Dialog's energy saving initiatives.

Dialog aims to install 809 new solar sites in 2023, with a total capacity of 4,671.74 kW. The project is expected to reduce Dialog's grid usage by 2,565,297.90 kWh and fuel consumption for generators by 338,392 litres. Through the implementation of the solar sites, Dialog targets to cut GHG emissions by 2,771 tCO_2e by 2023.

Robi has consistently improved its solar deployment in its transition from national grid consumption to renewable energy. In 2022, Robi intensified its renewable energy effort by increasing its tower-mounted solar solutions to 311 sites from 35 sites in 2021, deploying 3.8 MW of solar energy. The solar deployment ranges from 4 to 17kW based on specific site power requirements. Robi aims to utilise green power to reduce utilisation of purchased electricity from national grid and achieve a net metering of 4.8 million units of electricity each year.

The solar energy initiative has enabled reduction in GHG emissions, optimised utilisation of land space on towers from thorough tower strength analysis and generated higher electricity due to more sunlight clearance from towers. The initiative also provides support of equipment load during daylight hours, which enhances back-up support.

In 2022, Smart continued to increase its adoption of solar grids and installed solar power panels at an additional 242 sites. This was above its target of 225 sites. As at the end of 2022, there were 857 sites with solar energy. Smart plans to install solar power panels at 280 sites in 2023 to expand on-site renewable energy solutions and reduce consumption of purchased electricity.

Switching to renewable energy at its operational sites also reduced Smart's average fuel usage per site per month by 18% in 2022 compared to 2021.

Year	Fuel usage per site/month (diesel and gasoline)
2021	310 litres
2022	**254 litres**

In realising its vision of building connectivity for a sustainable future, EDOTCO is committed to minimising environmental harm and growing responsibly. EDOTCO stepped up its sustainability effort and launched its Sustainability Blueprint in July 2022. The purpose is to enable EDOTCO to fulfil its commitment to connecting the world equitably and sustainably while working towards becoming a Top Five Global TowerCo by 2024.

EDOTCO aims to be carbon neutral across all its National Tower Companies (NTC). EDOTCO has consistently tracked and monitored its carbon data as part of its commitment to embracing sustainability. It is currently developing a Carbon Neutrality Framework. To transition towards a lower carbon footprint, EDOTCO incorporates various green initiatives in the build and use of its towers, which is an area where the biggest possible reduction of GHG emissions can be obtained. This includes improving on site energy efficiency, optimising site waste management and investing in renewable technologies. EDOTCO's carbon reduction strategy tracks and monitors the reduction of embodied carbon and energy use of its towers.

Read more about EDOTCO's sustainability practices here

- Cleaner Energy - EDOTCO has been diligent in seeking alternative energy to reduce its energy consumption as its operations expand and the number of sites grow. It currently utilises renewable energy such as solar power, wind turbines and solar-wind hybrids to power its telco towers while reducing carbon emissions. EDOTCO will continue to deploy suitable renewable energy at sites, in line with its decarbonisation strategy
  - Wind turbine sites: Over 12 sites installed with lightweight wind turbines as of 2022
  - Methanol fuel cell sites: Deployed 2 full cell sizes
  - Over 125 solar powered air conditioned solar technologies deployed

- Greener Towers - EDOTCO has also been using alternative materials such as carbon fibre and bamboo to reduce GHG emissions of its towers. This has enabled it to design and build leaner and lighter structures
  - Completed 35 bamboo structures in Bangladesh and Myanmar (FY21: 29)
  - Over 18 bamboo wall mounted pole
  - Over 88% lighter than steel towers

CLIMATE CHANGE

Leveraging Leadership to Contribute to National Climate Action

We see expanding our climate ambition in our operating market by joining forces with other leaders in the industry, across the industries, government and communities to drive adoption of cleaner and optimal climate solutions to reach national goals. This is done by leading through example, policy advocacy, education, collaboration and investment into renewable energy.

Dialog was recognised by the Sri Lankan Ministry of Power and Energy for its contribution to the development and implementation of the National Fuel Pass system. The platform was adopted by 93% of fuel stations in the country, with over 11 million transactions to date and has surpassed six million vehicle registrations.

Dialog was among the three facilitators of the National Fuel Pass system, which was introduced to provide an easily accessible solution to obtain fuel and facilitate an allocation-based fuel distribution method. Dialog and another facilitator, MilleniumIT ESP, will continue to support the platform free of charge for the next three years and will closely work with the ministry and the Information and Communication of Technology Agency (ICTA). The successful implementation of the National Fuel Pass platform has contributed to significant national savings, reducing monthly fuel imports from USD500 million to USD230 million and eased the burden of the fuel crisis on the public.

Smart reaffirmed its commitment to sustainability and environment preservation by supporting the Cambodia Climate Change Summit 2022 with the Mekong Future Initiative. The three-day event saw experts, practitioners, civil societies and business organisations showcasing Cambodia's efforts toward sustainability and mitigating the impacts of climate change.

The aim of the event was to advance the national discourse on climate-related issues in Cambodia and improve coordination between climate change professionals. Topics such as renewable energy, green finance/climate financing, SDGs and environmental technological innovations were discussed at the event. During the event, Smart also showcased their other initiatives to reduce carbon emissions through their products and services via the launch of the E-SIM.

OBJECTIVE 2: TRANSFORM OUR VALUE CHAIN

In 2022, we started establishing the Group's Scope 3 as part of our preparation for target validation by SBTi planned in 2023. This involved collaboration with Axiata Procurement Centre to engage and learn from suppliers on how to better collaborate to meet out Net-Zero Agenda.

SNCR, for more information, refer to our Supplier Forum on page 117

OBJECTIVE 3: AN INCLUSIVE CLIMATE AGENDA

The digital sector is responsible for just 1.4% of global emissions but has an outsized influence on the exponential transformation to halve emissions by 2030 because digitalisation will disrupt all parts of the global economy in the next decade.

Digital services have a tenfold potential to reduce energy and materials across the economy and directly enable a third of the emissions reductions needed by 2030. This third objective requires us to urgently explore how the digital industry can enable societal goals beyond the industry's narrow footprint.

Through the enablement effect, we seek to encourage carbon avoidance efforts across society. Furthermore, we commit to enabling society, businesses, enterprises and small- and medium-sized enterprises (SMEs) by providing products and services that can enable emissions reductions. Some examples of how we leverage on technology to enable climate action while improving quality of life and supporting economic growth are covered under digitalisation and innovation.

What is the meaning of enablement effect?

Through the digitisation of other industries, mobile technology can accelerate the green transition. This is premised on a so-called 'enablement effect', which is any mechanism which, through its use, facilitates the avoidance of carbon emissions resulting in lower energy consumption and CO_2 emissions. Mobile and digital technology could enable emissions savings of 40% in the four industries that make up 80% of global emissions (power and energy, transport, buildings and manufacturing).

Read more about the enablement effect here

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ENVIRONMENTAL MANAGEMENT

Managing the environmental impacts of our operations is a key aspect in promoting climate action and circular economy across our markets. Conserving natural resources and managing our waste will contribute to our transition towards net-zero.

APPROACH

We believe in reducing our impact on the planet as we continue to deliver and meet our customer and stakeholder needs. Environmental management covers a broad aspect of doing what is needed for the planet through effective waste management, water consumption and biodiversity conservation whilst moving towards circular economy.

At Axiata, we remain focused on building the right culture across the Group. This continues to be underpinned by our sustainability values which calls on all employees to look within to find the inspiration to drive positive change. 'It Begins With Me, It Begins With Us' is how we believe we can purposefully advance sustainable development individually and collectively, especially in the context of Environmental Management.

Apart from complying with local regulations, our OpCos adhere to international standards and management systems. ISO 14001 specifies the requirements for an environmental management system that an organisation can use to enhance its environmental performance.

OpCos certified with ISO 14001: Environmental Management System (EMS)

Dialog

Fostering an Environmentally Friendly Workplace

Robi continued to foster an environmentally-friendly workplace by introducing new initiatives such as encouraging the use of reusable drinking bottles, growing potted plants in the office and controlling the temperatures of air-conditioners. These initiatives are in addition to day-light harvesting and the use of smart bins at its headquarters. The headquarters and regional offices are also using solar-powered electricity. Meanwhile, Smart participated in Cambodia's Energy Efficiency Competition which aimed to reduce energy consumption through awareness among employees in the Kingdom. Smart's Green Team, which was established in 2021 specifically for this competition, emerged as the winner.

Waste Reduction

Across the Group, we recognise the importance of responsible waste management and we are committed to minimising the environmental impact of our waste. Our waste management approach focuses on reducing waste generation, promoting recycling, and disposing of waste responsibly. As part of this, we promote paperless initiatives, e-waste management and work with our suppliers to reduce the amount of waste generated during the procurement process.

Initiatives

Celcom subscribed to DocuSign to enable documents to be signed electronically to reduce paper usage.

celcom

XL Axiata introduced Coupa, a digital integrated procurement system for goods or services, and billing services to reduce generation of paper waste.

XL axiata

Smart continued to execute initiatives to uphold, conserve and protect the environment. In 2022, they implemented a Digital Control Stock system to minimise wastage of stationery and paper needed for work. Smart also has in place a robust single-use plastic policy and encouraged their employees to uphold this practise by providing them with reusable lunch boxes and tumblers to replace disposable single-use plastics.

Additionally, Smart also partnered with Just-Good Refill company in a programme to implement refills for hand sanitiser and hand gel to cut down waste generation.

Smart

At Axiata Digital Lab (ADL), at least half of its offices are equipped with solar power facilities and LED lights to minimise its consumption from the grid and improve energy efficiency. ADL also subscribed to DocuSign to enable documents to be signed electronically to reduce paper consumption.

AXIATA DIGITAL LABS

OUTLOOK

In 2023, the Group's environmental strategy will shift towards greater circularity and all OpCos will be establishing a plan on how they can contribute to the circular economy. We will also continue to track and monitor our waste management performance and explore innovative solutions to reduce our environmental footprint.

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ENVIRONMENTAL MANAGEMENT

Waste Recycling

At Axiata, we are promoting recycling to reduce waste and our impact on the environment. Some of our recycling initiatives include waste segregation to separate recyclable materials from non-recyclable waste, the installation of recycling bins and the recycling of e-waste.

Initiative

Implemented e-Kunu, an initiative to enable the responsible disposal of mobile and electronic waste.

e-Kunu creates an end-to-end internationally and locally (Central Environmental Authority) certified disposal chain, which ensures the recycling of the product, and the mitigation of any environmental impact that the product might have caused.

> **e-Kunu Implemented**
>
> The initiative focuses on collection and disposal of external e-waste such as hard disks, CDs, chargers, cables, Li-Ion batteries, AA/AAA batteries and specifically mobile waste generated internally.
>
> A total of 28 e-waste collection boxes were placed at experience centres around the island for e-waste collection and plans in place to expand the collection points to 50 by the end of 2023.
>
> Read more about e-Kunu here

Ncell contracted Doko Recyclers - a social enterprise that manages and recycles dry waste, to move away from reliance on waste dumps.
Doko enabled Ncell to save:

• Landfill Space: 1086 Cu.m

Biodiversity and Tree Planting

Conserving our biodiversity is an important component of environmental management and we continue to support initiatives that involve tree planting or that protect our flora and fauna.

Initiative

Ring Road Green Belt (Multi-year Project)

Ncell continued to maintain the Ring Road Green Belt, a collaboration with the Department of Forest and Soil Conservation to develop greenery and transform the 10.2 km stretch of Ring Road from Koteshwor-Kalanki into an exemplary green belt. As part of the project, Ncell landscaped the green belt by planting over 12,000 trees, bushes and hedges, covering over 77,000 sqm with natural lawn. Ncell will continue until 2024 to maintain the project, which is a testament of the Public Private Partnerships (PPP) model.

In addition, 550 trees were planted to celebrate World Environment Day 2022 in collaboration with Wildlife Conservation Nepal.

Signed The Bird Watch Pledge with the Malaysian Nature Society (MNS) in 2022, to reinforce the company's commitment towards conserving Malaysia's wildlife habitat. Created in accordance to the Wildlife Conservation Act 2010, EDOTCO aims to implement new policies and processes to minimise the destruction to bird nests on our towers and create awareness about the importance of raptor conservation among employees. EDOTCO started tracking the occurrence of eagle nests and understanding their behaviour and breeding cycle. When constructing towers in an area of high conservation value, comprehensive assessments are carried out on the location to minimise disturbance to the ecosystem and mitigate any potential negative effects on biodiversity. It is important to us that technological advancement and natural habitats co-exist in our pursuit towards equitable connectivity.

EDOTCO also collaborated with Axiata Foundation, Yayasan Hijau Malaysia (YHM) and Fathopes Energy to launch a reforestation and cooking oil recycling project.

Recognising Impactful Sustainability Initiatives

This year, we established a special award to recognise the Most Impactful Sustainability Initiative by our OpCos and business units. Projects were considered eligible if they anchored on the aspirations and core values of at least one of the ESG pillars. The projects also had to clearly define areas of responsibility especially if done in collaboration with a third party, as well as deliverables and targets that are measurable and would improve corporate sustainability performance. Lastly, the projects must create recurring and long-term impact. The award was presented and recognised at the regional level to promote innovation, collaboration and momentum to think ahead and contribute to society and planet through our business offerings.
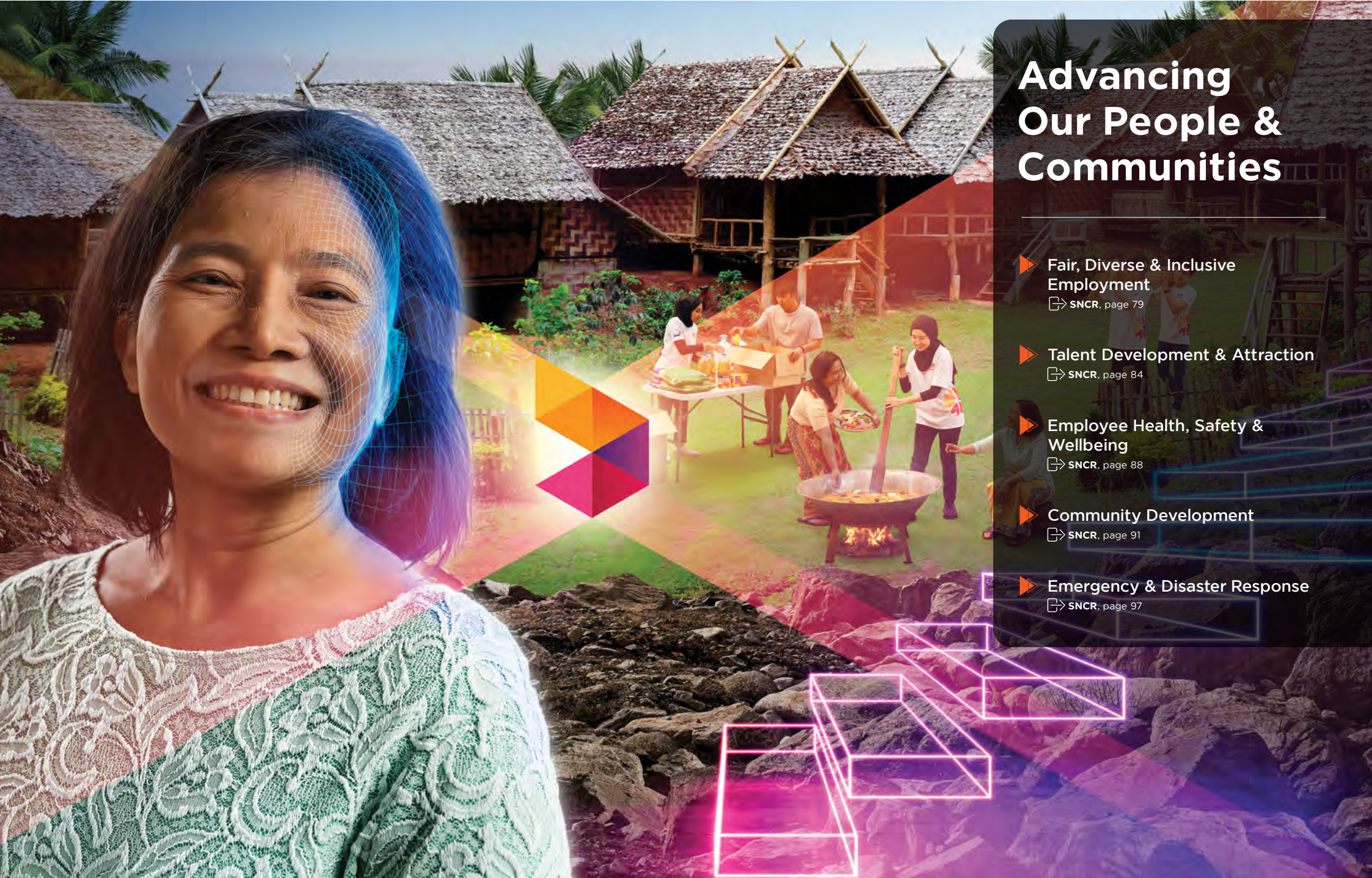
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Advancing Our People & Communities

OUR APPROACH

Our people embody the core values of our Group. At Axiata, we foster a culture of continuous growth and development to empower individuals to take risks. We promote an inclusive and diverse environment that cultivates trust and respect, allowing our people to responsibly fulfil their priorities. This will improve morale, increase innovation and attract and retain top talent.

Embracing Diversity, Equity and Inclusion enables us to have a broader perspective on the needs and wants of customers and communities, as well as our people. By understanding and responding to the needs of diverse groups, we can build better relationships with our customers and drive positive change in the communities we serve. Our approach in this pillar ensures that Axiata paves the way to a digitally inclusive future to ensure communities thrive.

THE CONTEXT

According to Forbes[1], workplaces will be more diverse, virtual and distributed in 2023, as companies adapt to meet the needs of expectations brought on by COVID-19. The pandemic brought on behavioural trends such as the great resignation and the recent "quiet quitting" movement. Additionally, COVID-19 caused a global delay in achieving the UN Sustainable Development Goals[2]. Over 120 million people were pushed into poverty and chronic hunger, according to a UN report, which has intensified the efforts of private and public entities to turn things around.

Axiata will focus on its efforts to support its UN SDG goals to meet the demands of a concerted public–private commitment. We will identify opportunities to provide support to the communities around us, building their resilience to enable them to thrive. With the support of our people, we can give back to communities by preparing them for work and improving their quality of life through innovative solutions. Axiata will further enhance its CSR (Corporate Social Responsibility) efforts through volunteering activities to enrich the lives of the underserved and underprivileged.

[1] *Source: https://www.forbes.com/sites/bernardmarr/2022/11/28/future-of-work-the-4-biggest-workplace-trends-in-2023/?sh=29e722fe5136*
[2] *Source: https://www.weforum.org/agenda/2021/07/sdgs-covid19-poverty-goals/*

"We have pivoted with a lot more clarity and purpose, in terms of our culture. Our culture now is defined as 'The Winning Culture', anchored on our values of Uncompromising Integrity, Exceptional Performance (UI.EP), and further supported by the Axiata Way, which encompasses good corporate governance with a modern, agile and digital (M.A.D.) way of working. This extends further to include driving Diversity, Equity & Inclusion (DEI) and advocating wellbeing, from the workplace to the marketplace and communities."

Norlida Azmi
Group Chief People Officer

Material Matter	Target	Target's FY22 Progress
Fair, Diverse & Inclusive Employment	30% women's representation in Axiata Group Berhad's senior management team by 2025	**27%** women's representation as of 31 Dec 2022

Advancing the UN SDGs

4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES | 17 FOR THE GOALS

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⚖️ FAIR, DIVERSE & INCLUSIVE EMPLOYMENT

The achievement of our Group's long-term business objective is largely dependent on our people. With more than 14,000 individuals within the Group across the region, every person plays a critical role in delivering exceptional digital experiences to our customers and stakeholders.

In managing our people efficiently, our primary objective is to foster a culture that inspires excellence and surpasses expectations. We place great emphasis on fair and impartial employment practices when hiring, retaining and rewarding, and we invest in our people to strengthen our business performance.

APPROACH

Axiata adopts a proactive approach towards fair employment and inclusion, as we manage people of varied backgrounds and experiences. Our way of working is aligned and guided by the Winning Culture underpinned by our core values of Uncompromising Integrity; Exceptional Performance (UI.EP); the Axiata Way and Modern, Agile and Digital (M.A.D) ways of working. We also strive to promote Diversity, Equity and Inclusion (DEI) and wellbeing, among our people, the marketplace and the communities we serve.

Across the organisation, we follow a set of established principles and values to manage our interactions with our people. These principles are enshrined in our Employee Code of Conduct and workplace policies, which cover areas such as recruitment, benefits, and performance management. Each OpCo has its own set of policies that are customised to promote collaborative and trusting relationships with employee representatives. We regularly review and update these policies to ensure they align with current developments.

Our policies and standards typically cover the following areas:

Recruitment
Ensuring recruitment activities are fair and non-discriminatory, recognising opportunities, initiatives, and rapidly evolving skill profiles of functions across divisions, the Organisation and all OpCos.

Working conditions
Enabling fair, non-discriminatory working conditions that promote individual growth in compliance with health and safety standards, as well as our core values and Code of Conduct.

🔍 Employee Code of Conduct

Compensation and benefits
Providing great benefit packages to full-time employees to ensure their wellbeing, while contributing to fair workplace conditions through provisions for parental leave, to support employees with families and dependents.

Performance management
Equipping our people with the right tools and access to resources to enable them to perform to the best of their abilities, providing them with equal opportunities to grow and excel within and across the organisation.

We also acknowledge the critical importance of DEI in growing Axiata especially in the context of the thousands of diverse groups of people we employ. Diversity is a key component that drives innovation and provides unique perspectives that can help us achieve our overall business goals. In 2022, we focused on building further on the success of the DEI foundations which were established in 2021.

OUTLOOK

The Axiata 5.0 Vision is centered on our commitment to prioritising our people and strengthening our operational excellence and service delivery by implementing fair employment practices and work processes. We aim to achieve this by fostering closer, and more effective collaboration across our teams to create an inclusive and respectful environment where everyone is valued.

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FAIR, DIVERSE & INCLUSIVE EMPLOYMENT

ESTABLISHING THE RIGHT CULTURE

We are firmly committed to establishing a Winning Culture, which is an essential factor in our ambition to be The Next Generation Digital Champion. This is why we continue **Amplifying Our Winning Culture** based on UI.EP, The Axiata Way and Modern, Agile and Digital (M.A.D) ways of working. In the human capital context, we are guided by our **Organisation 5.0 – People Strategy: The Winning Culture** which sets out five strategic priorities to sustain an inclusive and winning culture.

Our aim is to sustain an inclusive and winning culture through high organisational effectiveness, nurturing people capabilities and maximising our potential to become a Digital Champion, and positively impacting our communities.

1
AMPLIFY
Winning Culture

2
BUILD
Organisational Effectivenss

3
CULTIVATE
Learning Organisation

4
DRIVE
Talent Management

5
EMBED
Digital HR & Analytics
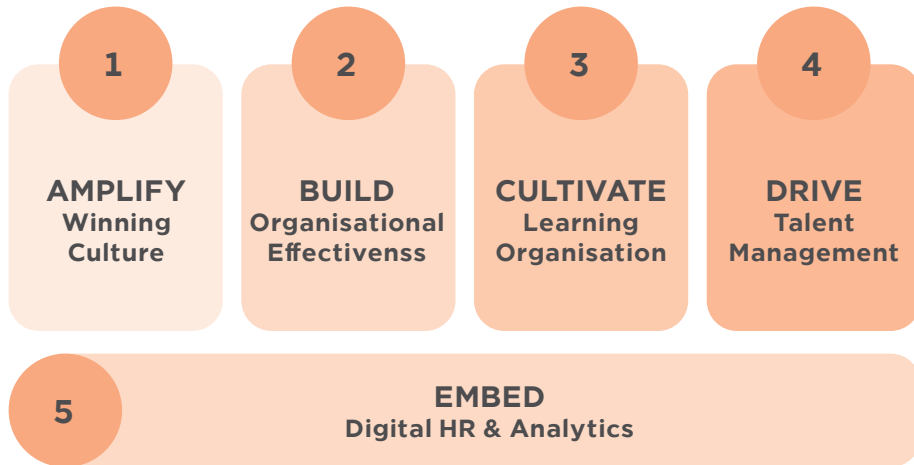
Our People Strategic Priorities

In addition, we have established seven People Function Circles to encourage cross-collaboration across the Group through the sharing of knowledge and strengths to co-create solutions. These circles are Performance Management & Reward, Learning, Talent Leads, Young Talent, Wellbeing, Governance and Culture, Engagement & Diversity, Equity & Inclusion.

The Winning Culture in Axiata

Our actions and ethical principles are rooted in our core values of UI.EP. These values provide us with guidance and serve as the foundation of our decision-making processes.

Uncompromising Integrity
Always doing the right thing and fulfilling promises made to earn the trust of our stakeholders. We are committed to upholding the highest standards of lawful and ethical conduct, and to demonstrating honesty, fairness and accountability in all of our dealings

Exceptional Performance
Always pushing ourselves to deliver outstanding performance. We are determined to be the best-in-class in what we do. Whilst we are tough with performance standards, we are compassionate with people - we call it "Performance with a Heart"

We continue to embody our UI.EP core values on ethics and high-performance. Our commitment to honesty, fairness, and accountability in all our dealings is reflected in our core values. We strive to maintain the highest standards of lawful and ethical conduct, by always doing the right thing and fulfilling promises made to earn the trust of our stakeholders.

UI.EP being an integral part of our Axiata DNA, emphasises on integrity and has become our key focus this year. Hence, Group Risk and Compliance (GRC) has taken the lead in championing "UI" by introducing risk and compliance champions. To reinforce our people's understanding and application of the UI.EP values, we held the Axiata Integrity Month at the end of 2022. This initiative comprised a refresher workshop for our people and specialised training on UI.EP, including Risk, Compliance and Governance. The goal was to ensure that we consistently integrate UI.EP values across all operating companies and target stakeholders.

Subsequently, we advance exceptional performance through our multiple initiatives and efforts. This includes Axiata Fast Forward (AFF) programmes that aim to build our people's capability, talent management initiatives such as accelerated leadership development programmes, collaborative initiatives such as Collective Brain that harnesses the expertise and know-how across the Axiata Group of Companies, as well as driving talent mobility to promote cross-polination of ideas and diversity of thought.

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FAIR, DIVERSE & INCLUSIVE EMPLOYMENT

Axiata's Code of Conduct sets the standards for how we should interact with our colleagues and stakeholders throughout our value chain. This code encompasses universal human rights and the International Labour Organization (ILO) Core Labour Standards. To provide an avenue that serves as a grievance mechanism for all stakeholders, our Speak Up channel offers a secure platform for reporting any instances of misconduct or illegal and unethical behaviour, without the risk of retaliation or victimisation.

Respect for the ILO Convention

Freedom from
Forced Labour

Freedom from
Child Labour

Freedom from
Discrimination at Work

Freedom to **form and join a union** and to **bargain collectively**

2 Digital Telcos have employee unions
Unions represent **5.89%** of our people

DIVERSITY, EQUITY AND INCLUSION (D.E.I)

Axiata is committed to upholding diversity, equity and inclusion to empower its leadership and empower its business. We do this by cultivating a culture of excellence without discriminating against differences in age, gender, race, capability, nationality and culture. We believe in providing our people opportunities to grow personally and professionally. To this end, Axiata has a Group-wide plan that focuses on diversity, equity and inclusion, embedding these aspects into our day-to-day activities.

Employee Snapshot for 2022

Our people have a significant impact on our ability to achieve the Company's long-term business goals. With more than 14,000 people from across the region, we depend on them to provide excellent digital experiences for our customers.

TOTAL EMPLOYEES 14,341

- Ncell 536 (3.74%)
- Boost 650 (4.53%)
- Smart 842 (5.87%)
- ADL 842 (5.87%)
- Link Net 858 (5.9%)
- ADA 1,016 (7.08%)
- Robi 1,239 (8.64%)
- Axiata Group Berhad/ Corporate Centre 244 (1.7%)
- Dialog 3,041 (21.2%)
- Celcom 2,309 (16.10%)
- XL Axiata 1,502 (10.47%)
- EDOTCO 1,262 (8.80%)
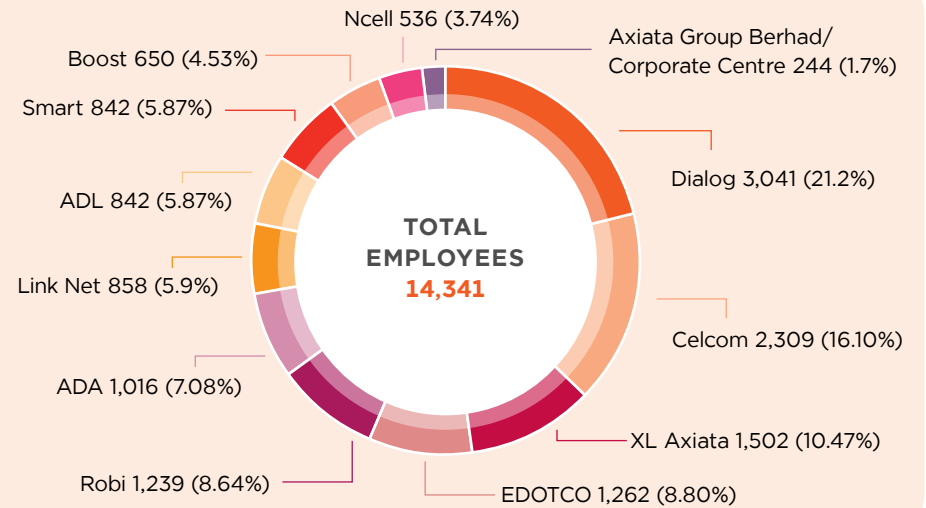
24% Women in Senior Leadership[1]

[1] Senior Leadership/ senior management comprises of CEO and CEO-1

Senior Leadership from Local[1,2,3]: 71%^

[1] Senior Leadership/ senior management comprises of CEO and CEO-1
[2] Includes those individuals either born or who have legal right to reside indefinitely (such as naturalised citizens or permanent visa holders) in the same geographic market as the OpCos
[3] Excludes Digital Businesses. For Group-wide number which includes Digital Businesses it is 63%
[^] This data has been externally assured. Refer to Independent Limited Assurance Report in this SNCR

Ratios of standard entry level wage vs local minimum wage

| Male | **1.2: 1** | Female | **1.2: 1** |

Employees by Gender

Male: **9,690 (68%)** Female: **4,651 (32%)**

More than **80** nationalities employed across the Group

4 employees with disabilities were hired across the Group

Employees by Age Group

- ≤ 30
- 31 - 49
- ≥ 50

3,256
10,233
852

TOTAL EMPLOYEES 14,341

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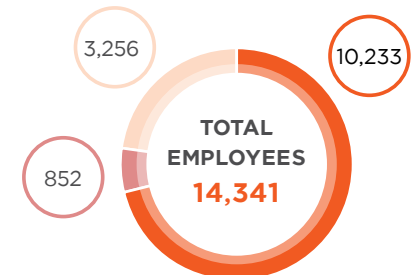
FAIR, DIVERSE & INCLUSIVE EMPLOYMENT

In 2022, we deepened our commitment by adopting the United Nations Women's Empower Principles (UN WEP) Charter to empower the women in Axiata. We also continued to implement DEI foundations and values via our DEI Framework.

DEI Framework

The DEI Framework recognises Capabilities as a crucial factor that supports all four pillars. Our efforts to integrate DEI impacts our marketplace, supply chain and the community in areas where we operate. We have in place a Culture, Engagement and DEI Circle comprising representatives from our operating companies who ensure values of our framework is applied. We also have a DEI target of 30% women's representation in Axiata Group Berhad's Senior Management by 2025. As of 31 December 2022, we have achieved 27% women's representation in the Senior Management.

Our Company's Code of Conduct is structured to address diversity, equity and inclusion. The Code explicitly prohibits discrimination against our people, suppliers or stakeholders to encourage a culture that is fair, diverse and inclusive. It governs our actions and promotes respect and consideration among our people. Moving forward, we will continue to progressively strengthen DEI across the Group and our OpCos.

Diversity, Equity & Inclusion
The Four Pillars

axiata

1	2	3	4
Gender	**Generations**	**Ethnicities**	**Abilities**

Capabilities
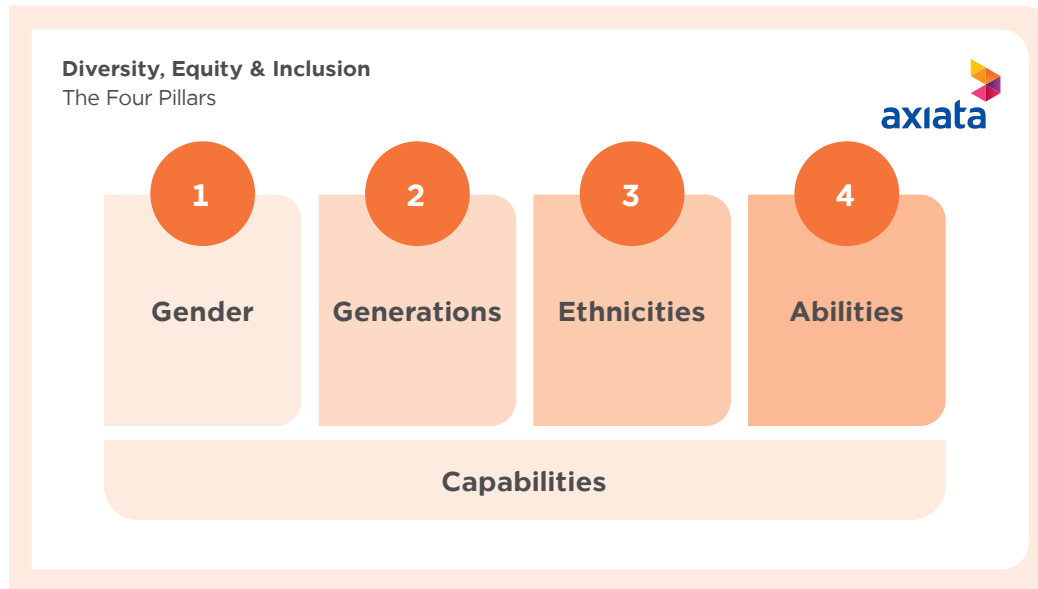
DEI Highlights

Throughout the year, the Group and OpCos organised, participated and engaged their people in a range of DEI-related initiatives. Some of the key highlights include:

- **Robi** implemented young talent recruitment and internship programmes to improve youth participation through the Young Talent Programme
- **Ncell** continued to support women empowerment by hosting a meeting to advocate for the DEI framework on International Women's Day and conferring the Ncell Women Icon Award at the annual ICT Awards 2022
- **Link Net** recognises female employees for their success in career, personal and family life through the Wanita Tangguh Award
- 43 HR employees from **EDOTCO** completed a mandatory LinkedIn Learning Course on Diversity, Inclusion and Belonging
- **EDOTCO** practises fair, diverse and inclusive employment by hiring beyond the usual telco background, using AI for candidate searches, increasing diversity in hiring approvals and utilising video interviewing technology

AGE X

Harnessing the wealth of experience, skills, and viewpoints from various generations, Age X aims to facilitate meaningful cross-generational exchanges of ideas, perspectives, experiences and expertise.

As part of our commitment to DEI in 2022, we initiated Axiata's inaugural cross-generational mentorship programme. The programme assembles teams based on participants' interests, with each team comprising a Senior Leader, a Middle Manager and a Junior Executive. The goal is to foster a culture of connection and collaboration that embraces cross-generational knowledge sharing.
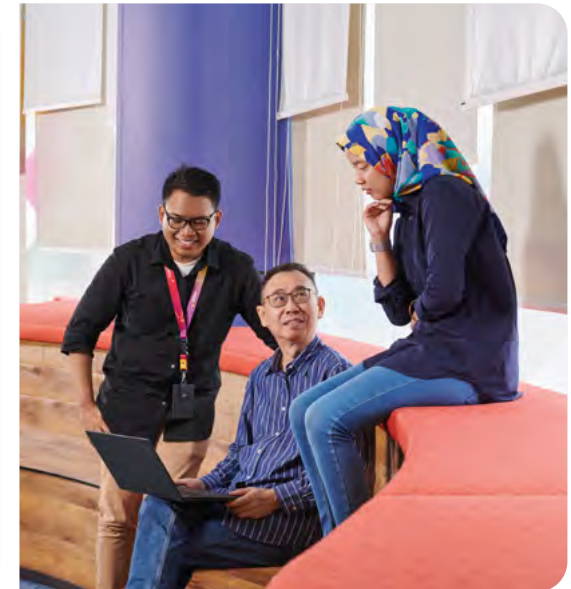
FAIR, DIVERSE & INCLUSIVE EMPLOYMENT

Axiata Women in STEM

The participation of women in STEM education and subsequent STEM careers is more important now, more than ever. The lack of women's participation in STEM is concerning, especially given that STEM jobs are considered essential for the future, promoting progress, social welfare, diversity and sustainability. Filling the gender gap in STEM is necessary to boost technological growth and innovation, as well as catalysing economic growth[1]. At Axiata, we have long encouraged women employees to take up STEM roles and will continue to be a firm advocate going forward.

[1] *Source:*
   https://www.mckinsey.com/featured-insights/themes/heres-why-we-need-more-women-and-girls-in-stem

Women in STEM/ Tech Roles	**558**	280	212
Total Employees in STEM/Tech Roles	**3,037**	1,513	1,303

2022 ▮   2021 ▮   2020 ▮

My Axiata Graduate Programme experience
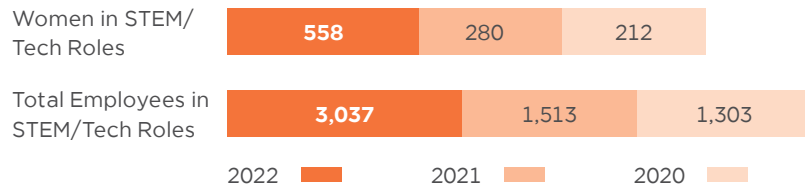
Meet our Axiata Management Associate, Yuvaa who first joined Axiata through the Axiata Virtual Girls Coding Challenge. To learn more about her journey in Axiata, click here

Employee Engagement

The engagement of employees is crucial to drive Company growth and performance, as engaged employees tend to be more dedicated and innovative, which enables them to provide exceptional customer service. To improve the overall employee experience, the Company conducts annual surveys and uses other feedback channels such as pulse surveys, town hall meetings, and other forms of appraisals to gather information on various topics including work culture, business strategies, employee needs and expectations.

To move ahead in a post-pandemic world, Axiata's employee engagement initiatives for 2022 focused on fostering a flexible and conducive working environment. We maintained our customary town hall meetings at both group and regional levels to interact with our people. We also organised specific engagement events to enhance employee satisfaction, such as Group CEO meetings with divisional departments and webinars/hybrid events like mental health seminars. The Axiata Champions platform is also important in this regard, as it highlights individuals who demonstrate leadership through their behaviour, words and values. In the coming year, we plan to expand our employee engagement programmes and increase the number of targeted engagement initiatives.

Total respondents:

2020	2021	2022*
93%	96%	**90%**
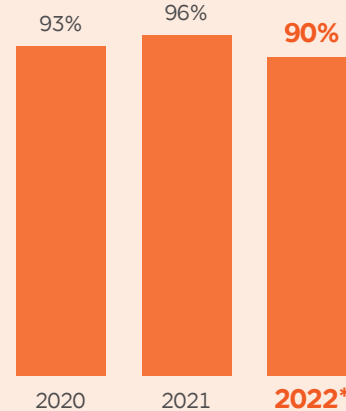
Overall engagement score:

2020	2021	2022*
91%	92%	**80%**
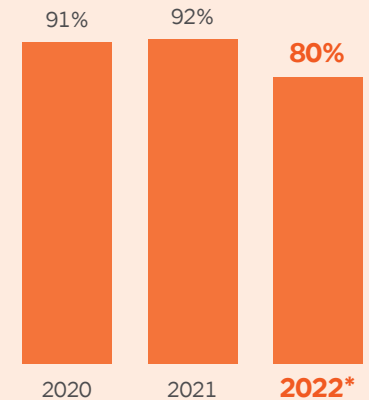
* *We utilised a different survey platform to provide better results, insights and actions to improve overall employee satisfaction. Thus, there was a drop in percentage due to the change of methodologies*

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TALENT DEVELOPMENT & ATTRACTION

With 'the Great Resignation' and talent shortage particularly for key talent and technical roles, companies are anticipating substantial skills gap in the future[1]. As an industry leader in ASEAN and South Asia, Axiata is future-proofing its people ensuring consistent investment of resources in the relevant talent development strategies and initiatives. We recognise the critical importance of establishing a strong organisational culture by identifying, developing and retaining skilled talent in our business. Altogether, we are able to invest in digital skills and hone local digital talent in the markets we operate, as well as across the industry.

[1] *Source:*
https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/reimagining-people-development-to-overcome-talent-challenges

OUTLOOK

We aim to create Modern, Agile, and Digital (M.A.D.) ways of working among our people by using digital platforms to bridge competency gaps and enable career advancement. Our value creation goals include building a M.A.D. Asian Talent Factory, attracting and retaining talented individuals, and providing diverse career advancement opportunities.

APPROACH

At Axiata, our approach to talent recruitment, training and retention are set out in our Organisation 5.0 – People Strategy. In line with what is set across the Group, our OpCos have policies and strategic frameworks that aim to attract, recognise, cultivate and retain skilled individuals. These policies ensure that we continue to be equipped with the best talent that will help us meet our organisational goals.

Axiata Talent Management Framework

Group and OpCo Talent Councils

Oversee talent development aligned to our organisational transformation and aspirations

Identify, assess and develop talents for future senior management and managerial roles

Data driven analytics for insights and talent development

Regular performance review and assessment of talent

Talent Development Programme
(Group AXcelerator Programme and OpCo Accelerated Development Programmes)

Two-year structured leadership development

Leadership readiness assessments

Mentoring and coaching

Cross-functional and cross-country assignments

Our Talent Councils oversee talent development, ensuring that they are aligned with our organisational transformation and aspirations across the Group, our OpCos and Functional levels. The Councils ensure robust planning and preparation in collaboration with OpCos, delivering a set of high impact talent priorities for the Group. Our talent development programmes equip our people with skills to adapt to evolving customer needs and job procedures in the post-pandemic world. Leveraging across the Group, we provide opportunities for our people to gain diverse experience across organisations and functions via our Axiata Talent Mobility.

In terms of learning and development, we focus on honing functional capabilities as well as enhancing digital and innovation related competencies. Our approach is education-based learning, provided through online and offline courses, to improve employee performance and future-proof their skills. We also believe in engaging with our people and empowering them to manage and take charge of their own development.

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TALENT DEVELOPMENT & ATTRACTION

Performance Management and Recognition

At Axiata, we ensure that annual performance reviews are offered to all employees. To truly identify and retain talent, we encourage regular, ongoing, and transparent performance feedback as well as discussions about potential, career aspirations and development plans. We constantly communicate on the importance of performance feedback and all our employees are encouraged to share their thoughts. We also celebrate our top performing employees through the annual Axiata Champions recognition awards, a Group-wide programme where employees compete based on key performance indicators. The awards are given at both the OpCo and Group level to acknowledge outstanding individuals for their accomplishments and value to the organisation.

100%^ of employees across the Group received regular performance reviews in the year under review[1].

^ *This data has been externally assured. Refer to Independent Limited Assurance Report in this SNCR*
[1] *Excludes Digital Businesses*

Leadership Development and Talent Growth

Our commitment to human capital development has elevated Axiata to become a true "talent factory", enabling our people to deliver our UI.EP values and ensuring our progress towards being The Next Generation Digital Champion. Given the immense operational footprint we have and the multitude of career pathways available in our Triple Core Business, we encourage our people to explore career development opportunities across the Group and OpCos via the Axiata Talent Mobility.

To drive leadership development, we have the Axiata Group Accelerated Development Programme i.e AXcelerator and OpCo Accelerated Development Programmes to identify individuals that have the potential to enter leadership roles. These programmes are a two-year structured development programme with mentoring and coaching as well as cross-functional and cross-country assignments.

AXcelerator (Top-level): **121** individuals identified[2]

OpCo Accelerator Development Programme (OADP) (Middle-level): **670** individuals identified[2]

[2] *Data includes Celcom (as of 30 November 2022)*

Senior Leadership Positions Filled[3]:

Internal **6 (35%)**
External **11 (65%)**

[3] *Senior Leadership or Senior Management comprises CEO and CEO-1*

Senior Leadership Appointment by Gender:

Female **7 (41%)**
Male **10 (59%)**

Total Number that Joined the Group[4]: **2,174**

Joined the Group by Age[4]:

- 1,334 — ≤ 30
- 803 — 31 – 49
- 34 — ≥ 50
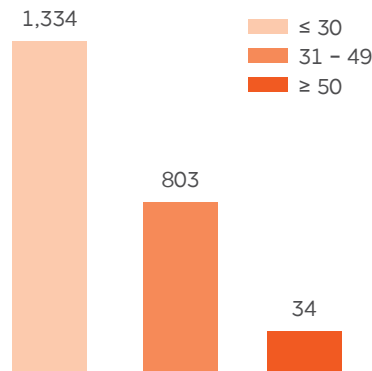
Joined the Group by Gender[4]:

- Male — 1,334
- Female — 840
- **2,174**
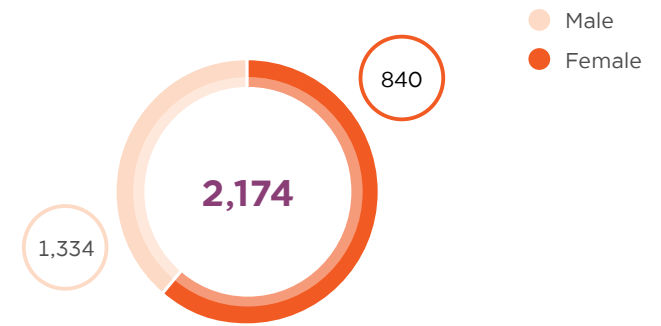
[4] *Total number excludes Celcom*

Hubert Marchand — Regional Director for Marketing Services, ADA

Meet Hubert, ADA's Regional Director for Marketing Services who developed a more adaptable and personable management style, enabling him to lead diverse teams and take on major roles at a young age. To learn more about his journey in Axiata, click here

TALENT DEVELOPMENT & ATTRACTION

Highlight

Partnerships for BEYOND: Lead for Tomorrow, Today

BEYOND is a six-month peer mentoring programme for emerging leaders from Axiata, PETRONAS and a big four professional services firm. Aimed at fostering collaborations among talents through knowledge sharing, BEYOND is an ideal platform for networking across various industries. It consists of six core programme components, structured around key topics with continued networking sessions.

During the launch of the programme in October 2022, a panel discussion was held on 'Leadership in Unprecedented Times' by senior leaders of Axiata and two other corporations. The programme held its first leadership sharing workshop on 'Trust and Governance' in December 2022. More workshops have been scheduled to be conducted before the programme ends in May 2023.

FUTURE PROOFING OUR PEOPLE

The rapid pace of technological change means that our people need new skills and competencies to succeed. To meet this need, the Company provides technical training by leveraging on technology to provide training in a variety of formats, both online and in-person. The company has also a learning platform called "Axiata Fast Forward" (AFF) that offers curated learning opportunities from eight virtual academies to improve competencies and career development.

AFF 8 Academies

FASTFORWARD @ axiata

Ways of Working Academy	Finance & Business Academy
Sales and Marketing Academy	Customer Experience Academy
Digital Academy	Governance & Regulatory Academy
Technology Academy	Leadership & Management Academy

See what our Group People Officer has to say about future-proofing our talent via AFF

The platform integrates with Coursera, Udemy and LinkedIn Learning, providing access to a wider range of topics and skills for our people. As remote work and learning have become more common due to the pandemic, our people have benefitted from these resources and voluntarily signed up for skill certifications. Our OpCos are well aware of the areas that they need to address from a training perspective to help future-proof our talent and enable them to advance. These include cyber security, AI, data science, big data, cloud architecture, robotic process automation, enterprise agile training and advance analytics, among others.

293,943 training hours logged this year[1]

AVERAGE TRAINING HOURS (BY GENDER)[1]

Male	26.4^
Female	28.9^

AVERAGE TRAINING HOURS (BY EMPLOYEE CATEGORY)[1]

Senior Management	8.4^
Middle Management	35.6^
Executive	31.1^
Non-executive	19.0^
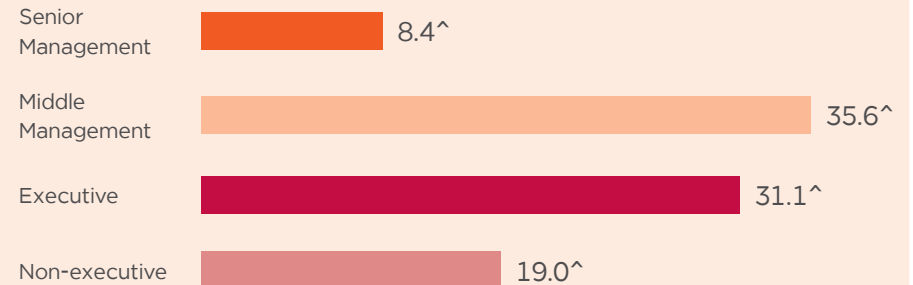
[1]   The data above excludes Celcom and Digital Businesses
^   This data has been externally assured. Refer to Independent Limited Assurance Report in this SNCR

As a result of our sustained efforts, Axiata Group won the LinkedIn Talent Awards. The Talent Awards are a data-driven recognition awarded by LinkedIn to companies based on their utilisation of LinkedIn Talent Solutions and activities on the LinkedIn platform. The 2022 LinkedIn Talent Awards recognise the companies leading the future of work by demonstrating remarkable adaptability, innovation and creativity throughout one of the most challenging years for talent.

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TALENT DEVELOPMENT & ATTRACTION

AI & Analytics Talents - Analytics Certified Experts (ACE) and Axiata Group Analytics (AGA)

Building on the 177 data professionals certified in 2021, we exceeded our 2022 target of 212 by certifying 368 data professionals. Our priority for 2023 is to focus on developing AI Ops and ML Ops skills which are essential skills to enable the AI Factory.

Certified as at end 2022

Cloud Engineers	**33** (29)	Data Analysts **121** (26)
Data Engineers	**55** (24)	Data Scientists **96** (52)
ML Ops Engineers	**7**	AI Ops Engineers **5**
Solutions Architects	**51**	● Certified as at end 2021

Focus in 2023

AI Growth Hacker	ML Ops Engineer	AI Translators
AI Ops Engineer	AI Solution Architect	Full Stack Engineer
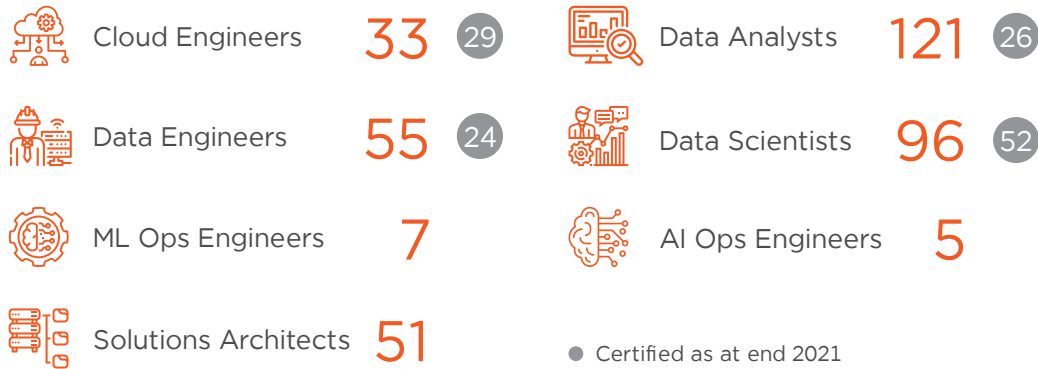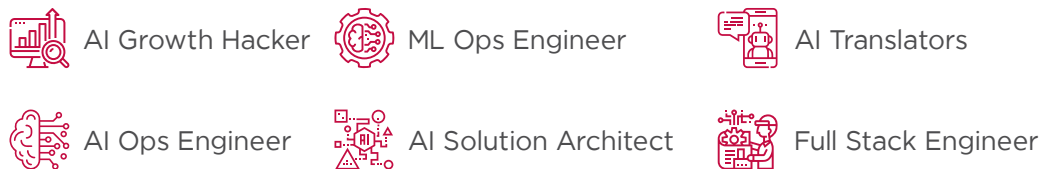
Highlight

ADL Talent Centric Operating Model

AXIATA DIGITAL LABS

ADL is the talent-centric software service provider that bridges the gap between the skills required for the transformation in the upper layers of the Axiata Group. They have over 1,300 software engineering and technology consulting professionals with deep expertise in Agile development, full-stack web & mobile, DevOps, UI/ UX, AI/ ML, and Cloud. Under Team AXONECT, they drive digital transformation projects mainly for Axiata and other clients across industries.

They are able to attract, retain and upskill their digital talent by focusing on skills and development:

- AMPLIFY Winning Culture
- BUILD Organisational Effectiveness
- CULTIVATE Learning Organisation
- DRIVE Talent Management
- EMBED Digital HR & Analytics

As a result, they received a total of 21 Open APIs conformance certifications at Platinum tier in the TM Forum and completed 167 digital projects using key products and solutions and managed service supports.

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EMPLOYEE HEALTH, SAFETY & WELLBEING

According to the World Economic Forum, the pandemic and the new way of working from home, have impacted our people's health and wellbeing. Companies must provide a work environment where "employees can thrive physically and mentally"[1].

Although we are in the post-pandemic phase, the Group is aware that it needs to uphold and further strengthen the health and wellbeing of its people, as many value health and wellbeing as part of their overall way of working. To this end, we adapted to the current needs of our employees to revitalise our people.

At Axiata, we aim to cultivate the resilience of our people through health initiatives to support their wellbeing needs, via a holistic approach to shape empowering environments[2]. Our commitment is to provide a healthy environment ensuring work-life balance in enabling our people to excel at work.
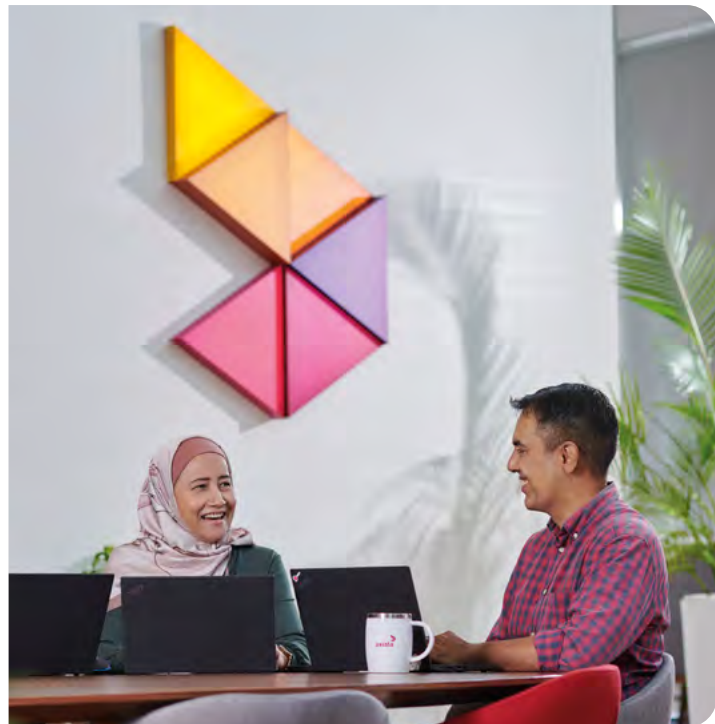
APPROACH

Our people are given access to a broad range of initiatives and programmes aimed at enhancing work-life integration, physical and mental wellbeing and safety. Axiata strives to comply with all the relevant local laws and regulations on health and safety, as well as strengthening its management systems to safeguard its people. Our commitment towards health and safety is reflected in the Axiata Group Berhad and Safety Policy followed through by each OpCo that has a duty to continuously execute and review their Occupational Health & Safety policies and management systems. This is to ensure that employees comply with the rules and regulations and fully understand the provisions of these policies.

The Health and Safety Committees of OpCos raise awareness on workplace occupational health and safety to reduce injuries, accidents and exposure to health hazards. Our Group People Function Circles has a Group-wide cross collaboration and knowledge-sharing platform, known as the Wellbeing Circle that provides continuous care for employee wellbeing, COVID-19 management and New Ways of Working.

It is crucial to identify and mitigate workplace hazards and risks to manage our people's wellbeing and safety, through prevention of injuries and ensuring the company's occupational safety standards are followed. We conduct regular reviews and internal assessments in our operations to identify workplace risks, followed by the necessary risk mitigation measures.

Due to the nature of our business, most of our operations take place in the safety of office and retail environments, except for EDOTCO, which is exposed to higher safety risks in its operations. Other than that, our health risks are generally related to mental wellbeing and ergonomics. One of our biggest challenges is ensuring our people have a healthy work-life balance and sufficient rest after intense work periods. At EDOTCO, its site workers and contractors are exposed to safety and health risks such as working at height or performing electrical work for network construction and maintenance. To reduce risks during these activities, our suppliers are required to comply with the health and safety requirements outlined in our Supplier Code of Conduct.

Apart from complying with local regulations, our OpCos also adhere to international standards and management systems, ranging from Occupational Health and Safety Assessment Series (OHSAS) certification to ISO45001:2018.

OpCos awarded with ISO 45001 Occupational Health & Safety (OHS) Management System certification:

XL axiata

linknet

EDOTCO

(Malaysia, Myanmar, Pakistan, Bangladesh and Cambodia)

OUTLOOK

Going forward, Axiata and its OpCos will focus on improving employee health, safety and wellbeing. We will continue to provide care to our people, while managing and monitoring our health and safety indicators to ensure appropriate action is taken to address health and safety needs. The Group strives to adapt to the new challenges in the post-pandemic era and continues to support the needs of our people.

[1] Source: https://www.weforum.org/agenda/2022/09/adecco-worker-well-being-survey/
[2] Source: https://www.weforum.org/agenda/2022/05/restoring-employee-wellbeing-for-a-new-healthier-world-of-work/

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EMPLOYEE HEALTH, SAFETY & WELLBEING

HEALTH & SAFETY

The Group embeds safety throughout its operations through the implementation of Environmental, Safety and Health (ESH) systems and monitoring processes. Year after year, we provide training programmes to increase the awareness and enhance the knowledge of our people on various topics pertaining to safety and health. Employees who face more hazards and risks in their roles such as working at height or on-site and emergency response are mandated to attend refresher courses. Site supervisors are also required to complete Competency Programme sessions to ensure that they comply with safety standards and regulations.

Information on general health and safety is frequently disseminated across OpCos to ensure that our people have a clear understanding and practise workplace health and safety in their day-to-day operations. Digital systems have also been employed to monitor risks and hazards, including accident-occurrence data and the enforcement of organisational performance measures to meet targets in our health and safety plan.

Employee Incidents across OpCos *

4 Work-Related Injuries reported across OpCos

Lost Time Injury Frequency Rate (LTIFR) (per million hours worked) across **OpCos range from**

0 - 0.55

| 0 | 0.55 | 1 |

Number of Employees Trained on Health and Safety Standards*:
> 5,600 employees

*   *Excludes Digital Businesses and Corporate Centre*

Highlight

EDOTCO

EDOTCO strives to provide a safe working environment through the implementation of its OHS policy to strengthen its OHS culture, enhancing governance and leveraging on digital technologies. All employees and vendors are given extensive training to increase their health and safety awareness, as well as managing and reducing risks and accidents. EDOTCO has in place an OHS Management System which provides an overview of every OHS-related activity, along with recordings and mitigation plans.

As part of EDOTCO's commitment to continuously provide a safe working environment, EDOTCO aims to obtain ISO45001:2018 for all its National Tower Companies (NTCs), and to also achieve zero injury incidents across its operations. Currently, its NTCs in Malaysia, Myanmar, Pakistan, Bangladesh and Cambodia have been awarded with ISO45001 Occupational Health & Safety (OH&S) Management Systems certification.

EDOTCO's Occupational, Health & Safety (OHS) Committee is overseen by the Managing Director who is supported by the joint management-worker OHS Committee comprising two representatives for every 40 workers, each from management and worker pools. Additionally, the OHS Committees for all NTCs are chaired by their respective Country Managing Director(s).

Key initiatives that were conducted by the OSH Committee during the year include:

- Conducted quarterly OHS meetings and minutes circulated to all members
- Executed Joint Workplace Inspection led by the Committee Chairman
- Participated in the OHS Internal Audit process
- Presented quarterly OHS Performance Report during the Management Committee Meeting

The OHS Committee also conducts an annual Hazard Identification, Risk Analysis & Risk Control (HIRARC) review and discusses occupational health and safety issues at every level of EDOTCO's operations, followed by mitigation plans to ensure efficacy.

1,480 Employees Participated in 68 Training Sessions

In 2022, EDOTCO provided the following training for workers, which included general and specific skills' training:
- OHS Briefing and Refresher Course (for all site staff)
- Competency Certificate required by NTCs' legislation
- Site Supervisory Competency Programme Session (for Work Leaders only)
- Working at Height Training (tower-climbing activity)
- Emergency Response Training (for all site staff)
- Annual Survey to identify level of understanding and efficacy of yearly activities
- Quiz and trivia to encourage knowledge-sharing in OHS
- Weekly Safety Moment shared across NTCs to enhance knowledge on OHS

EDOTCO enhanced its OHS policy to provide a safe work environment and safeguard its people. All NCTs are required to undergo an annual review to evaluate their compliance to local safety regulations and EDOTCO's Legal Register. The OHS Policy also mandates NTCs to have their own OHS Committee with members comprising management and workers' representatives, with meetings held quarterly to discuss occupational health and safety issues as well as mitigation plans.

Read more on EDOTCO's Occupational Health & Safety in EDOTCO Group's Sustainability Report 2021 and their website here

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EMPLOYEE HEALTH, SAFETY & WELLBEING

EMPLOYEE WELLBEING

We are committed to improving our people's safety, health and general wellbeing, as it increases employee retention and improves productivity. We believe that it is not only important to keep our people safe, but to also support their mental health and wellness.

In 2022, we executed initiatives to engage with our people and to support their needs during the post-pandemic period. The following are efforts accomplished Group-wide to promote physical and mental wellbeing:

axiata

Corporate Center/Axiata Group Berhad

We promoted the use of the Naluri careline to support the wellbeing of our people. We also organised yoga programmes and introduced Virgin Pulse Go to encourage fitness and physical wellness, as well as providing care packages to improve their wellbeing.

In relation to supporting the transition post-pandemic, we continued to enable the Business Response Team (BRT) to monitor the general wellbeing and safety of our people while taking measures to ensure safe and healthy work environments.

Digital Telcos

XL axiata

The Human Capital Division at XL Axiata organised a special initiative for its people, which included monitoring and health consultations conducted by a certified psychologist to improve their mental wellbeing.

In its post-pandemic efforts, the company provided aid in the form of medical support, facilities and education. In terms of medical support, employees were provided COVID-19 tests, medical diagnosis through an online health service provider, COVID-19 health package for employees and their families, and vaccinations and boosters for employees, their families and relatives. Facilities that XL Axiata provided included Protective Personal Equipment, health tools and a car shuttle service to accommodate employees working from the office. The company also provided a retention programme for employees and families to claim purchases of electronic devices and furniture to support working and learning from home.

robi

Robi conducted a Wellness Week to promote mental and physical health. In its commitment to uplift COVID-19 impacted employees, the company provided support such as treatment coverage for family members, cabin support for COVID-19 patients, awareness campaigns, healthcare app to monitor daily health status, 24/7 medical support and other COVID-19 related initiatives to support its people.

Smart

During the pandemic, Smart supported employees who were infected with COVID-19, with insurance, providing care and food packages to those undergoing quarantine.

After the pandemic, Smart held two Employee Wellness Workshops in 2022 to promote self-awareness and self-reflection to enhance employees' wellbeing, overcoming stress and building resilience to overcome future challenges.

Ncell

To enhance mental and physical wellbeing, Ncell organised initiatives including talks on health issues such as headaches, a nutrition workshop, and an annual health check-up, among others. Some of their post-pandemic efforts included a 24/7 care hotline, unlimited data for employees, the formation of an Emergency Response Team, and an Employee Mood Meter to keep track of employees' emotional status.

linknet

During the year, Link Net organised a Care Talk Webinar to enhance health awareness, a Corporate Culture Programme to encourage fitness and a Vitamin Benefit initiative that enabled employees to purchase vitamins which would be reimbursed from their medical benefit.

Link Net also provided post-pandemic support such as COVID-19 Tracing Process to enhance protocols and monitor COVID-19 infections in the workplace. Employees were also provided lunch to reduce mobilisation and prevent COVID-19 clusters at work.

Infrastructure

EDOTCO

A Digitalised Mental Wellbeing Programme was initiated through a PlusVibes App, to empower and support our people's wellbeing in August 2022. We selected ambassadors for each NTC to help promote the app among employees. The PlusVibes App features 24/7 support by professionals with useful articles and videos on mental wellness, stress management and a monthly leaderboard to recognise top users. As at December 2022, the app garnered a total of 1,282 PlusVibes users, conducted 719 chat sessions within the app and recognised seven employees as Leaderboard Winners.

In addition, EDOTCO organised a World Safety Day Programme which included health initiatives such as a blood donation drive, health talk, health monitoring programme, quizzes and a contest.

Digital Businesses

Boost
Be Unstoppable

Boost prioritises the wellbeing of its people by paying close attention to their mental health, physical health and welfare in times of need. Wellbeing activities that were executed in 2022, focused on promoting work-life integration and cultivating the One Team One Dream spirit across Boost. Some of the impactful activities include delivering care packages to employees' homes, conducting wellbeing workshops, providing leave for vaccination, continuously checking employees' pulse via Culture Amp survey and setting up the Boost Flood Relief Team.

ada

In 2022, Ada provided its people with unlimited mental health leave days known as "Body Mind Soul" leave, to accommodate employees' needs for rest and rejuvenation.

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COMMUNITY DEVELOPMENT

Across the different markets we operate in, we understand that there are common and unique socioeconomic and community needs. That is why we are committed to leveraging on our presence across the ten markets we operate in, to make a difference in people's lives and enable communities to thrive.

APPROACH

Our aspiration is to enable all to thrive in a world which is becoming more digital. Across all our markets, we identify and collaborate with local partners in distinctive programmes that utilise our OpCos' unique strengths and assets in connectivity, infrastructure, and digital services to meet the specific needs of local communities. Consequently, through our efforts in Axiata Foundation and initiatives across our OpCos, we are aligned with creating positive impact towards Advancing Asia.

We establish and execute community programmes and initiatives that utilise our Group's combined resources, focusing on efforts to promote digital advancement, providing access to basic resources, supporting disaster management and response, as well as advocating efforts for a healthier planet. This, we believe, can make a difference in the communities we engage with across our footprint.

Our Programmes

AYTP — Axiata Young Talent Programme

ADLP — Axiata Digital Leaders Programme

AEiEF — Axiata Equity-in-Education Fund

Our Focus

EDUCATION

Nurturing young generations with critical skills to develop them into future digital leaders.

YAYASAN axiata FOUNDATION

ADVANCING ASIA

Our mission is to pave the way for a digitally inclusive future where our communities thrive. We do this via three focus areas, where our programmes address specific community needs and empower greater self-sufficiency.

Our Focus

COMMUNITY INVESTMENTS

Providing sustainable solutions to elevate quality of life for underserved and marginalised communities.

Our Focus

ENVIRONMENT

Building a healthier planet through collaboration, advocacy and innovation.

4 Change Climate

4 Innovate Earth

2 Say No Waste

Our Programmes

Our Programmes

Jalinan Kasih Murni

Jalinan Kasih Budi

Jalinan Kasih Bakti

Supporting our community initiatives across the Group are our volunteers from Axiata and the respective OpCos. Employee volunteerism allows us to connect with the communities more meaningfully, as it also instils a sense of belonging among employees while demonstrating our purpose and responsibility. In 2022, we introduced a new team of volunteers, known as AxiataCares Volunteers (ACVs). Focused on Malaysia, the ACVs aims to nurture mutual trust betwen employees and the Company, fostering a conducive environment for partnership among colleagues. ACV also serves as a platform for developing the soft skills of employees while encouraging them to act selflessly and give back to the communities. ACV attracted over 156 employee volunteers, who have actively completed notable initiatives with more than 1,500 volunteering hours that impacted the B40 and underprivileged communities in Malaysia.

Axiata Foundation's Key UN SDGs

OUTLOOK

Axiata and Axiata Foundation are committed to empowering and advancing an inclusive and sustainable digital society, where everyone can thrive. We recognise the potential of connectivity and we are leveraging on our resources to make a positive impact in the communities we serve.

To pursue this, we will continue to forge meaningful partnerships worldwide with governments, businesses, non-profit organisations, independent firms and civil society. By collaborating with these entities, we hope to create sustainable development solutions or programmes that can be scaled and replicated across different communities.

- **Provided RM16.7 million** of value through our Axiata Foundation Programmes

- **More than 22,000** lives impacted (as at 31 December 2022)

🔍 Read more information about Axiata Foundation and our current activities here

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COMMUNITY DEVELOPMENT

NURTURING FUTURE LEADERS

One of our key community initiatives in contributing to nation building is our investment in developing and empowering young talent. We have designed structured leadership programmes that will nurture young generations with critical skills to become the next generation of leaders across our coverage areas.

Axiata Young Talent Programme (AYTP)

Axiata Group Berhad has pledged RM115 million to Axiata Foundation for its Education Pillar initiatives over the next ten years (2022-2031) to promote accessible quality education and nurture young Malaysian talent through the AYTP. The AYTP aims to empower Malaysian youths with leadership and business capabilities to be highly employable to become future corporate leaders. As of 2022, the AYTP has benefitted 2,301 Malaysian youths through the following leadership development initiatives:

Read more about the AYTP here

School Leadership Development Programme (SLDP)

A five-year programme in partnership with Kolej Yayasan Saad (KYS) that incorporates the AYTP curriculum to develop critical skills and command of leadership competencies.

110 new students have been enrolled in 2022

1,073 students have been nurtured through the School Leadership Development Programme (SLDP) since inception in 2011

Young CEO Development Programme (YCDP)

A two-year leadership development programme that aims to equip Malaysian youths with essential values, critical skills, and leadership qualities to transform them into world-class CEOs.

391 young professionals have been developed through the Young CEO Development Programme (YCDP) since 2016

University Leadership Development Programme (ULDP)

A two-week leadership development programme for Malaysian undergraduates studying locally or abroad that provides its participants the opportunity to learn critical skills and business knowledge required of a future CEO.

82 new undergraduates have been enrolled in 2022

837 university students have been developed through the University Leadership Development Programme (ULDP) since 2013

AYTP Alumni Association

Emerging Leaders Asia is a platform for the alumni of SLDP, ULDP and YCDP to engage in lifelong learning after their participation in AYTP programme.

XL Future Leaders (XLFL)

XL Axiata is committed to providing learning opportunities for Indonesian youth to develop their leadership skills through soft skill learning. This scholarship programme for students runs for two years with a curriculum specifically designed to meet the needs of young Indonesian leaders in facing global competition. It is conducted by professional facilitators using face-to-face and distance learning methods.

Goal: To develop Indonesia's young generation and prepare them to become future leaders who are not only smart and capable of competing at the global level but are also groomed with professional and soft skills.

Read more about XL Future Leaders here

Our Impact

> 1,000,000 Youth Beneficiaries

1,500 XLFL Awardees

> 110 Universities

> 60,000 eLearn.id Subscribers

78 IoT & AIoT Projects

> 130 Social Innovation Projects

SmartEdu

In line with Axiata's vision for talent development, SmartEdu by Smart provides tertiary education opportunities to secondary school students in Cambodia and equip them with the right skills to become future leaders.

SmartEdu University Student Development Programme (USDP)

To nurture and equip young Cambodians with values, critical competencies and skills needed to become resilient corporate digital leaders.

48 university students involved

SmartEdu Scholarship Induction Camp

To gather Smart scholars from cohort four to five to bond with each other and develop soft skills during the one-night camp. Participants also learned about creativity and business innovation, transition to workplace and knowledge sharing from previous scholars.

40 students involved

World Vision – IMPACT+

Smart partnered World Vision in its IMPACT+ initiative to enable Cambodian youths to contribute to community development. The programme's participants were given the opportunity to lead projects and campaigns that address local and national issues. **In 2022, 60 new IMPACT+ Clubs were formed.**

- Benefitted: Approximately 9,150 children, adolescents, and youths. A total of 3,300 most vulnerable adolescents and youths received dynamic life skills through experiential learning
- Outcome: Around 80 community service-learning projects were developed and implemented to resolve local community issues and contribute to community development

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COMMUNITY DEVELOPMENT

Axiata Digital Leaders Programme (ADLP)

The ADLP aims to develop future-ready professionals by equipping Malaysian youths with leadership and digital capabilities to thrive in the digital world. The Organisation for Economic Co-operation and Development (OECD) has reported that "women are under-represented in ICT jobs, top management and academic careers" while "men are four times more likely than women to be ICT specialists". On average, only 0.5% of girls from the 15-year-old age group wish to become ICT professionals, compared to 5% of boys[1]. In 2022, we implemented ADLP for Girls, which targeted secondary school girls and female undergraduates from public universities with an aim to reduce the gender gap in digital economy.

The ADLP for Girls included both theoretical and practical aspects, sharing sessions by subject matter experts on industry knowledge, and hands-on learning through interactive workshops and leadership exercises. The initiative won the United Nations Women's Empower Principles (UN WEP) in the Community Engagement & Partnership Category (National Level). It also has received recognition from the Ministry of Communications & Digital for outstanding commitment in implementing Girls in ICT Day Malaysia.

[1] Source: _What we know about the gender digital divide for girls: A literature review_

Read more about the ADLP here

ADLP for Girls (Secondary School)

Axiata Foundation conducted two webinar sessions for female students aged 13 to 17 from 16 MRSM colleges across Malaysia. The webinar aimed to disperse knowledge on Access and Safety by highlighting topics on Digital Etiquette, Digital Security, Digital Privacy and Digital Literacy. There was also an inspirational talk by young female entrepreneurs in ICT, STEM and fintech on their experiences in the digital industry.

2,601 participants

ADLP for Girls (Undergraduates)

Axiata Foundation continued to collaborate in the International Girls in ICT event with International Telecommunication Union (ITU) and Ministry of Communications & Digital since 2021. The purpose of the initiative was to develop digital talent for the nation and to minimise the gender gap in the digital economy through the application of digital skills and technology. Workshops were executed in a residential based boot camp, which were attended by female undergraduates from the top five public universities in Malaysia namely, Universiti Malaya, Universiti Putra Malaysia, Universiti Kebangsaan Malaysia, Universiti Sains Malaysia and Universiti Teknologi Malaysia.

85 participants

PROVIDING QUALITY EDUCATION

We believe that everyone deserves an equal chance for a better education. Axiata strives to pave the way forward as a forward-thinking organisation, upholding the future generations through educational support.

Axiata Equity-in-Education Fund (AEiEF)

Under AEiEF, we funded the following initiatives in 2022 to support the underprivileged:

Scholarship Programme
Provided opportunities to Malaysian students with high potential from underprivileged backgrounds to pursue their secondary education at Kolej Yayasan Saad Melaka (KYS).

8 new scholars enrolled in 2022
252 scholars have been sponsored at KYS since 2011

Back-to-School (BTS)
Aims to help underprivileged students pursue their education in spite of the economic burdens they face, thereby contributing to making education accessible and reducing overall inequalities.

Phase 1: Distribution of school supplies and cash assistance
Phase 2: Leadership development programme

692 students involved

Enterprise Data Practitioner (EDPP)
Provided data practitioner certification and training to the youths of Malaysia to make them more employable.

40 protégés trained in 2022

Tuisyen Pintar
Provided SPM tuition programmes to improve the academic achievements of underprivileged students across six schools in 2022.

600 students involved

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COMMUNITY DEVELOPMENT

DIGITAL TELCO

Smart

Smart provided educational support to pave the way for a sustainable future. This will also future proof the younger generation, ensuring that no one is left behind.

Project R

Together with Cambodia Rural Students Trust, Smart supported the education of 40,000 high school students in Siem Reap, Cambodia. This also included raising environmental awareness such as reducing the use of single-use plastics. Other activities under this project included providing organic cotton bags, engaging students in clean-up day, and environment ambassador programme.

29	**17,334**	**145**	**10**	**17,961**	**1,333**
Secondary schools and high schools in Siem Reap	Students educated	Plastic Education for Future Leaders' books given to schools	Environment ambassadors programme	Eco bags provided to students and teachers	Students and teachers participated in Clean-Up Day activities
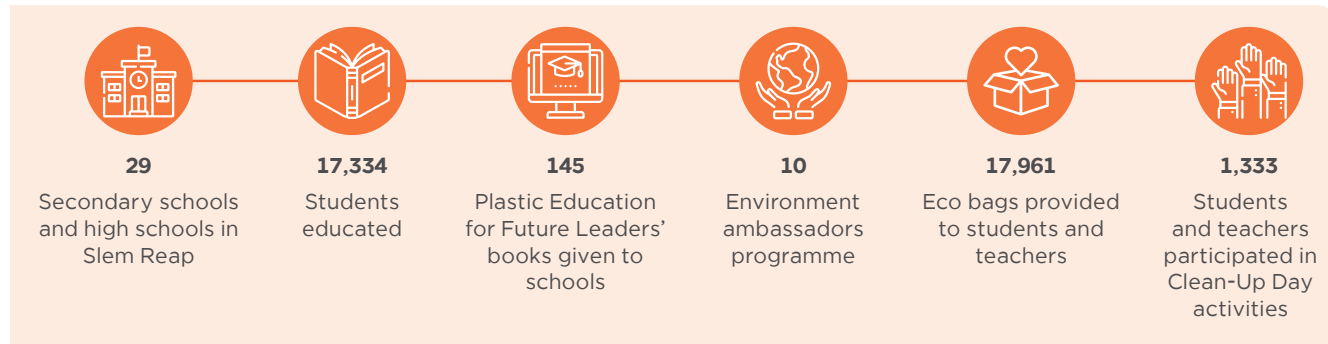
Basic Education Equivalency Programme (BEEP)

Smart supported UNESCO's BEEP to provide education to school dropouts who need to work to support their families. The programme aims to provide skills training through a flexible online learning programme.

Benefitted: 420 students

Raising Awareness on Community Challenges

Smart partnered JCI Cambodia to shape young leaders by allowing university students to raise awareness about community challenges in various parts of Cambodia. This was done through projects such as community development, local businesses and entreprenuers. The initiative benefitted 301,537 individuals.

Ncell

Ncell Scholarships and Excellence Awards

In collaboration with the Institute of Engineering (IoE), Pulchowk Campus, Ncell has been encouraging technical education and recognises young talents for their academic excellence.

Civil, Electrical, Electronics and Communication, Computer, and Mechanical Engineering are the five faculties that are involved in this programme.

In 2022, a total of 18 Ncell Scholarships were conferred to top students while the six highest performing students graduating from these faculties were awarded the Ncell Excellence Awards.

Women Adult Literacy Programme

Women Adult Literacy Programme supports women from marginalised communities across the country. Ncell's multi-year collaboration with the Zonta Club continued to provide literacy classes to 200 women from three districts in Sarlali, Chitwan and Rupandehi.

linknet

Link Net provided support to Sokola Institute to provide informal education to people who have no educational opportunities. The organisation also supported Menembus Batas Foundation, which provides entrepreneurship training for the disabled community. Link Net provided Empowering Funds to be used as business capital to support business and marketing activities of disabled entrepreneurs.

EDOTCO

EDOTCO: Tower to Community (T2C)

EDOTCO staff provided school supplies to students from "Padaviya Maithree Vidyalaya" in the Anuradhapura District, Sri Lanka.

Benefitted: 107 underprivileged students

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COMMUNITY DEVELOPMENT

UPLIFTING THE QUALITY OF LIFE FOR COMMUNITIES

Axiata strives to support the needs of the communities where it operates by upholding the health and wellbeing of people. We believe that our contribution positively impacts the welfare and development of the communities, as many do not have access to basic necessities and digital connectivity.

YAYASAN axiata FOUNDATION

We continued to invest in causes that empower greater self-sufficiency, lending a hand to communities in need. In the year under review, we committed to the following efforts:

Jalinan Kasih Murni

Provided the marginalised community with infrastructure for solar power and clean water. We also contributed basic essentials such as food, clothing, connectivity and training to support their socioeconomic growth.

Benefitted: 9,368 individuals

Axiata Foundation x Hopes Malaysia
Empowered rural communities in Kota Belud, Sabah by providing them access to clean water. With the availability of clean water, the communities were able to conduct sustainable farming which improved household income and food security.

Benefitted: 4,084 people in six villages in Kota Belud, Sabah, increasing their household income to 55% per month

Axiata Foundation x EDOTCO x Saora Industries
To meet the basic needs and empower the Orang Asli community, EDOTCO and Saora Industries provided support to four villages in Bentong, Pahang. The initiative included installing solar power and water filtration system and providing farming opportunities.

Benefitted: 1,428 individuals

SOSEA - Sabah Social Entrepreneurs Association
Assisted the B40 rural poor, women and youth of Sabah through a comprehensive advancement agriculture training programme. The training programme also embraced zero-waste product base by producing organic herbs, sustainable paddy, corn husk and bamboo products. We also contributed to the installation of seven units of Organic Herbs Greenhouse at Ranau and three units of Paddy Dryer Machine at Nambayan.

Benefitted: 768 individuals from 21 villages across the four districts of Ranau, Nambayan, Kota Marudu and Tambunan, Sabah and increased the average household income from RM400 to RM800 monthly

Jalinan Kasih Bakti

Supported the underserved community with basic necessities, digital connectivity and upskilling/reskilling.

Benefitted: 13,980 individuals from the B40 group, single mothers, senior citizens, disabled persons and orphans.

Axiata Foundation x YouthCare Malaysia
Empowered B40 youths through leadership soft skills training and development, simultaneously grooming them to be community leaders. These youths also participated in carrying out community programmes by assisting in the distribution of essentials and household items to beneficiaries from different backgrounds. The programmes were implemented across six states including Selangor, Sarawak, Kelantan, Kedah, Sabah and Negeri Sembilan.

Benefitted: 1,330 B40 individuals and 247 B40 youths

Axiata Foundation x Small Changes Malaysia
Together with Small Changes Malaysia, we collaborated in an effort to enhance the English proficiency and EQ skills of orphans and B40 Form 4 students. In 2022, our beneficiaries completed programmes on various aspects such as mental health awareness, financial literacy, and self-development among others.

Benefitted: 203 orphans and B40 students from KL, Selangor and Negeri Sembilan

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Ncell

Promoting Entrepreneurship Among Returnee Migrant Workers

Ncell organised an awareness series programme called 'Nepal Farke Pachi' to promote entrepreneurship among returnee migrant workers. The three-month programme comprises 13 episodes which provide in-depth advice on entrepreneurship opportunities that are available within the country.

Ncell Sahayatri Initiative

Together with Dekhapadi Media, Ncell organised a discourse on issues related to migrant workers and the community through 'Kura Garau', Ncell's Sahayatri initiative. Government stakeholders and civic society members also participated in the discussion on multiple issues related to the foreign employment sector with subject matter experts of that field.

EDOTCO

EDOTCO: Tower to Community (T2C)

In our commitment to upholding the needs of the underprivileged community, we contributed funds towards the Zakat Wakalah. Our contributions provided vehicles to support businesses as well as funds for the B40 Asnaf Entrepreneur Programme.

Benefitted: 56 Asnafs

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COMMUNITY DEVELOPMENT

CONNECTING TO BASIC UTILITIES

Iftar Distribution to Underprivileged Children

Robi has launched a campaign to provide Iftar to underprivileged children in areas outside of Dhaka, specifically targeting those who are often overlooked. In collaboration with the Bidyanando Foundation, the initiative served 6,000 children in ten different regions across the country namely Chattagram, Noakhali, Rajshahi, Rangpur, Khulna, Kustia, Barishal, Cumilla, Mymensingh and Sylhet. Robi covered the project's expenses and encouraged customers to donate through the My Robi mobile application.

The Completion of Lainchaur Ground Reconstruction

Last year, we partnered with the Kathmandu Metropolitan City, Ward No. 26 to transform the Lainchaur Ground in Kathmandu into a multipurpose facility, as part of CSR programme. The reconstructed 54,921 sq ft ground features a 7A size football field, basketball court, children's play area, jogging lane, shaded rest areas, open spaces for other sports, and greenery. Upon completion this year, the community especially aspiring young athletes, have greatly benefitted from the infrastructure. The facility has a daily footfall of over 200 people and hosts national and regional tournaments.

Tower to Power (T2P) Initiatives

The T2P initiative by EDOTCO seeks to provide electricity access to communities in need. EDOTCO collaborated with Axiata Foundation to benefit over 357 members of the Orang Asli community by providing them with solar panels. In Bangladesh, the Power Street Lamp Project by EDOTCO Bangladesh brought electricity to 4,000 beneficiaries. EDOTCO Pakistan provided solar panels to offer power outlets to 150 community members, while for EDOTCO Cambodia, the same initiative powers up lighting and fans via solar panels to a school, benefitting 1,400 individuals.

BUILDING A HEALTHIER PLANET THROUGH COLLABORATION, ADVOCACY AND INNOVATION

Change4Climate

Change4Climate is a movement that supports climate action initiatives and studios, in doing so, raising awareness about climate change, promoting the adoption of digital solutions and contributing to Malaysia's national climate action agenda.

Axiata Foundation partnered with Yayasan Hijau Malaysia and EDOTCO Group for the Reforestation & Tree Planting Sponsorship initiative. The initiative aims to support reforestation to preserve biodiversity in Malaysia, sequester CO_2 and support the Greening Malaysia: National 100 Million Tree Planting Campaign. This year, a total of 3,400 tree saplings were planted and will be maintained for five years across four forest reserves in Peninsular Malaysia. The initiative involved 16 AxiataCares Volunteers (ACVs) and 30 B40 and Orang Asli.

SayNo2Waste

The SayNo2Waste initiative focuses on resolving growing waste management issues by addressing them through digital solutions and circular economy. The aim is to increase awareness on the 5Rs of refuse, reduce, reuse, repurpose, recycle, as well as to educate the community on proper waste management to lower waste generation.

ACVs worked with The Lost Food Project by playing a part in their Recovery & Rescue Volunteering project across the Ramadhan month. This collaboration helped reduce wastage and diverted surplus food fit for consumption from the landfill to those in need. The initiative involved 12 volunteers, 41.5 CSR hours and supported approximately 350 people across eight charities. Additionally, a Managing Our Food-print Talk was conducted to raise awareness among Axiata employees about food waste and its impact.

In collaboration with the Ministry of Environment, the National Youth Debate was organised with the aim to provide environmental knowledge to youth and to strengthen the capacity of high school students in scientific argumentation for environmental protection and sustainable development. The programme shares knowledge and research outcomes through debates and social media platforms. In addition, the initiative also sought to turn environmental challenges into prospective opportunities by effectively implementing policies. The 2022 debate in Preah Sihanouk province was participated by 253 students, and Smart contributed Smart Hero II (smartphone) to the initiative.

Promoting Green Living and Road Safety

Ncell signed an MoU with the Lalitpur Metropolitan City (LMC) to promote greenery, environment, and road safety messages along the 10.2 km Ring Road Green Belt in Lalitpur. 40 messaging boards were placed at the stretch to encourage city dwellers to go green and practise road safety, with a joint endorsement logo from LMC, Department of Forest, Soil Conservation, and Ncell.

World Environment Day Collaboration for a Greener Future

Ncell partnered with Cycle City Network Nepal (CNN) and Wildlife Conservation Nepal to promote environmental conservation and a greener future. As part of this collaboration, 550 trees were planted at the community forest in Banke. A cycle rally was also organised to promote cycling as an environmentally friendly means of commuting in cities. The event was attended by representatives from the Department of Environment, United Nations Development Programme (UNDP), employees of Ncell, CNN, and also other interested people.

Partnering for Sustainable Development - Promoting Carbon Friendly Commuting

Ncell in collaboration with United Nations Development Programme (UNDP) developed 'Greenway' cycling app to track users travel record via cycling and advocate for cycle-friendly infrastructure. The initiative aims to encourage carbon-friendly behaviour and supports clean, healthy and affordable means of commuting in cities. The initiative was part of the Go Green initiative with UNDP to raise awareness on sustainable urban transportation in Nepal. In 2022, over 200 bicycles were distributed to female students from government schools with poor financial backgrounds to enable them to commute long-distance journeys to school.

EMERGENCY & DISASTER RESPONSE

APPROACH

Communities can suffer greatly from disasters which cause harm to individuals, properties, economies and the environment. These events can also overwhelm a community's ability to function. As a digital business, we recognise the value of the connections we provide to broader communities. During times of crises and catastrophes, our digital services are essential in enabling the dissemination of multimedia and digital communications across our platforms.

As a signatory of GSMA's Humanitarian Connectivity Charter, we understand that during natural disasters or other humanitarian crises, information becomes the most crucial commodity for effective disaster management. At Axiata, we are equipped with the right tools, infrastructure and resources to offer this kind of support. The connectivity that we can provide will enable affected individuals and communities to obtain information and give governments and NGOs the ability to provide assistance in a more effective and efficient way.

Across the Group, we are ever ready to support and assist in disasters, emergencies and crises, backed by a strong network of employee volunteers. For Axiata Foundation, this is encapsulated in our Jalinan Kasih Budi initiative that delivers a series of volunteerism, disaster relief and humanitarian training courses. Through our OpCos, we strive to aid in information-sharing, offering dependable connections, especially to key services, with the aim of ensuring society's overall safety and protection.

OUTLOOK

As a digital business, we are committed to improving and expanding the reach of our services. We recognise the critical role that our partnerships play, particularly during times of crisis and disaster. We are dedicated to strengthening our existing relationships with local disaster agencies, foundations, non-profit organisations and government entities, while also remaining open to exploring new partnerships that can further enhance our ability to support communities during emergencies. Our goal is to ensure that we can provide reliable connections and vital information to enable effective disaster management and to support society's overall safety and protection.

EMERGENCY & DISASTER RESPONSE

DISASTER RESPONSE PREPAREDNESS AND MONITORING ACROSS THE GROUP

Our OpCos across the Group have appropriate plans and initiatives in place to ensure optimal preparedness for disasters or emergencies, which also take into account the likelihood of repeated events such as floods or other natural disasters, in the countries we operate in. We also leverage on technology to enable early warning systems and flood monitoring solutions.

Axiata Foundation x MRA
Training for AxiataCares Volunteers (ACV)

- Empowering volunteers by building on their talents, skills and motivations as well as promoting and encouraging volunteerism among Axiata employees and the public at large
- Five training sessions with the ACVs were held from July 2022 to December 2022. The training included topics such as Basic Sign Language, VUCA, Tautan Kasih, Basic Life Support and Disaster Preparedness
- All of the training programmes had a significant impact on the ACVs. 20 ACVs were chosen to receive the Best Volunteer Award as they contributed more than ten hours of their time
- Total ACVs trained: 57

More than two million early warning SMS alerts sent out in collaboration with the National Disaster Management Agency (NADMA) during the monsoon season.

XL Axiata has put in place a business continuity management (BCM) policy and procedure consisting of an emergency response plan, crisis management plan, disaster recovery plan and a business continuity plan. The robust BCM enables XL Axiata to respond to and manage any crisis or disaster. To ensure effectiveness of the BCM, XL Axiata conducts periodical BCM exercises and tests and regularly communicate BCM awareness to the relevant stakeholders. As part of its preparation and mitigation measures in crisis and disaster, XL Axiata has obtained ISO 22301: BCM System.
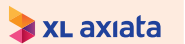
Further to that, XL Axiata via XL Axiata Business Solutions, in partnership with Jakarta Smart City, implemented the IoT Flood Monitoring solution to monitor water levels at several critical points that can indicate the potential for flooding. The technology informs the authorities and enables them to provide early warning messages or even proactive evacuation of areas that may be flooded.

Dialog has a Readiness in Emergencies (RED) framework in place to handle disaster situations. The framework has been designed to be flexible and adaptable to various types of disasters, such as natural disasters like earthquakes, hurricanes and floods, as well as man-made disasters. It includes a comprehensive set of procedures and protocols for emergency response, communication and the implementation of necessary relief activities.

Smart has piloted a warning message system to people who live in disaster-prone areas in collaboration with the People in Need and National Committee of Disaster Management. The fully functional system is expected to be ready in 2023.

Ncell has a crisis management plan, business continuity framework and business continuity policy in place which puts Ncell in a good position to manage any crises that may occur. Ncell carries out different types of crisis simulations and has also provided training to OHS champions to handle earthquakes and fire disasters.

In addition, since 2016, Ncell has partnered with the Department of Hydrology and Meteorology to implement an early warning system to save lives and minimise property damage during annual flooding. In 2022, we broadcast over 3.8 million early warning messages on floods.

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EMERGENCY & DISASTER RESPONSE

RESPONSE AND CONTRIBUTIONS DURING NATURAL DISASTERS AND TIMES OF CRISIS

As a responsible corporate citizen, it is incumbent upon us to support our local communities across our operating markets.

In the year under review, we participated in the following disaster relief efforts:

YAYASAN axiata FOUNDATION	The Axiata Foundation provided emergency help to flood-affected individuals and families, as well as post-flood assistance during the recovery phase. A total of 300 food packs, 400 survival kits and 100 hygiene kits were distributed to selected families in Hulu Dungun, Terengganu and Jeli, Kelantan.
celcom	Celcom aided flood relief to more than 4,000 recipients in terms of food packs/hot meals and mobile clinic assistance, while Celcom's volunteers, Sahabat Biru, provided post-flood cleanup for more than 50 houses affected by floods. Furthermore, they provided six boats and a 4WD vehicle to the Malaysian Relief Agency for relief efforts.
robi	Robi assisted communities affected by floods by distributing emergency relief supplies in Bishombhopur and Dirai Upazilla in the Sunamganj district. In collaboration with other NGOs, Robi also contributed to the construction of houses for those who lost their homes to the floods. In addition, Robi purchased supplies of vital medicines for the victims of a devastating fire at a private container depot in Sitakunda Upazila of Chattogram that left many dead or injured.
EDOTCO	The EDOTCO partnered with local NGO Global Peace Mission Malaysia to provide 100 volunteers to help those affected by floods in Malaysia, in addition to starting a clothes donation drive at their headquarters that helped over 200 victims.
Boost™ Be Unstoppable	Boost subsidises 50% of groceries at major supermarkets nationwide for Malaysians to afford more eggs and chickens. Amid heightened concerns regarding the rising cost of living, Malaysians' preferred digital lifestyle and financial services app, Boost, continued to intensify its support of the local community by subsidising 50% of groceries, including eggs and chickens, during the month of July. The subsidy was part of its ongoing #BoostUntukRakyat relief aimed at aiding Malaysians in reducing expenses. Boost also called on Malaysians to recommend future assistance on Boost's official social media channels.

Highlight

Dialog Supports Sri Lanka

In response to the unprecedented economic crisis in Sri Lanka, Dialog stepped up significantly to assist the people of Sri Lanka, especially the most vulnerable communities, through two flagship programmes.

Karuna.lk - Connecting Donors to the Needy

Amidst the backdrop of an unprecedented economic crisis, Dialog Foundation, in collaboration with the Sarvodaya Shramadana Movement and PwC Sri Lanka, launched Karuna.lk, Sri Lanka's first crowdfunding platform that connects verified and trusted non-profit organisations and causes with donors. The launch of this platform is both timely and impactful as it will facilitate the transfer of funds to organisations that are at the frontlines in helping ordinary Sri Lankans get through the crisis.

Karuna.lk provides donors a quick and easy way to send and receive funds while bringing like-minded people together who want to take action and help fellow Sri Lankans during challenging times. It also allows campaign organisers to set flexible funding goals, enabling them to keep the money from the donation raised, even if the campaign does not reach its goal. Additionally, it provides resources to organisations and local small businesses that do not have access to traditional funding sources.

The platform aims to empower and enrich Sri Lankan lives through social stewardship and through PwC's involvement, offers full transparency of the movement of funds to beneficiaries. Karuna.lk covers a wide range of social causes including healthcare, education, emergency, environment, sports, cancer, animal welfare and volunteering. Donations can be made through a range of payment options, including debit/credit cards, eZ Cash, Dialog add-to-bill, and online bank transfers.

As of 2022, the platform has registered about 2,500 donors worldwide and over 100 causes in Sri Lanka.

🔍 Read more about Karuna.lk here

Manudam Mehewara Initiative - Emergency Relief Distribution

The 'Manudam Mehewara' initiative by Dialog Axiata PLC, MAS Holdings, Hemas Holdings PLC, Sarvodaya Shramadana Movement and PwC Sri Lanka involves the distribution of emergency relief supplies to the most vulnerable families and communities in the country who have been impacted by the ongoing economic crisis. The initiative aims to provide emergency relief to severely affected families across the country, especially to communities in extreme poverty. As at the end of 2022, over LKR320 million in funds was collected, through which more than LKR299 million worth of dry ration packs was distributed to more than 119,000 families.

🔍 Read more about Manudam Mehewara here

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Driving Governance & Risk

▶ **Business Ethics & Governance**
⤷ **SNCR**, page 102

▶ **Digital Integrity**
⤷ **SNCR**, page 109

▶ **Regulatory & Political Risk**
⤷ **SNCR**, page 113

▶ **Sustainable Supply Chain**
⤷ **SNCR**, page 115

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OUR APPROACH

Our business is built on a foundation of trust, accountability and ethical conduct. Our values and commitment to integrity are outlined in our Code of Conduct, which unites the commitment of all our employees. We are solely responsible for safeguarding the data entrusted to us, by both customers and employees. This reflects our genuine commitment and integrity in building long-term digital trust through robust measures to enhance cyber security and data protection.

THE CONTEXT

Cyber security trends[1] are driven by the ever-expanding digital footprint of modern organisations. Security and risk personnel are facing challenges as the expanding digital presence of companies makes centralised cyber security control ineffective. Additionally, hybrid work arrangements and digital business processes in the cloud have brought about new risks. Highly sophisticated ransomware and attacks on the digital supply chain are exposing technological skill gaps. These challenges have a compounding effect which requires the Chief Information Security Officer to take on the role of strategist to manage cyber risks. In view of this, Axiata needs to reframe its security practices and technology to continuously respond to new threats.

The pandemic also caused major disruptions to our supply chain[2] as the economy became more challenging and sustainability was further accentuated. Customers experienced shortages, price increases and closures of businesses. Brexit was already causing trade tensions and COVID-19 significantly exacerbated supply chain challenges. The computer chip shortage had a ripple effect across many industries. There were many shortages reported throughout the world, ranging from a lack of lithium for electric vehicle batteries to restaurant food and even coffee shortages.

[1] Source: https://www.gartner.com/en/articles/7-top-trends-in-cybersecurity-for-2022
[2] Source: https://www.weforum.org/agenda/2022/01/challenges-supply-chains-covid19-2022/

> "We remain committed to building a culture of trust and resilience to unlock new opportunities and create value for customers, shareholders and communities in the post-pandemic era."
>
> *Abid Adam*
> *Group Chief Risk & Compliance Officer*

Material Matter	Target	Targets' FY22 Progress
▶ Digital Integrity	Build Digital Trust & Resilience to ensure the protection of customer information and the security of critical infrastructure • Rank among the top 25th percentile in the ASEAN region on the National Institute of Standards and Technology's (NIST) maturity industry benchmark by 2025	• Ranked in the top 30th percentile in the ASEAN region on NIST's maturity industry benchmark • An aggregate of 3.7 out of 5 aggregate Cyber Security Maturity Level for Axiata Group
▶ Business Ethics & Governance	Create long-term value by fostering a winning culture based on integrity, ethics and compliance, achieved through our mandatory training and awareness programme for employees and broader stakeholders • > 90% training completion for Anti-Bribery & Anti-Corruption, Whistleblowing, Data Privacy & Cyber Security yearly 30% women's representation in Axiata Group Berhad Board of Directors (BOD) by 2025	• ABAC: **98.8%** • Data Privacy: **97.7%** • Cyber Security: **96.5%** • **25%** women's representation as of 31 March 2023 • **22%** women's representation as of 31 December 2022

Advancing the UN SDGs

8 DECENT WORK AND ECONOMIC GROWTH | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS | 17 FOR THE GOALS

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BUSINESS ETHICS & GOVERNANCE

APPROACH

To solidify our position as The Next Generation Digital Champion in the ASEAN and South Asia region, we prioritise maintaining a culture of good governance and ethical business practices. Our commitment to upholding high compliance management standards is unwavering. We remain vigilant in preventing bribery, corruption, and anti-competitive practices and ensuring tax transparency, human rights, and freedom of expression. We comply with all the relevant laws and regulations in every country we operate in.

Our core values of Uncompromising Integrity, Exceptional Performance (UI.EP) is embedded in our business operations and supply chain activities. We are guided by the Anti Bribery & Anti-Corruption Plan to create long-term value by fostering a winning culture based on integrity, ethics and compliance and this is achieved through our mandatory training and awareness programmes for all employees and other stakeholders; the Corruption Risk Registers and continuous Maturity Assessment. We aim to achieve above 90% of training completion for Anti-Bribery & Anti-Corruption (ABAC), Whistleblowing and Data Privacy & Cyber Security annually.

OUTLOOK

As a leading telco company in the ASEAN and South Asia region, we are committed to conducting our business responsibly amid the evolving regulatory landscape. We remain guided by our robust policies and procedures and will continue to advocate good business ethics in our supply chain. We will continue to step up our measures in strengthening the culture of compliance and integrity in our business operations to ensure that our customers trust and shareholders interests are upheld.

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BUSINESS ETHICS & GOVERNANCE

CORPORATE GOVERNANCE FRAMEWORK

The Board of Directors of Axiata Group Berhad (Board or BOD) strongly advocates and supports the principles of good corporate governance. The Board has continually strived to enhance and strengthen the Group's governance system and processes to ensure that the highest level of corporate governance is practised Group-wide.

⟶ **IAR**, for further information on our Corporate Governance, please read our Transparency & Accountability in IAR on page 82

🔍 The Corporate Governance Report is available on the Company's website under the Corporate Governance section as well as via an announcement on Bursa Securities

The Board is committed to maintaining the highest standards of good governance to promote quality decision making and execute those decisions within a disciplined framework of policies and procedures.

Good corporate governance contributes to value creation by ensuring accountability through reporting and disclosure, effective risk management, clear performance management, transparency and ethical and effective leadership. In addition, the diversity of our directors in terms of gender, race, nationality and professional background facilitates an environment for constructive dialogue and enables the Board to consider the needs of a wide range of stakeholder interests.

The Board believes these qualities of governance, which are aligned with the principles of the Malaysian Code on Corporate Governance (MCCG) 2021, enable the Group to create value for stakeholders in a sustainable manner over the short, medium and long term as described in the strategy section of the IAR.

Among key changes to our governance framework include the Board Sustainability Committee. This timely evolution to dedicate a Board Committee on sustainability is aligned with the increasing emphasis placed by regulators on sustainability matters. We also introduced a Fit & Proper Policy for Axiata (F&P Policy) that requires assessments of fitness and probity of individuals nominated as directors and senior management of the Group before their appointment and employment.

Board of Directors

SHAREHOLDERS

Board Audit Committee (BAC)

Board Risk and Compliance Committee (BRCC)

Axiata Enterprise Investment Board Committee (AEIB)

Board Nomination and Remuneration Committee (BNRC)

Board Sustainability Committee (BSC)*

Group Management Team

COMPLIANCE GUIDELINES

Main Listing Requirements of Bursa Securities & Companies Act 2016 | MCCG 2021 | Axiata's Corporate Governance Framework

Group Executive Council
Senior Leadership Team
Mergers and Acquisitions Committee
Group Talent Council
Chief Technology Officer Council
Chief Information Officer Council
Group Analytics Council
Risk and Compliance Management Committee
Digitisation Expert Working Group
Enterprise Business Expert Working Group

Operating Companies' Management Team

Organisation

ASSURANCE

Audit of financial data (internal and external) | Facilitation and organisational audit (internal) | Quality audit and inspections (internal and external)

* Previously known as the Board Annual Report Committee. The renaming and rescoping of the committee took effect from 8 April 2022

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BUSINESS ETHICS & GOVERNANCE

ETHICS AND COMPLIANCE

Underpinned by the core values of UI.EP, ensuring that we continue to conduct our business ethically and complying to the laws and regulations in countries where we operate remains to be important to ensure that customer loyalty and shareholders' interests are duly protected.

Axiata's Corporate Compliance programme has evolved since 2020, primarily focusing on establishing a winning culture of compliance at all levels of the organisation. Axiata's Risk & Compliance Management Committee (RCMC) and Board Risk & Compliance Committee (BRCC) at AGB and OpCos play a fundamental role in ensuring relevant governance processes and internal controls are in place to identify, assess, and monitor key business risks, including cyber security and data privacy risks, as well as non-compliant practices related to anti-bribery and anti-corruption.

To mitigate bribery and corruption risks, various awareness and training sessions were organised for the Board, Sub-Board Committee, Senior Management and employees at all levels. Additionally, establishing Corruption Risk Registers strengthens the compliance maturity assessment within the organisation.

The following policies and framework are applicable to all Axiata employees groupwide:

Axiata's Code of Conduct	Axiata Enterprise Risk Management (ERM) Framework	Axiata's Anti-Bribery and Anti-Corruption (ABAC) Policy	Axiata's Gifts, Donations and Sponsorships (GDS) Policy	Axiata Whistleblowing/ Speaking Up Policy
• Revised in 2021 and sets out the rules and guidelines on how employees act for or on behalf of the Company, are expected to conduct business and themselves • The annual declaration of the Code of Conduct and the completion of the mandatory Code of Conduct training helps to ensure that employees are reminded of their obligation to uphold the core values of UI.EP and to avoid any activity that might constitute, lead to, or be perceived as, bribery and/or corruption and/ or breach of any laws and regulations	• We are committed to enterprise risk management as a key strategic management tool to generate value throughout Axiata Group. Axiata's ERM policy sets out the Group's commitment to assessing risks in alignment with business objectives, integrating risk management in decision-making, anticipating potential risks, and ensuring clear communication through robust monitoring and reporting structures • The RCMC and BRCC at AGB and OpCos were crucial in reviewing and mitigating strategic risks arising from geopolitical and foreign currency risks in the countries where we operate. Sufficient action plans were formulated to mitigate risk exposure	• Governs all stakeholders' practices in conducting business for and on behalf of the Group, enforcing a zero-tolerance approach towards bribery and corruption, as enshrined in the Group's core value of Uncompromising Integrity • As part of operationalising the ABAC Policy across the Group, various awareness and training sessions were conducted to ensure employees has a clear understanding of key principles in the ABAC Policy. Also, as part of stakeholder engagement, electronic direct mails (EDMs), newsletters were issued to both internal and stakeholders on key principles from the ABAC policy throughout 2022	• Axiata's "No Gift Policy" is enforced with the aid of the GDS Policy. This policy establishes principles for evaluating the appropriateness of giving or receiving GDS that could be construed as corrupt or unethical. To govern exceptions to the policy, stringent governance processes were put in place. The Gifts, Donations and Sponsorships Committee (GDSC) oversees all transactions involving gifts, donations, and sponsorships. It ensures that they are properly scrutinised and validated to minimise bribery and corruption risk	• The Axiata Whistleblowing/ Speaking Up Policy enables independent reporting of matters related to fraud, corruption, or other unethical practices. This includes an anonymous ethics and fraud whistleblowing channel managed by an independent third-party service provider under the supervision of the Group Internal Audit (GIA). The objective is to encourage good faith reporting while ensuring confidentiality, anonymity, and protection from reprisals for employees, vendors, and stakeholders
Click here to learn more about the Axiata's Code of Conduct	**GAFS**, Statement on Risk Management and Internal Control	Click here to learn more about the ABAC Policy		Click here to learn more about the Axiata Whistleblowing/ Speaking Up Policy

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BUSINESS ETHICS & GOVERNANCE

ANTI-BRIBERY AND CORRUPTION

Axiata maintains a zero-tolerance approach towards all forms of bribery and corruption. We require all our stakeholders to avoid any activity that might constitute, lead to, or be perceived as, bribery and/or corruption activities and/or breach of any laws and regulations. Our stakeholders are also responsible for the prevention, detection and reporting of any forms of bribery and corruption across the Group.

We are guided by the revised Code of Conduct and the Axiata ABAC Policy. Both these policies are implemented throughout the Group and enforced with a set of robust procedures, standards and guidelines. Third-party due diligence, ABAC and GDS procedures were launched and implemented in 2021 to further strengthen compliance management and controls on integrity.

In 2022, we further intensified ABAC in the Group by implementing several initiatives, including ABAC training and culture building, a gap analysis on the Corporate Compliance Programme and working closely with the MACC.

ABAC Policies, Procedures and Guidelines

Anti-Bribery & Anti-Corruption Policy	Anti-Bribery & Anti-Corruption Procedures	Gifts, Donations & Sponsorships Procedures
Anti-Money Laundering Guidelines	Code of Conduct	Corporate Social Responsibility SOP
Third-Party Due Diligence Guidelines and Checklist		Whistleblowing Policy

Axiata Corporate Compliance Programme and ABAC Plan

The activities and awareness sessions conducted in 2022 on ABAC were underpinned by the ABAC Plan which was approved in 2021. Some of the key highlights from the programme are as below:

ABAC Plan
The Group completed 17 of the 18 activities under the ABAC plan in 2022. The rest of the activities will be completed before the plan is fully implemented by the end of 2023.

Compliance
An independent gap analysis was conducted to assess Axiata's ABAC policies, procedures and materials against the requirements of MACC Adequate Procedures, UK Bribery Act, Foreign Corrupt Practice Act and ISO 37001 Anti-Bribery Management System (ABMS). The results indicate that Axiata is 99.43% compliant with these legislations.

Corruption Risk Register
The corruption risk assessment enables an organisation to form the basis of anti-corruption efforts and establishes appropriate processes, systems and controls to mitigate the corruption risks identified within the organisation. The Group completed the development of the Corruption Risk Register on key business units/functions at AGB Corporate Centre to assess operations for risks related to corruption.

Additionally, all OpCos have established a Corruption Risk Register, and it is being reported to their respective BRCCs.

Incidents
There were zero confirmed incidents of corruptions and action taken.

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BUSINESS ETHICS & GOVERNANCE

Training, Awareness and Communication

We conduct mandatory ABAC training and implement awareness initiatives throughout the organisation to foster a positive compliance culture. 98.8% of our employees, including full-time, part-time, and interns, received ABAC training and awareness. In addition to mandatory training, targeted awareness sessions were held for different functions such as procurement, human resources, finance, and Axiata Foundation. These programmes were designed to reinforce our "always do the right thing" culture and ensure employees understand ABAC risks to manage them effectively.

In 2022, there was a higher level of focus on enhancing the skills and capabilities of the Compliance Officers with a completion of certifications in Compliance, which was awarded by the International Compliance Association, in association with the Alliance Manchester Business School from the University of Manchester. Four personnel (two at Corporate Centre and two at EDOTCO) completed the Certified Integrity Officer (CeIO) training programme with MACC.

For governing bodies, we conducted the following awareness sessions for the Board, Senior Management, OpCo CEOs and the Risk & Compliance community:

Group Risk & Compliance Conference
Held on 27 July 2022 and themed 'Thriving in a VUCA World', the conference was attended by the AGB Board, sub-Board members and more than 200 participants across the AGB Group. External speakers from various industries were invited to share their knowledge and expertise on various topics aligned with the theme of the conference.

BRCC Chairman Conference
Held on 28 November 2022 and chaired by the Group BRCC Chairman, the conference was attended by the BRCC members across the Group. The event covered topics such as digital geopolitics, which helped to strengthen the culture of compliance and ESG.

To ensure that there is sufficient reach and coverage, the Axiata's ABAC requirements are communicated through various channels such as quarterly newsletters, awareness sessions for Group and OpCo business units and functions. Awareness sessions on topics such as sanctions, corruption risk assessment and 'An Ethical Winning Culture' were organised for the AGB and OpCo Board in 2022. Communications on Axiata's No-Gift Policy are also extended to our business partners and suppliers across our value chain. Additionally, we ensure that the Board and Senior Management are aware of the ABAC laws in Malaysia and the countries we operate in.

Axiata Integrity Month (AxIM) 2022
To further inculcate an anti-corruption culture and integrity groupwide, the Axiata Integrity Month (AxIM) 2022 was organised to raise awareness on ABAC among stakeholders and communities. Held from 5 November to 9 December 2022, the initiative covered talks, discussions and as part of its contribution to the society, debate competitions were organised with students from the Yayasan Saad College on topics around ABAC.

AxIM 2022 also witnessed the renewal of Axiata's Corruption Free Pledge with MACC wherein the signing of the pledge reiterates Axiata's zero tolerance stance against bribery and corruption and our commitment to complying with the country's laws and regulations.

WHISTLEBLOWING

At Axiata, we believe in empowering our stakeholders to voice their concerns and raise any issues independently without fear of reprisal or bias. Our Whistleblower/ Speaking Up Policy and Procedures ensure that the identity of whistleblowers is protected with the establishment of an anonymous ethics and fraud whistleblowing channel managed by an independent third-party service provider under the supervision of the Group Internal Audit (GIA).

We encourage all our internal and external stakeholders to speak up and raise concerns if they observe or suspect misconduct, to ensure that immediate steps can be undertaken to address any issues raised.

Concerns can be raised via the official Speak Up channel at https://axiatagroup.integrityline.com/setup

For further information on Whistleblower/ Speaking Up and the official Speak Up channel, please refer to Axiata Group's Whistleblower/ Speaking Up Policy and Procedures on our corporate website.

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BUSINESS ETHICS & GOVERNANCE

ANTI-COMPETITIVE BEHAVIOUR

Competition compliance is part of good business ethics, which all our stakeholders are required to uphold. Our suppliers and vendors are prohibited from any anti-competitive conduct, as stated in the Axiata Supplier Code of Conduct. The Axiata Code of Conduct also provides that employees are required to comply with the relevant competition laws and shall disassociate from any activities that can be regarded as infringing competition laws etc. (refer Article 3.7 of the COC).

HUMAN RIGHTS

The value chains of mobile operators are inherently exposed to human rights risks due to the nature of the operations. The risks include a variety of issues, ranging from the treatment and working environment of workers in the supply chain to how employees are treated by mobile operators and the safeguarding of customers' human rights on the internet.

Respecting human rights is part and parcel of contributing to the UN SDGs, ensuring no one is left behind. As such, we want to make sure that we conduct our business responsibly without harming the communities around us while connecting people from various parts of the world. We adopt a zero-tolerance approach towards all forms of violations of human rights including modern slavery, forced labour and child labour. We remain guided by the local laws where we operate to uphold the human rights of all our employees and stakeholders across our supply chains.

In November 2022, we became a signatory to the UN Global Compact to officially adopt and incorporate the 10 Principles into our business, operations and culture. This underlines our commitment to safeguarding the human rights of our stakeholders, including protecting the environment and combatting bribery and corruption.

Human Rights Risks Management

While our suppliers and vendors are generally guided by Axiata's Supplier Code of Conduct, anyone who has a business relationship with us is expected to comply with the applicable labour laws and regulations and international labour rights and principles as established by the International Labour Organisation (ILO) in the 1998 Declaration on Fundamental Principles and Rights at work. The suppliers and vendors of our OpCos are also required to comply with the respective OpCo's Supplier Code of Conduct, which is aligned with the Group's Supplier Code of Conduct.

No forced labour	Child labour avoidance	Wages and benefits
Non-discrimination	Respect and dignity	Working hours

We have identified the human rights risks for the following stakeholder groups in our supply chain:

Stakeholder	Human Rights Risks
Customers	• Artificial Intelligence and Big Data analytics • Privacy and freedom of expression • Online safety
Workforce	• Freedom of association, collective bargaining • Non-discrimination • Fair remuneration • Forced labour
Suppliers	• Child labour • Forced labour • Conflict mineral standards
Community	• Community impacts from building and maintaining structure

Within the Group, Axiata is committed to respecting labour rights at the workplace by providing safe, healthy and conducive work environment that also ensures the wellbeing of our people. This includes keeping our employees safe from any forms of discrimination, harassment and retaliation. Our employees are also encouraged to raise any concerns related to labour rights via the Speak Up channel.

BUSINESS ETHICS & GOVERNANCE

RISK MANAGEMENT

Axiata's Enterprise Risk Management (ERM) policy and framework sets out the overall intention and direction of the Group on risk management. It describes the commitment of the Group to assess risks in alignment with business objectives, integrating risk management in all decision-making processes, anticipating potential risks in response to changes in the internal and external environments, and ensuring that risk information is communicated through a clear and robust monitoring and reporting structure.

Axiata has adopted its risk management approach based on ISO31000:2018 and has tailored the guidelines to fit the Group's business operations.

⇨ **GAFS**, for more information on our risk management, refer to our Statement on Risk Management and Internal Control

TAX TRANSPARENCY

Axiata acknowledges the importance of taxation and contributes direct and indirect taxes as well as fees to the economies, nation building and socioeconomic development of all the countries where we operate.

Approach to Tax

Our approach to taxation is outlined in the Axiata Group Policies – Taxation Chapter which establishes the policies related to Axiata and the OpCos' tax affairs in order to properly address and comply with relevant tax laws, regulations and tax management. Supplementing the policy, thresholds for decision-making are guided by the Group's and OpCos' Limit of Authority.

We are committed to operating our businesses in compliance with the relevant tax law of the respective countries in which we operate, acting responsibly to society by paying the fair share of taxes as well as meeting obligations to our shareholders.

Tax Governance, Control and Risk Management

At Axiata, the Group Chief Financial Officer (CFO) shall be responsible for Group tax compliance matters. The Group Tax Department will monitor and coordinate on tax matters of Axiata and its OpCos. Similar to the Group, OpCo CFOs are responsible for ensuring compliance to tax law and obligations. All OpCos also have either a designated personnel or Taxation department to handle respective country's tax matters (referred to as OpCo Tax function).

With regard to tax management, the OpCo Tax function or designated personnel shall undertake tax risk assessment in order to manage tax risk exposures for the legal entity. The tax risk assessment and tax management shall be approved by the OpCo CFO and is communicated to the Group Tax Department.

Based on information received from OpCos, the Group Tax Department shall assess aggregated tax risk in order to determine and report on the overall tax position for Axiata Group. The Audit Committee of the Board deliberates and approves Axiata's financial reporting, including the review of tax matters that are material to the financial statements. The respective OpCo Audit Committee of the OpCo Board plays the similar role at the OpCo level.

⇨ **IAR**, for more information on Axiata's Board Audit Committee (BAC), its members and activities in 2022, refer to IAR on page 96; whilst the BAC's roles and responsibilities are available online

The Group reports its annual taxes and fees contributions by country and by OpCo in our National Contribution Report. The Group also reports its taxes paid to the Government in our Group Audited Financial Statements. In 2022, Axiata contributed USD1.5 billion in direct and indirect taxes and fees to the governments of all countries where we operate.

⇨ **SNCR**, for more information on our tax contributions according to countries, refer to our latest National Contribution Report on page 119

Approach to Engagement with Tax Authorities

Axiata and its OpCos maintain the highest standards of professional ethics in dealing with the tax authorities. There shall never be any attempt to be inaccurate or evasive in dealing with tax authorities. Where tax legislation is not clear on matters concerning taxation impacting Axiata and its OpCos, appropriate tax advisory and consultations shall be sought.

Where the opportunity arises, we endeavour to participate in tax consultations that impact our business or industry to ensure that our views are considered and may in fact, shape the future.

DIGITAL INTEGRITY

At Axiata, we protect information and intellectual property against cyber security breaches, ensuring data privacy and safeguarding consumers. Managing data privacy and cyber security is essential for an uninterrupted operation, building trust with stakeholders, and achieving Axiata's 5.0 Vision to become The Next Generation Digital Champion.

APPROACH

Our approach to ensuring digital integrity involves taking proactive measures to mitigate the heightened risks of data breaches. In addition to a robust set of policies, we prioritise regulatory compliance throughout our business processes. This includes conducting due diligence exercises on our vendors' data-handling activities and providing our employees with the necessary training to manage these risks effectively. We expect our employees, vendors, and business partners to adhere to our data privacy and cyber security compliance standards and comply with our Employee and Supplier Code of Conduct. To stay vigilant against emerging risks and industry trends, we engage external analysts and think tanks such as GSMA, ITU, Gartner, and the World Economic Forum. Their insights are adopted to develop corrective actions and programmes aimed at safeguarding the Group's data and ensuring our long-term sustainability, adaptability, and resilience.

Hear what our Group Chief Risk & Compliance Officer has to say:
https://www.youtube.com/watch?v=FMzL_J1V8V8

⇨ **GAFS**, Building Digital Trust Through Data Privacy and Cyber Security

Our approach is guided by the following:

Data Privacy	• Axiata's Privacy Commitment is founded on the T.R.U.S.T principles (Transparent, Rights, Use, Security and Transfer) • Group Data Privacy Policy and Privacy Notices • Three-year Privacy Programme (2020 – 2022)
Cyber Security	• Group Information Security Policy • Digital Trust & Resilience (DT&R) 2023 Strategy • Zero Trust Framework

The Board Risk and Compliance Committee is responsible for overseeing cyber security risks and risks relating to data privacy, with support from the Risk and Compliance Department.

⇨ **IAR**, more information on the BRCC, its activities in 2022 and priorities for 2023 on page 99

⇨ **IAR**, for more information, refer to Key Trends – Our Changing World on page 24, and Our Risks Linked to Strategy on page 30

OUTLOOK

Axiata is committed to strengthening its privacy capabilities and upskilling its personnel to comply with legislation and regulatory requirements. We have data privacy personnel who have Certified Information Privacy Manager credentials in addition to adopting globally recognised data privacy practices across all OpCos. We are currently refreshing a privacy programme that will span over the next three years to enable Axiata's 5.0 vision and enhance ESG maturity.

Axiata is also developing a long-term Data Privacy and Cyber Security Strategy Framework and Roadmap to standardise and align all OpCos to meet their strategic objectives. Key strategies to strengthen defences and reduce the risk of cyber threats will be rolled out in 2023, and cyber security and data privacy performance metrics will be incorporated into OpCos' KPI scorecards. A refresh of the Digital Trust & Resilience strategy is also planned for 2023 to proactively manage current and emerging cyber security threats and respond to evolving attack vectors.

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DIGITAL INTEGRITY

DATA PRIVACY

Amidst the changing market landscape, risks surrounding data, digitisation, connectivity, and consumer privacy have intensified due to consumer mistrust, government action, and market competition. Therefore, ensuring data privacy and security has become a top priority for organisations. Personal data protection legislation has evolved, with higher compliance levels, and Axiata has adapted to these changes through a progressive risk, privacy & compliance culture.

Our Commitment to Data Privacy

Axiata's Privacy Commitment is based on the principles of T.R.U.S.T, which emphasise strong security and privacy governance across technology, processes, and people. Policies and procedures such as the Group Data Privacy Policy and Privacy Notices enable responsible execution of operations, ensuring data privacy is ingrained into processes and supply chain engagements. The commitment is reinforced by these policies, which have been published on Axiata's website for accountability and awareness.

Strengthening Our Privacy Position and Culture

Axiata implemented a three-year Privacy Programme from 2020 to 2022 to enhance data protection capabilities and integrate privacy measures into every aspect of the business. During the programme, privacy measures were embedded into all aspects of the business, and OpCos ran their respective Implementation Roadmap. The focus in Phase three was on disclosures to third parties, such as investigating authorities and/or courts, as well as vendors' due diligence. Each OpCo has either a Data Privacy Officer (DPO) or Privacy Lead who completed the Certified Information Privacy Managers training. The Group conducts regular meetings and seminars to maintain the privacy maturity programme and explore new advancements in data privacy technology and procedures. Employees, vendors, and partners are trained and awareness sessions are conducted to ensure a culture of compliance.

We also focused on implementing the below and utilised collective brain activities which helped in enhancing the Privacy capabilities among the Axiata Group and OpCos:

- Disclosure to Third Party
- Breach Management
- Security for Privacy
- Consent Management
- Training & Awareness
- Governance & Operating Model

To measure our privacy position, a Group-aligned maturity rating capability model has been implemented as a self-assessment tool to review and improve maturity level, and privacy controls related to digital rights will be integrated into future KPIs to further improve privacy maturity.

Aggregate Privacy Maturity Level for Axiata Group

2020	1.4/5.0
2022	**3.1/5.0***

*   *The Privacy Maturity Level is conducted internally based on self-assessment and excludes BOOST, ADA, ADL and Link Net*

Maintaining a culture of compliance is essential for efficient data privacy management, as it ensures that every individual in the Group understands their responsibilities and takes appropriate measures to safeguard personal information and data. We organise training and awareness sessions to keep our employees, vendors, and partners informed of our emphasis on data privacy and compliance and ethics matters. As of the end of 2022, we achieved a completion rate of 97.7% among employees Group-wide who completed the training successfully. Beyond this, to strengthen the data privacy culture, our OpCos consistently create awareness surrounding data privacy through internal communications or engagement sessions.

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DIGITAL INTEGRITY

CYBER SECURITY

The increasing vastness of digital society coupled with escalating attack numbers and the severity of a successful attack has raised the corporate risk level and made cyber security threats a major concern. To manage these risks, the Axiata Group has implemented the Digital Trust and Resilience (DT&R) strategy, which focuses on proactive and response measures to sustain its cyber security posture and manage emerging cyber threats and risks.

DT&R 2023

Our Vision:
To inspire trust and confidence in Axiata as The Next Generation Digital Champion

Our Mandate:
To secure information assets against cyber threats across the Group in line with Axiata 5.0 Strategy

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In 2022, significant initiatives to enhance our cyber security posture were implemented as part of the second year of the DT&R strategy implementation.

Axiata automated repeatable processes such as attack surface discovery, operational reports, and dashboards resulting in greater efficiencies and the ability to discover emerging threats and vulnerabilities. The threat monitoring capability was uplifted to scan the deep and dark web for threat intelligence and brand protection. In addition, a risk-based and research-driven approach was taken towards discovering threats and vulnerabilities in emerging technology such as blockchain, enabling the emerging businesses within the Group to be cyber resilient.

Enhancing Cyber Resilience

As part of the DT&R initiatives to enhance cyber resilience across the Group, Axiata adopted Zero Trust principles to enhance security architecture. The Zero Trust Framework allows Axiata to build a layered defense architecture that safeguards its crown jewels by separating and protecting access to critical assets. With the Zero Trust Framework, access to sensitive and critical assets is strictly controlled, continuously monitored, and validated to reduce the risk of data breaches and access related cyber threats.

Axiata also made it mandatory for its employees, vendors, and business partners to comply with Axiata's cyber security standards and adopt the Employee as well as Supplier Codes of Conduct. The Company aims to incorporate this same concept into Contracts and Agreements when engaging suppliers and business partners to ensure a responsible supply chain approach to its cyber security principles. Axiata also conducted information security-specific audits on suppliers that manage customer and other business-sensitive data.

Axiata firmly believes in partnership and collaboration with national cyber security agencies in Malaysia and other operating countries to enhance cyber security. In 2022, Axiata participated in cyber drills and Capture-The-Flag events organised by Bank Negara Malaysia (BNM) to strengthen its cyber security engagements with BNM. To promote cyber capability and skill development in the country, Axiata engaged with organisations such as Malaysia Digital Economy Corporation (MDEC). Axiata's Cyber Fusion Centre also hosted students and lecturers/professors from educational institutions to promote cyber security skill development.

Highlight

AXIATA CYBER FUSION CENTER

In August 2022, Axiata launched and operationalised its Cyber Fusion Centre as part of the Group's DT&R strategy. This Centre not only drives situational awareness in cyber security but also fosters public-private partnerships and collaborations to enhance cyber resilience in the region. The Centre offers enhanced support and protection for digital data in enterprises, enabling modern-day threat monitoring and hunting to ensure business continuity. It provides comprehensive cyber security and business continuity solutions with protective, detective, and responsive capabilities.

The Centre is a vital component of Axiata's commitment to safeguarding digital data and accelerating digitalisation across Malaysia's ecosystem by driving innovative solutions and services with world-class technology partners, reaching out to small and big enterprises and the public sector to introduce practical solutions. Additionally, Axiata Cyber Fusion Centre is engaging with educational institutions to develop cyber security skills and talent, providing students with a real-life understanding of the cyber security industry and career prospects within it.

Hear what our Group Chief Risk & Compliance Officer has to say

DIGITAL INTEGRITY

We are dedicated to collaborating, sharing knowledge, monitoring and protecting our crown jewels, and incorporating new technologies into our processes. To maintain a mature security programme, we monitor and improve our controls based on the National Institute of Standards and Technology (NIST) framework.

We measure our progress and effectiveness using the internationally recognised NIST Cyber Security Framework, which assesses five areas: Identify, Protect, Detect, Respond, and Recover. This framework provides a comprehensive structure for our cyber security maturity programme. We undergo an independent NIST assessment every two years and complement this with self-assessments for continuous improvement on periodic basis.

AGGREGATE CYBER SECURITY MATURITY LEVEL FOR AXIATA GROUP

2022   **3.7/5.0**

Target	To rank among the 25th percentile in the ASEAN region on the NIST maturity industry benchmark by 2025

2022 Rank: **in the top 30th** percentile
Exceeded the regional average of companies across Asia Pacific, Europe and Latin America

ISO Certification

Our **ISO27001:2013** Information Security Management System (ISMS) certification helps identify and manage information security risks while promoting a culture of continuous improvement through regular reviews.

celcom
for Packet Core Network, Data Centre & Network Operations Centre

Dialog
for Dialog Group Technology, Group IT and IDC

Smart

linknet
for Data Centre only

AXIATA DIGITAL LABS
Implemented **ISO 27001:2013 and ISO 27701: 2019** which is designed to ensure the selection of adequate and proportionate security controls that protect information assets and privacy (including all information types, systems, people, policies, processes, and technologies) and give confidence to interested parties such as customers, consumers, and suppliers.

Cyber Security and Resilience for All

Axiata remains committed to protecting against cyber threats and raising awareness among customers and local communities through policies, practices, and training initiatives. Besides putting in place robust governance frameworks and obtaining certifications, the company is committed to strengthening cyber security management. We promote Safe & Responsible Use of Technology to customers and local communities, conduct cyber drills for increasing cyber resilience, and monitor events at OpCos to inform investigations and remediation. In addition, Axiata runs periodic Cyber Drills with the OpCos to test the readiness of each OpCo in handling Data Breach cases and testing of their capability, documented process and procedures. The coverage and completion of training modules for employees Group-wide stood at a 96.5% completion rate in 2022.

Highlight

Trust Measurement For AI Solutions

Artificial Intelligence (AI) is rapidly becoming an essential component of any digital transformation process, as Telco's transition to TechCo's and progressing towards using native cloud based services and multiple platform solutions using AI. Establishing confidence in these AI systems is crucial to unleashing their vast potential while being transparent and responsible to the community. This responsibility extends to supporting vulnerable groups and principles such as mental health and diversity. Thus, by equipping Telco's with tools to build and deploy Trustworthy AI, we are supporting its wider adoption and inclusiveness across domains from Web 3.0 to the Metaverse.

With this in mind, Axiata has led a TM Forum Catalyst programme along with our OpCo's Axiata Digital Labs, Dialog, Ncell and the University of Technology Sydney to develop a system based on a comprehensive framework that uses qualitative and quantitative measures to assess trust factors throughout an AI solutions lifecycle. This includes ethical considerations on explainability, transparency, fairness and non-discrimination, human control of technology, privacy, reliability, accountability and security.

For more information on the Catalyst programme, refer to https://myaccount.tmforum.org/networks/22-0-368/index.html

REGULATORY & POLITICAL RISK

The telecommunications, digital and fintech industries have long been known for dynamic and constant changes in technology which is often times disruptive. In parallel, these sectors are often subject to heavy regulatory scrutiny as policy makers and sectoral regulators see issues like preserving competition, consumer protection and inclusion as important. However, the laws and regulations for these sectors often lag due to the inherent nature of rapid technological changes.

APPROACH

At Axiata, we consistently strive to manage this dynamic between these two phenomena and the myriad of risks originating from mostly external factors. We adopt a proactive approach in our engagement with policymakers and regulatory stakeholders and maintain a close relationship with the rest of the industry to resolve common issues.

OUTLOOK

Looking ahead, we will continue to vigorously monitor the broader effects of the prolonged Russian-Ukraine conflict on our supply chain and potential impacts on our business operations due to sanctions on individuals and entities. For Sri Lanka, the outlook appears to be slightly better in 2023 having faced its worst political and economic crisis in 2022, as it has accepted international financial aid to steady its economy.

REGULATORY AFFAIRS AND RISKS

The industry we operate is one that remains highly regulated as it requires us to comply to a broad range of telecom, digital and fintech legislation and regulations. Major regulations that we are required to comply with include those that provide the legal basis of our core operating licenses, spectrum usage rights, subscriber registration rules and timely tariff approvals. Additionally, we are subject to sector-specific taxes, fees and levies imposed across the Group by relevant regulatory authorities. This is above and beyond non-sectoral specific taxes such as service taxes, excise duties and Value Added Tax (VAT). As Axiata operates in multiple markets, these legislations and regulations are vastly different in each country. Furthermore, Axiata has to contend with foreign investment policies, rules and practices which differ from country to country.

In recent years, we have seen an increased focus by some regulators on network and service quality issues while policymakers have tightened the regulatory environment surrounding digital services, especially in the context of personal data protection, misinformation and network security.

These regulations create uncertainties on our operations and may impair business returns and long-term growth prospects, in addition to limiting our flexibility to respond to market conditions, competition and new technologies.

How We Respond

We practise proactive regulatory management which is a core component of stakeholder management under the ten key focus areas of the Axiata 5.0 vision. This approach is overseen by Group Regulatory Affairs and encompasses a regulatory strategy, a Stakeholder Engagement Model and Regulatory Compliance Framework which provides a more structured approach in monitoring regulatory compliance at the Group level and across its OpCos. Through this, we work to proactively shape the national and regional regulatory landscape which enables us to more effectively manage the regulatory issues confronting the Group in each OpCo market.

In 2022, we enhanced the Stakeholder Engagement Model for Axiata 5.0, building on the current engagement model to improve how Axiata works with OpCos in selected markets. Besides the dedicated subject matter experts appointed at Group level and across all OpCos to monitor regulatory compliance, we also established a Regulatory Experts Working Group ("EWG") to develop best practice approaches to resolving common key regulatory issues faced by the OpCos.

Enhanced Stakeholder Engagement Model for Axiata 5.0

Malaysian Government | National Authorities

Inter-Government & Regional | Regional Groups | National Associations
Industry

Development Organisation | International Groups | **Axiata Group** | General Public and Consumers
Inter-Government Organisation

Policy Institutes | Others
Vendors
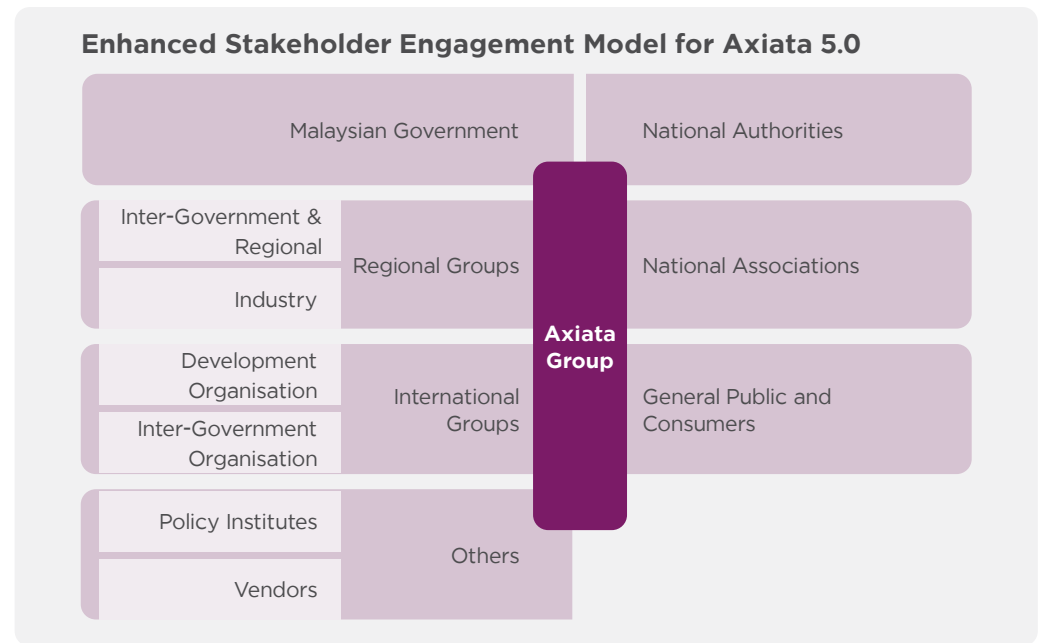
Externally, we work closely with other telco industry players and external advocacy partners to come together as one voice in advocating global best practices in regulatory management, promoting fair and transparent policymaking with regular consultations with all stakeholders. We continue to actively engage and participate in dialogues with regulators, industry and government officials' forums to anticipate emerging regulations, address and highlight concerns/obstacles/challenges that the industry may face. This is on top of regular engagements with regulatory officials in implementing sustainable regulatory regimes for the telecoms sector.

REGULATORY & POLITICAL RISK

Mobile Communications & Health

In championing connectivity and digital inclusion across our footprint, we are sensitive to the community's health and safety concerns regarding antennas and the usage of mobile phones. As such, we are committed to complying with all the electromagnetic fields (EMF) emission standards and health-related policies based on established science. This includes the standards set by the International Commission on Non-Ionising Radiation Protection (ICNIRP) and the World Health Organisation (WHO). All our OpCos comply with their respective EMF emission standards where applicable, thus providing safe exposure levels and ensuring that our services and infrastructures do not harm our users.

In addition, the ICNIRP has revealed a 20-year research in its latest guidelines published in 2020 that the frequencies for 5G mobile network exposes no health risks to human[1]. The ICNIRP Guidelines on Limiting Exposure to Electromagnetic Fields are for the protection of humans exposed to radiofrequency electromagnetic fields (RF) in the range of 100 kHZ to 300 GHz. The guidelines cover various applications including 5G technologies, WiFi, Bluetooth, mobile phones and base stations.

[1] Source:
https://www.icnirp.org/en/activities/news/news-article/rf-guidelines-2020-published.html

POLITICAL RISKS

The socioeconomic and political crisis in Sri Lanka and the Russia Ukraine war in the Asia and European continents respectively posed some level of political risks such as political instabilities, civil unrest and other social tensions. The political crisis in these countries have also impacted the economy whereby the LKR has depreciated by 44% and further coupled with the central bank's decision to float the currency. Such political risk led to business disruption, exposure to adverse changes in the regulatory landscape, and uncertainty in policy making which can undermine market sentiment and investor confidence.

How We Respond

Regarding the Russia-Ukraine war, an assessment was done on whether (i) the imposition of the sanctions on individuals and entities would involve any of Axiata's vendors, suppliers, business partners and if yes, whether there is any impact to business operations and/or compliance requirements; and (ii) the overall risks and impact to Axiata's business operations in view of the said war. Due diligence checks against Office of Foreign Assets Control, United Kingdom Office of Financial Sanctions Implementation and European Union Consillium and subscribed due diligence database (e.g., World Check) were conducted on Axiata's vendors or suppliers to ascertain whether any of them were impacted by the sanctions.

As for the political crisis in Sri Lanka, close monitoring of the political environment, forex controls etc were done.

To manage and maintain good relationships with a broader group of stakeholders, we adopt a neutral stance towards politics and foster healthy relations with the governments of the day. To further demonstrate our long-term commitment to our markets, we also contribute to each country's wellbeing through various CSR programmes that contribute to socioeconomic development.

Our efforts in political risk mitigation have resulted in better monitoring processes of key political and geopolitical events as well as improvements in anticipating emerging risks.

Overall, all OpCos leveraged on their local expertise, relations and knowledge to assess what is essentially a fluid environment with changing scenarios and potential outcomes. In ensuring business resilience amidst any instability, all OpCos are equipped with a comprehensive Business Continuity Plan (BCP) that shall be activated when a crisis is triggered.

SUSTAINABLE SUPPLY CHAIN

Axiata's supply chain is extensive and spans across ten countries in the ASEAN region and South Asia, offering digital services and mobile telecommunications. This provides us opportunities to collaborate with over 4,000 suppliers, enabling us to create a positive impact on their environmental, social and governance practices.

Our suppliers play a key role in enabling us to cater to the needs of our customers and allowing our businesses to run smoothly. Our supply chain covers categories from equipment and infrastructure vendors that enable us to meet society's connectivity needs and the IT services that drive our operations.

We value the contribution of all our suppliers and vendors, and we are committed to actively engage with them to meet their needs. We seek to build meaningful and enduring relations with our suppliers to ensure undisrupted supply chains during challenging periods such as the pandemic.

APPROACH

We are deeply committed to upholding the highest ethical standards in all our procurement practices. Axiata's Procurement Policies govern its supply chain management and are enforced through OpCo management operations. Our OpCos' supply chain management prioritises purchasing, management of vendor-related risks, evaluation of vendors' performance and development of new business relationships to reduce our dependence on any one supplier.

Our suppliers are expected to comply with the Axiata Supplier Code of Conduct and other policies including the Whistleblowing Policy.

Axiata Procurement Centre

Axiata Procurement Centre (APC) oversees and manages suppliers across the organisation, with specific focus on key strategic suppliers. APC also identifies and mitigates supply chain risks, while fostering new vendor partnerships to diversify our suppliers and increase its pool of suppliers. It is also responsible for:

- Sourcing and procuring strategic Network and IT equipment, solutions and services for Axiata, as well as indirect goods and services for our Corporate Centre
- Improving our procurement process to support our strategic business direction
- Managing key suppliers' performance and relationship with suppliers

To improve our operational excellence and management of supply chain risks, we focus on consolidating our supplier process and database into a common platform. In 2022, all of our Digital Telcos (excluding Link Net) have transitioned into a common platform. OpCos that have yet to transition, continue to digitise their supply chain operations and practices to ensure operational excellence and the efficient use of resources.

Axiata Supplier Code of Conduct

All our suppliers are required to adhere to the minimum standards set forth in the Supplier Code of Conduct. We expect our suppliers to follow the principles of this Code of Conduct. Exemptions to this are only granted under special circumstances with the approval of Compliance.

We strive to ensure our suppliers fully comply with these principles. These requirements establish the minimum levels of compliance that are required from Axiata's suppliers, who are encouraged to surpass the requirements whenever possible. These principles will be taken into consideration in our selection of suppliers and we will actively monitor suppliers' compliance. Our suppliers are required to comply with the following:

Axiata Supplier Code of Conduct

Business Practices
- Laws, including Regulations and Other Legal Requirements
- Policy on Bribery and Corruption
- Position on Conflict of Interest
- Anti-Competitive Conduct
- Dealing with Public or Government Officials and Politically Exposed Persons (PEP)

Health & Safety

Environment

Data Privacy & Cyber Security

Anti-Money Laundering

Labour Rights & Working Conditions
- Forced or Involuntary Labour
- Preventing Child Labour
- Wages and Benefits
- Working Hours
- Respect and Dignity
- Non-Discrimination
- Freedom of Association

Axiata's Supplier Code of Conduct is available on its corporate website and updates are communicated to our suppliers periodically. We have in place mitigation measures for any supplier that does not comply with the Code of Conduct, which enables us to assist in their compliance and implementation of remediation measures.

We will continue to pursue the standards outlined in the Code of Conduct, while supporting our suppliers in their efforts to constantly enhance their performance and exceed the outlined standards, on a corporate and social level.

OUTLOOK

To ensure responsible sourcing, we are committed to integrating sustainability considerations into our sourcing requirements, especially in areas that have significant environmental impact. We aim to improve our sustainability assessments to evaluate our environmental, social and economic impacts of the entire supply chain, from sourcing to the final delivery of products and services. This will enable us to manage risks associated with sustainability issues, including reputational damage or regulatory compliance and will allow us to build more resilient supply chains.

We will also work closely with APC to achieve the targets in our Net-Zero Carbon Roadmap through understanding and reducing our Scope 3 emissions contributed by our suppliers, to effectively reduce emissions across our value chain. We will focus on a collaborative approach to meet the larger industry and national climate goals. Additionally, we are screening our suppliers for Scope 3 emissions to determine our areas of control by developing an inventory and baseline for Scope 3, which will set our target for 2030.

SUSTAINABLE SUPPLY CHAIN

ENSURING SUPPLIERS' COMPLIANCE TO THE CODE

We carry out an ongoing supplier performance management process to ensure that our suppliers comply with our Supplier Code of Conduct. The assessment includes ensuring their commitment to sustainable business practices and self-assessment. This is followed by an evaluation and scoring of the self-assessment as well as other information in relation to the supplier. The information includes sustainability reporting, anti-corruption practices, environmental management, labour practices and occupational health and safety, as well as our assessment of our suppliers. In 2022, we included GHG emissions and reporting in the said assessment, which forms the basis for our Scope 3 activities.

Our Speak Up channel is available to our suppliers, as a means for reporting any concerns regarding violations to the Supplier Code of Conduct, illegal or unethical behaviour or any actual or suspected wrongdoings. Our Whistleblowing Policy and Procedures ensure that such reports can be made without fear of retaliation or unfair treatment. We are committed to protecting anyone who reports or raises a concern in good faith, as well as those who participate in or conduct an investigation.

BREAKDOWN AND SPEND OF SUPPLIERS

We work with various suppliers of different categories and sizes. To accelerate the development of the local economy and support a diverse supplier portfolio, we monitor the proportion of our suppliers that are local, as well as the proportion of our spend on local suppliers across our various OpCo markets. At Axiata, the definition of local suppliers are based on local definition and differs country by country.

60%ˆ of total spend on local suppliers[1]
(Digital Telco, Infrastructure and Corporate Centre)

[1] *Local supplier refers to organisation or person that provides a product or service to the OpCo, and that is based in the same geographic market as the OpCo. It also considers the weightage given to local participation in ownership, management, employment, and extent of value added locally as defined by APC*
Note: The above excludes Digital Businesses
ˆ *This data has been externally assured. Refer to Independent Limited Assurance Report in this SNCR*

Our collaborations with local suppliers allow us to be more flexible and exert greater control over our suppliers. This has enabled us to mitigate supply chain risk and reduce supply chain costs such as international shipping. It also gives us the opportunity to lower our Scope 3 emissions by reducing the transportation of goods and services, as well as promoting socioeconomic multipliers in local economies, such as job opportunities.

Supplier Breakdown for Digital Telcos and Corporate Centre

17%
4,328 NUMBER OF SUPPLIERS
83%

47%
TOTAL SPEND USD3.02 billion
53%

● Local Suppliers   ● Foreign Suppliers

16%
7%
8%
8%
TOTAL SPEND BY CATEGORY USD3.02 billion
61%

● Network
● IT & Billing
● Devices
● Sales & Marketing
● Others
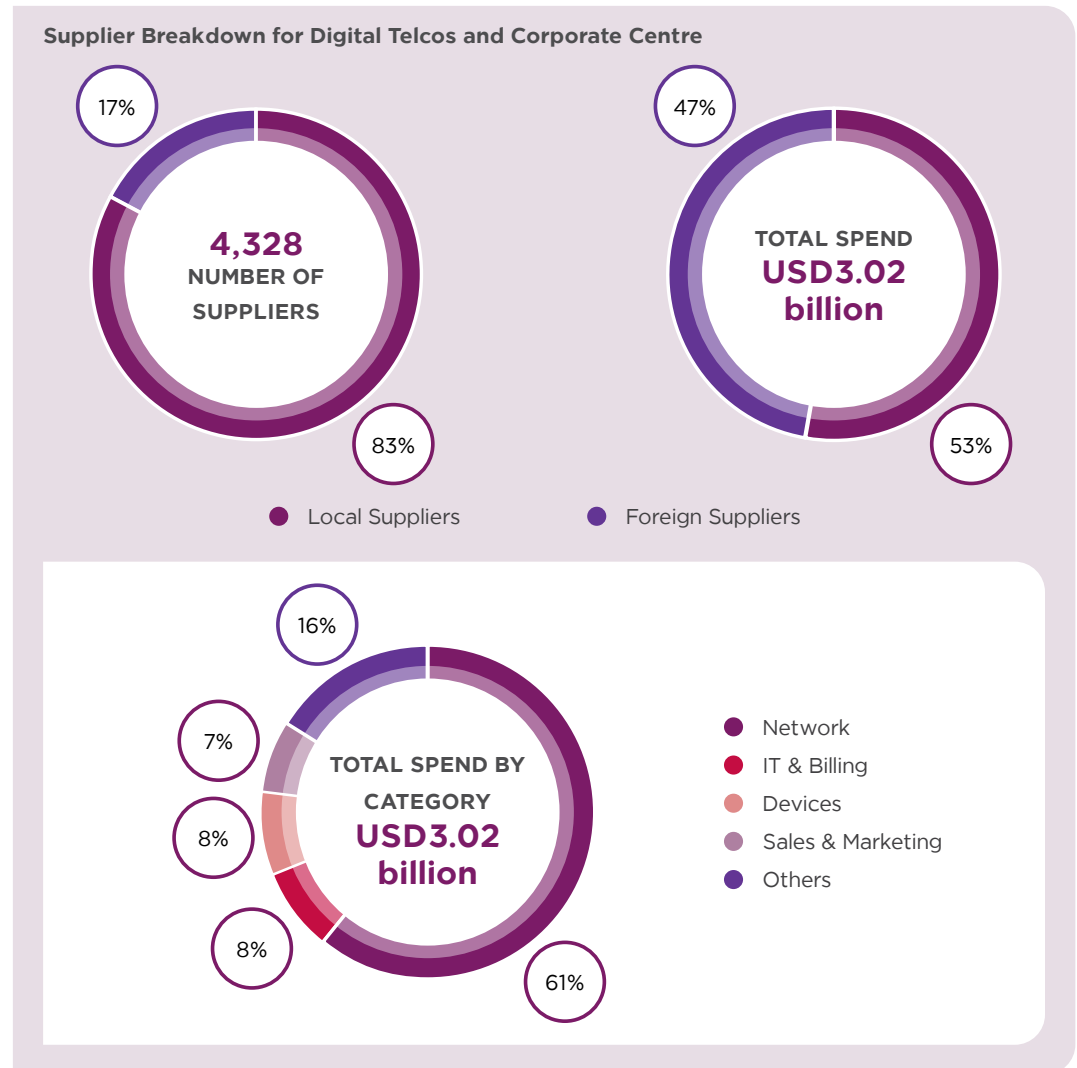
Note: The above spending breakdown is centrally monitored by Axiata Procurement Centre and covers Digital Telcos and Corporate Centre

SUSTAINABLE SUPPLY CHAIN

PROVIDING SUPPORT AND BUILDING CAPACITY TO DELIVER RESULTS

The Group works with suppliers to enhance the delivery of products and services, while strengthening its ESG performance and improving supplier capabilities. Throughout the year, we conducted various engagements, including initiatives on operational excellence, procurement practices, compliance and integrity, which are crucial for supplier activities and transactions. These initiatives ensure that our organisation conducts itself in a fair, transparent manner and practices responsible business ethics across the organisation.

During the year, the following briefings and training were held across our OpCos:

Agile and Digital Collaboration with Suppliers	Health, Safety & Environment (HSE) Induction (Safety Management System Contractor)
Upholding Value-Based Business Relationship Awareness	Anti-Bribery & Anti-Corruption (ABAC), Supplier Code of Conduct (SCOC) and Raising Awareness on Third-Party Due Diligence
Ethical Practices of "No Gifts," "No PO/Contract," "No Payment," "Speak Up Channel/Whistleblowing," "Say No to Facilitation Payment" and Raising Awareness on "Conflict of Interest"	Increasing Suppliers' Awareness on Process and Risk Mitigation

We identified a wide range of benefits during the awareness and development sessions. They included ensuring compliance and integrity, which should be maintained in all procurement activities, procedures and transactions.

Highlight

Axiata Group's Supplier Forum

To foster cross-collaboration and partnerships, Axiata Procurement Centre hosted a supplier forum. Themed "Supply Chain Resilience and Sustainability in the Era of VUCA", the forum provided a platform for the exchange of innovative ideas, solutions and best practices among Strategic Suppliers, as well as a dialogue on the challenges faced in embedding sustainability within the supply chain.

The forum featured speakers from APC's suppliers including strategic network and infrastructure hyperscalers as well as internal speakers including representatives from Axiata's Group Procurement and Group Sustainability departments. The engagement session was divided into two panel discussions. The first panel moderated by the Head of Procurement, comprised network vendors, namely Ericsson, Huawei, Nokia and ZTE, and focused on challenges faced by network suppliers. The second session was about entrenching sustainability within the supply chain, and included panelists comprising industry leaders such as Hyperscalers, Google, AWS and Microsoft. It addressed current initiatives as well as future action plans.

NCELL'S SUPPLIER FORUM

Ncell organised a supplier forum which was attended by 68 suppliers (41 were Axiata's suppliers). A key topic in the forum was 'Procurement Resiliency and Sustainability in the Telco Industry', which covered areas about supply chain management. These included the importance of resilience and sustainability in the Telco industry, financial challenges and cost drivers, and procurement governance and efficiency. It also touched on ABAC Policy, SCOC, GDS Policy, cyber security and data privacy and Speak Up.

National Contribution Report

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NATIONAL CONTRIBUTION REPORT

National Contributions across the Group

As a leading regional telecommunications Group with presence in ten countries and a mobile customer base of approximately 174 million, Axiata makes a substantial contribution to the countries in which the Group operates. Through its portfolio investments of operating companies across the region, Axiata is recognised as one of the largest Foreign Direct Investors, best employers, significant taxpayers, and substantial purchasers of local services where it has a digital telecommunications presence.

Over the past nine years, Axiata has published an annual National Contribution Report to continuously measure the economic impact and value creation in the markets and communities served. Our national contributions represent the long-term value we have created through our investments in the local telecommunications industry, network infrastructure, talent development, environmental conservation and in society. In 2020, we added EDOTCO into our national contribution study as we enhanced our level of disclosure of the contributions we have provided to the countries in which we operate.

The 2022 National Contribution Report (NCR 2022) should be read in tandem with Axiata's Integrated Annual Report and the Sustainability Report to understand the context in which we operate and our holistic value creation initiatives.

Long-term Good Corporate Citizen

Our national contributions represent the long-term value that we have created through our investments in the local telecommunications industry, network infrastructure, talent development, environmental conservation and in society. The National Contribution Report consists of economic impact assessments for eight OpCos across the ten countries we operate[1] in.

USD9.5 billion
GDP contribution

Employed more than
11,500
employees across Asia

CAPEX+OPEX investment
USD4.7 billion

Supported around
0.7 million
jobs across Asia

Total taxes and fees paid to government
USD1.5 billion

Note: [1] The seven OpCos and ten countries included are Celcom (Malaysia); XL Axiata and Link Net (Indonesia); Dialog (Sri Lanka); Robi (Bangladesh); Smart (Cambodia); Ncell (Nepal). EDOTCO (Bangladesh, Cambodia, Laos, Malaysia, Myanmar, Pakistan, Philippines, Sri Lanka). For each OpCo, the report presents the economic and financial assessment of Axiata Group and its subsidiaries' contributions to national economies.

ACHIEVEMENTS ACROSS THE GROUP IN 2022

Axiata has been a long-term investor and a major economic contributor in ASEAN and South Asia.

celcom

Investments in 2022 :
USD912 million
- 61,801 jobs supported
- 0.7% of Malaysia GDP in terms of GVA contribution
- 35 years of investment*

Smart

Investments in 2022 :
USD255 million
- 54,079 jobs supported
- 1.3% of Cambodia GDP in terms of GVA contribution
- 25 years of investment

XL axiata   linknet

Investments in 2022 :
USD1,809 million
- 281,634 jobs supported
- 0.3% of Indonesia GDP in terms of GVA contribution
- 18 years of investment*

Ncell

Investments in 2022 :
USD183 million
- 23,597 jobs supported
- 1.3% of Nepal GDP in terms of GVA contribution
- 7 years of investment

Dialog

Investments in 2022 :
USD631 million
- 129,454 jobs supported
- 0.9% of Sri Lanka GDP in terms of GVA contribution
- 28 years of investment

EDOTCO

Investments in 2022 :
USD227 million
- 39,291 jobs supported
- 10 years of investment

robi

Investments in 2022 :
USD670 million
- 109,539 jobs supported
- 0.4% of Bangladesh GDP in terms of GVA contribution
- 28 years of investment

Note:
Investment in the forms of capital expenditure and operating expenditure. Ncell's financial year ends on 15 July 2022, which is different from other OpCos (31 December 2022)

* Celcom: Incorporated in 1988 under TM, then sold to Axiata during TMI demerger in 2008. Ceased overall control November 2022
XL Axiata: acquired Link Net end June 2022

Source: KPMG Analysis

NATIONAL CONTRIBUTION REPORT

MALAYSIA celcom

Celcom is Malaysia's first private mobile operator, with over 9.4 million customers. Established in 1988, its national 2G and 4G networks cover over 96% of the population. Celcom has solidified their innovation leadership in the enterprise segment, involving 5G, IoT, Cloud and cyber security, fleet management solutions and Smart City solutions. Driven by their relentless 'customer-first' strategy, Celcom continued to invest in network enhancement programmes. As the world prepares for the changing future of work, Celcom remained committed to cultivating a more agile workforce and engaging with employees to ensure the success of the newly merged entities.

Contribution to Gross Value Added (GVA)
USD2,570 million[1]
(**0.7%** of the Nation's GDP)

Operational Direct GVA: **USD973** million

Operational Indirect and Induced GVA: **USD1,203** million

Capital Investment GVA: **USD150** million

Productivity GVA: **USD243** million

- Celcom's total GVA contribution to the Malaysian economy reached **USD2,570 million,** accounting for **0.7%** of the national GDP in 2022
- Celcom's operations directly and indirectly contributed **USD2,176 million,** accounting for **84%** of total contribution
- A further **USD150 million** GVA was generated by Celcom's capital investment, accounting for **6%** of total contribution
- Contribution from productivity improvement was **USD243 million,** accounting for **9%** of the total contribution

Direct Employees
2,309

Female: **46.8%**

Malaysian: **99.6%**

- **2,309 staff** were directly employed by Celcom in 2022
- Around **46.8% of total employees** were women, higher than the national level recorded at 39%[2]
- Malaysian citizens accounted for **99.6% of total employees**

Total Jobs Supported
61,801

Directly Employed **2,309**

Operational indirectly supported **51,965**

Supported by Capital Investment **7,527**

- Overall, Celcom supported **61,801 jobs** in 2022 through its operations and capital investments
- Celcom's operations directly and indirectly supported **54,274 jobs,** accounting for 87% of total employment contribution
- A further **7,527 jobs** were supported by Celcom's capital investments

Capital + Operational Expenditure **USD912 million**

Capital Expenditure: **USD161 million**

Operational Expenditure: **USD751 million**

Every **USD1** spent on capex

translated to:

USD15.9 GVA Contribution[3]

- Celcom's total Capital and Operational Expenditure reached **USD912 million** in 2022, with Capital Expenditure recorded at **USD161 million** (18%) and Operational Expenditure at **USD751 million** (82%)
- For every USD1 Celcom spent in Malaysia through its capital investment, it added **USD15.9 GVA** to the Malaysian economy in 2022

Contribution to Public Finance
USD185 million

(**0.3%** of total tax revenue of the government)

- Celcom contributed **USD185 million** in total taxes and fees, accounting for **0.3%** of total tax revenue of the Government of Malaysia[4]

Notes:
[1] Totals may not add up due to rounding
[2] Source: Malaysia Labour Force Survey Report, Fourth Quarter 2022
[3] Including GDP contribution from market penetration related productivity impact
[4] Total tax revenue for the government in 2022 was estimated at RM294,357 million. Source: Ministry of Finance, Malaysia

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ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

Celcom's Total Economic Contribution to Malaysia's Economy

Celcom's substantial operations and investments in Malaysia continued to contribute USD2,570 million to Malaysia's GDP in 2022. **With a total operating expenditure of USD751 million** and **capital investment of USD161 million,** Celcom's total GVA contribution to Malaysia's economy was estimated at **USD2,570 million** in 2022, accounting for **0.7% of national GDP.**

Celcom's operations **directly contributed USD973 million,** accounting for **38% of total GVA** contribution. It also **indirectly contributed USD1,203 million** through the inputs it purchased from local suppliers. This indicates that **for every USD1 Celcom directly added to Malaysia's economy, it generated just under another USD1.24 indirectly** through purchasing goods and services form Malaysian suppliers, **higher than the general industry average of USD0.8.**

USD150 million GVA was generated by Celcom's capital investment, accounting for **6%** of total contribution. **Productivity improvement** contributed a further **USD243 million.** (Figure 1)

Figure 1: GVA contribution to Malaysia's economy 2022 (up to end Nov 22)

USD150 million
6%

USD243 million
9%

USD973 million
38%

USD 2,570 million[1]

USD1,203 million
47%

- ● Operational direct GVA
- ● Productivity
- ● Operational indirect and induced GVA
- ● GVA by capital investment

Note: [1] Totals may not add up due to rounding
Source: External Consultant analysis

Celcom's Total Economic Contribution over the Last Five Years

Celcom's total GVA contribution **rose from USD1,797 million in 2018 to USD2,570 million in 2022** with an increased share of the country's GDP from **0.5% to 0.7%.** Over the last five years, **total operating profits increased by a CAGR of 3%.**

Total GVA contribution remained constant in 2022 from USD2,568 million in 2021. (Figure 2) While productivity benefits dropped from 2021 to 2022, total GVA contribution was maintained by an increase in Celcom's operational **indirect and induced GVA from USD821 million in 2021 to USD1,203 million in 2022.**

Figure 2: GVA contribution to Malaysia's economy 2018-2022 (to end Nov 22)

USD million

	2018	2019	2020	2021	2022
As a % of total GDP	0.5%	0.5%	0.5%	0.7%	0.7%
Total	1,797	1,785	1,760	2,568	2,570

- ● Operational direct GVA
- ● Productivity
- ● Operational indirect and induced GVA
- ● GVA by capital investment
- ▲ As a % of total GDP
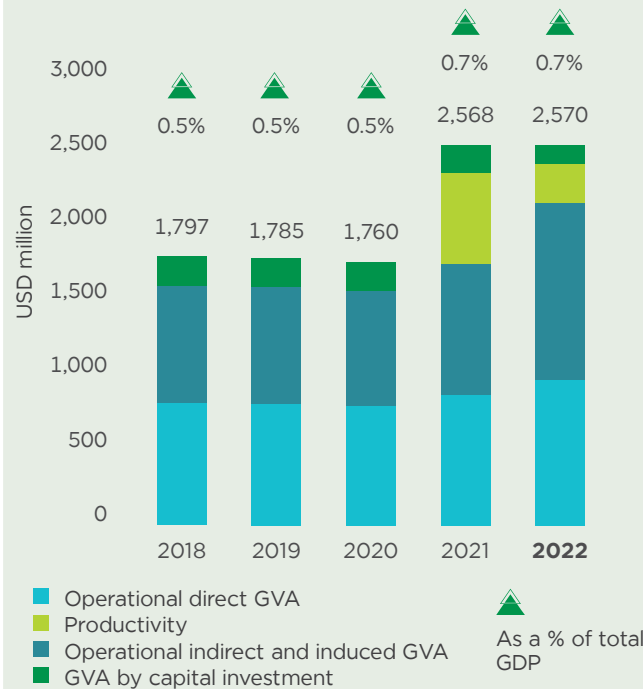
Source: External Consultant analysis

Investing and Innovating for the Long Term

Total **accumulated capital investment** by Celcom over the last five years **was USD1,153 million.** In 2022, Celcom continued to make significant investments of USD161 million, enabling its customers to experience 5G for the first time. This continuous investment supports Celcom's long-term development, and ongoing significant contribution to the Malaysian economy. (Figure 3)

Figure 3: Total capital investment 2018-2022 (up to end November 2022)
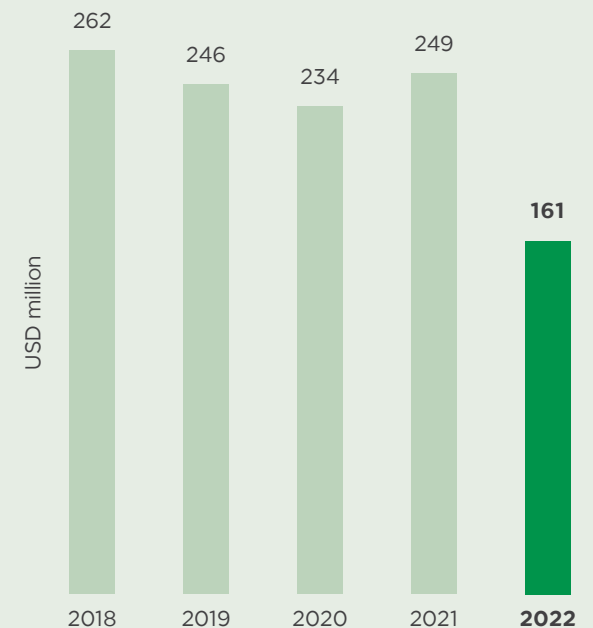
USD million

2018	2019	2020	2021	2022
262	246	234	249	**161**

Source: Axiata

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ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

Contributions to Public Finance

Total **accumulated taxes and fees contributions** to public finance over the last five years reached **USD982 million.** Annual tax contributions has been relatively consistent from 2018 to 2022 and broadly maintained the same contribution as a percentage of total government revenue.

In 2022, Celcom contributed **USD185 million in total taxes and fees, accounting for 0.3%** of total tax revenue of the Government of Malaysia. (Figure 4)

Figure 4: Total taxes and fees contributions to public finance 2018-2022 (up to end Nov 22)

USD million

Year	Value	%
2018	215	0.4%
2019	206	0.3%
2020	189	0.3%
2021	186	0.3%
2022	185	0.3%

■ Total taxes and fees paid to government
▲ As a % of total tax revenue of Government of Malaysia
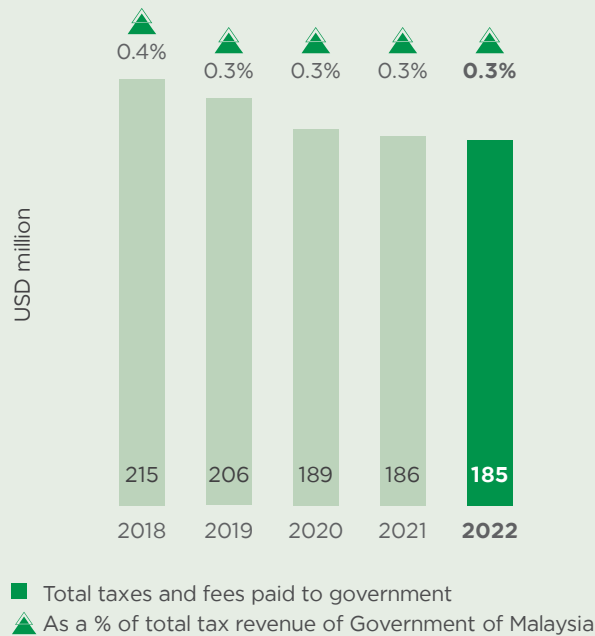
Source: Axiata and KPMG analysis. Totals may not add up due to rounding.

Total Employment Impact

Celcom directly **provided 2,309 jobs** in 2022. The firm is predominantly run by Malaysian citizens with **99.5% of total employees being Malaysian.** Around **46.8% of Celcom employees were female,** higher than the national level recorded at 39%.

Celcom's operations indirectly supported an **additional 51,965 jobs** in Malaysia through its suppliers and a further **7,527 jobs** were supported by Celcom's capital investments. The total number of employees supported increased from 49,124 in 2021 to 61,801 in 2022. (Figure 5)

Figure 5: Total employment impact 2022 (by end November 2022)
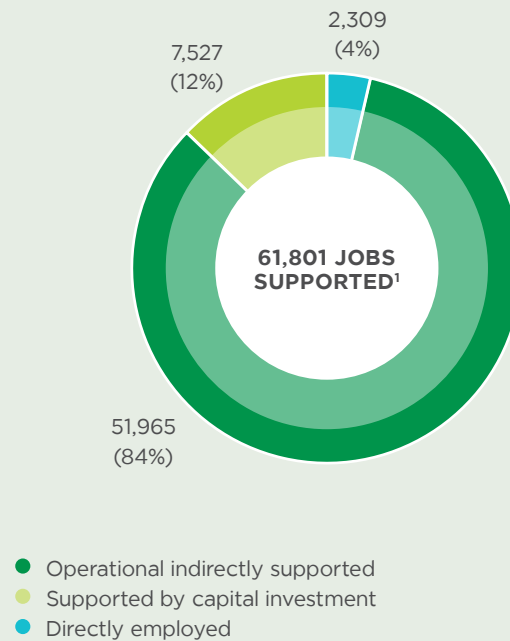
61,801 JOBS SUPPORTED[1]

2,309 (4%)
7,527 (12%)
51,965 (84%)

● Operational indirectly supported
● Supported by capital investment
● Directly employed

Celcom's Labour Productivity over the Last Five Years

Celcom's productivity, measured as GVA per employee, reached **USD421,472** in 2022, representing **a CAGR of 9.1%** from USD297,782 in 2018.

Celcom's productivity increased by **16.8%** in 2022. (Figure 6)

Figure 6: Celcom's labour productivity 2018-2022 (to end November 2022)

USD/employee

Year	Value
2018	297,782
2019	300,514
2020	329,314
2021	360,760
2022	421,472

Source: KPMG analysis

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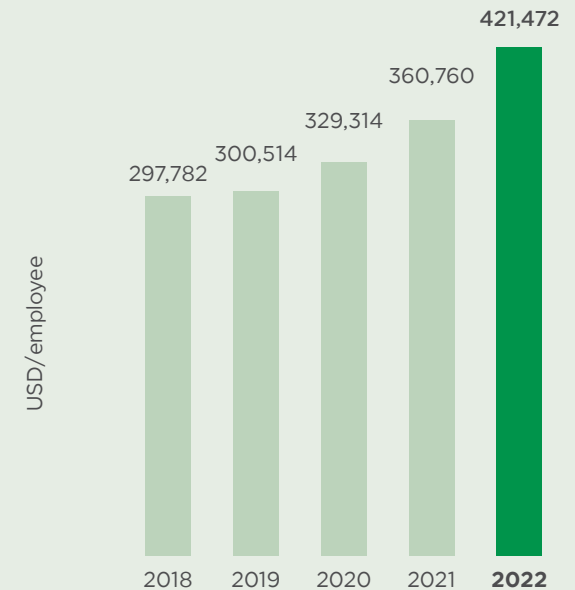
NATIONAL CONTRIBUTION REPORT

INDONESIA

XL Axiata is the second largest telecommunications company in Indonesia by market capitalisation. The organisation offers an array of innovative telecommunications products and services ranging from voice, SMS, Value Added Service (VAS) to mobile data covering more than 92% of the Indonesian population, translating to more than 57.5 million subscribers. With over 20 years of experience, XL Axiata's strategic focus on digitalisation, customer experience, and convergence has been the driving force behind their innovation and transformation actions throughout the year to realise the goal of becoming the Leading Converged Operator in Indonesia.

Established in 2000, Link Net's mission is to transform lives by providing innovative and exceptional broadband and media services and solutions. As one of the largest cable service providers in Indonesia, Link Net provides high-quality pay television services, high-speed broadband internet, and data communications under "First Media" brand for residential customers and the "Link Net" brand for corporate customers. With over 0.8 million customers, they continue investing in digitising the business to enhance customer experience, distribution, and cost management. They aim to become a leading player in Indonesia's enterprise market and provide innovative digital solutions to customers.

XL completed the acquisition of a 66.03% stake in Link Net in June 2022. All 2022 figures presented in this section are inclusive of Link Net's performance and relevant metrics for the last 6 months of the 2022 financial year.

Direct Employees 2,360

XL Direct Employees **1,502**

Link Net Direct Employees **858**

Female **28.7%**

Indonesian **71.3%**

- In total, approximately **2,360 staff** were directly employed by XL and Link Net in 2022
- Around **30% of total employees** were women
- Indonesian citizens accounted for **71% of total employees**

Total Jobs Supported 281,634

Directly Employed **2,360**

Operational indirectly supported **145,759**

Supported by Capital Investment **133,516**

- Overall, XL and Link Net supported **281,634 jobs** in 2022 through its operations and capital investments
- XL and Link Net's operations directly supported **2,360 jobs** and indirectly supported **145,759 jobs**
- Capital investment generated approximately **133,516 jobs**

Contribution to Gross Value Added (GVA)
USD3,283 million
(0.3% of the Nation's GDP)

Operational Direct GVA: **USD1,158 million**

Operational Indirect and Induced GVA: **USD1,227 million**

Capital Investment GVA: **USD664 million**

Productivity GVA: **USD234 million**

- XL and Link Net's total GVA contribution to the Indonesian economy reached **USD3,283 million**, accounting for **0.3%** of the total national GDP in 2022
- XL and Link Net's operations directly and indirectly contributed **USD2,386 million,** accounting for **73%** of total GVA contribution
- A further **USD664 million** was contributed by XL and Link Net's capital investment, accounting for **20%** of total GVA contribution
- Contribution from productivity improvement was **USD234 million,** accounting for **7%** of the total GVA contribution

Capital + Operational Expenditure **USD1,809 million[1]**

Capital Expenditure:
XL **USD614 million**
Link Net **USD112 million**

Operational Expenditure:
XL **USD1,010 million**
Link Net **USD74 million**

Every **USD1** spent on capex translates to

USD4.5 GVA Contribution[1]

- XL and Link Net's total Capital and Operational Expenditure reached **USD1,809 million** in 2022, with Capital Expenditure recorded at **USD726 million** (40%) and Operational Expenditure at **USD1,084 million** (60%)
- For every USD1 XL and Link Net spent in Indonesia through its capital investment, it added **USD4.5 GVA** to the economy of Indonesia in 2022

Contribution to Public Finance **USD362 million**

(**0.2%** of total tax revenue of the government)
XL: **USD356 million**
Link Net: **USD6 million**

- XL and Link Net contributed **USD362 million** in total taxes and fees, accounting **for 0.2%** of total tax revenue of the Government of Indonesia[2]

Note:
[1] Totals may not add up due to rounding
[2] Total tax revenue of government was Rp2,626 trillion (USD178 billion). (Source: Statistics Indonesia, Actual government revenue)

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ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

XL and Link Net's Total Economic Contribution to Indonesia's Economy

Led by XL and Link Net's total operating expenditure of USD1,084 million and capital investment of USD704 million, the company's total GVA contribution to Indonesia's economy was **USD3,283 million,** accounting for **0.3% of national GDP.**

XL and Link Net's operations **directly** contributed **USD1,158 million,** accounting for **35%** of total GVA contribution. **Another USD1,227 million was indirectly generated** through the expenditures by XL and Link Net's suppliers. For every USD1 XL and Link Net contributed directly to Indonesia's economy, another **USD1.1** was generated indirectly through local suppliers, **higher than a general industry of USD0.6[1].**

A further **USD664 million** was contributed by XL and Link Net's capital investment with a share of 20% of total GVA contribution. GVA contribution from productivity improvement was estimated at **USD234 million,** accounting for 7% of total GVA contribution. (Figure 1)

Figure 1: GVA contribution to the Indonesian economy 2022

USD664 million (20%)

USD234 million (7%)

USD 3,283 million[2]

USD1,158 million (35%)

USD1,227 million (38%)

● Operational direct GVA
● Productivity
● Operational indirect and induced GVA
● GVA by capital investment

XL and Link Net's Total Economic Contribution over the Last Five Years

Axiata's total GVA contribution in Indonesia increased from USD2,043 million in 2018 to USD3,283 million in 2022. However, the contribution decreased from USD3,925 million in 2021 only due to **the significant increase in mobile connections in 2021, which was not repeated in 2022.** Despite the lower number of mobile subscriptions, the GVA contribution from productivity improvement was still **USD234 million in 2022, due to subscribers upgrading to 4G connections.** (Figure 2)

Figure 2: GVA contribution to the Indonesian economy 2018-2022

USD million

2018: 2,043 — 0.2%
2019: 3,247 — 0.3%
2020: 2,315 — 0.2%
2021: 3,925 — 0.4%
2022: 3,283 — 0.3%

● Operational direct GVA
● Productivity
● Operational indirect and induced GVA
● GVA by capital investment
▲ As a % of total GDP

Investing and Innovating for the Long Term

Total **accumulated capital investment** by Axiata in Indonesia over the last five years **reached USD2,886 million.** In 2022, capital investment **grew slightly** from USD693 million in 2021 to USD726 million, reflecting the investments made by newly-merged Link Net from the second half of 2022. Over 2018 to 2022, capital investment grew from USD478 million to USD726 million. (Figure 3)
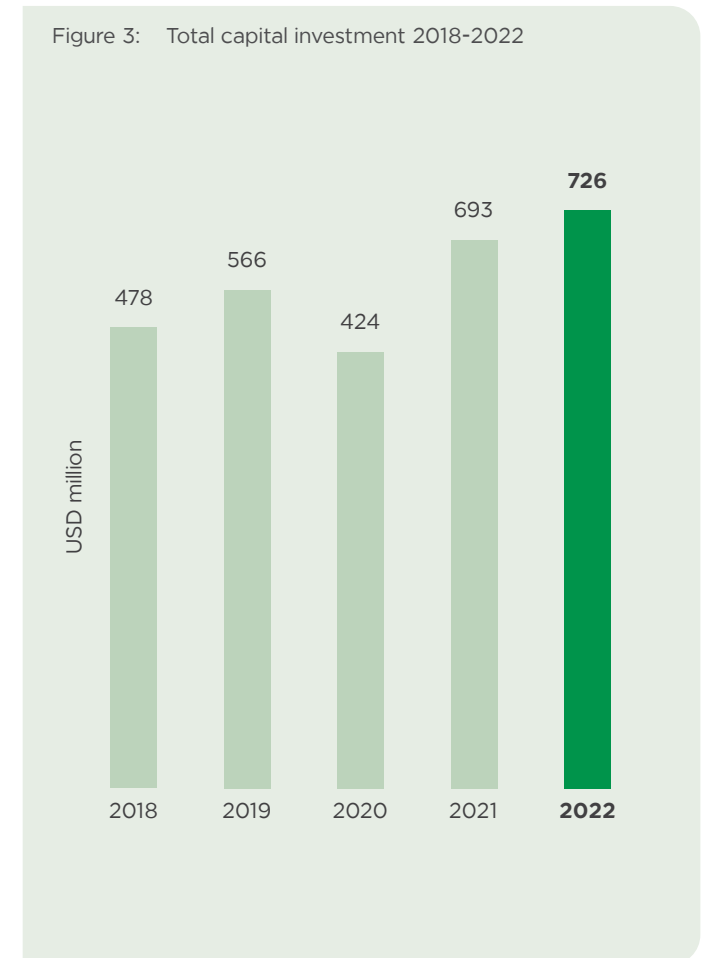
Figure 3: Total capital investment 2018-2022

USD million

2018: 478
2019: 566
2020: 424
2021: 693
2022: 726

Notes: [1] Based on simple average of general industry;
[2] Totals may not add up due to rounding
Source: KPMG analysis; Statistics Indonesia 2016

Source: KPMG analysis; GSMA Intelligence; EIU0

Source: Axiata

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ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

Contributions to Public Finance

Total **accumulated taxes and fees contributions** to public finance over the last five years close to **USD2.2 billion.**

Annual taxes and fees contribution dropped from USD475 million in 2021 to **USD362 million in 2022, accounting for 0.2%** of total tax revenue of the Government of Indonesia. (Figure 4)

Total Employment Impact

XL directly **provided 1,502 jobs** while Link Net **provided 858 jobs** in 2022. **71% of total employees** were Indonesian and around **29% of employees were women.**

A further **145,759 jobs** were supported indirectly by the total operations in Indonesia. XL and Link Net's capital investment supported **133,516 jobs**. (Figure 5)
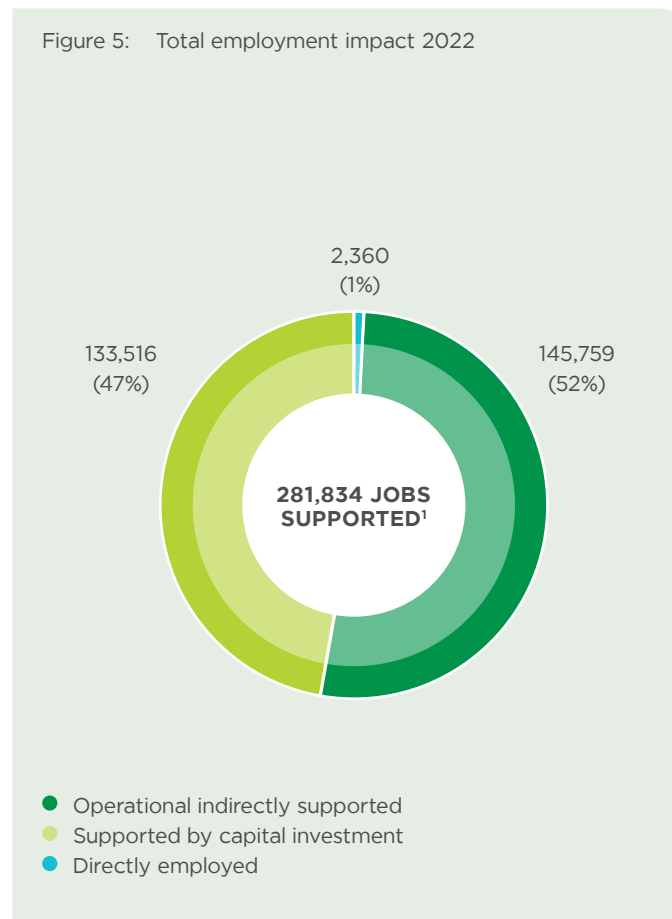
Axiata's Labour Productivity over the Last Five Years

Axiata's productivity in Indonesia, measured as GVA per employee, was **USD490,805** in 2022. It **grew by a CAGR of 14.0%** from USD290,491 in 2018.

Labour productivity was lower for the first time in 2022. This was mainly due to the increase in the number of employees resulting from XL's acquisition of Link Net. (Figure 6).

Figure 4: Total taxes and fees contributions to public finance 2018-2022

0.4% 0.4% 0.5% 0.3% **0.2%**

USD million

441 449 432 475 **362**

2018 2019 2020 2021 **2022**

■ Total taxes and fees paid to government
▲ As a % of total tax revenue of government

Source: Axiata and KPMG analysis

Figure 5: Total employment impact 2022

2,360 (1%)

133,516 (47%)

145,759 (52%)

281,834 JOBS SUPPORTED[1]

● Operational indirectly supported
● Supported by capital investment
● Directly employed

Note: [1]   Totals may not add up due to rounding
Source: KPMG analysis

Figure 6: XL's labour productivity 2018-2022

618,993 637,748

496,175

490,805

USD/employee

290,491

2018 2019 2020 2021 **2022**

Source: KPMG analysis

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NATIONAL CONTRIBUTION REPORT

SRI LANKA — Dialog

Dialog operates Sri Lanka's largest and fastest growing mobile telecommunications network serving over 17.4 million customers. Since the late 1990s, Dialog has been at the forefront of innovation and contributes to the Sri Lankan mobile industry by delivering advanced mobile telephony and high speed mobile broadband services, Fixed Telecommunications, and Digital Pay Television through its fully-owned subsidiaries. They remain steadfast in their purpose of empowering and enriching Sri Lankan lives and enterprises, as demonstrated by unwavering dedication to social responsibility and sustainability. Their efforts and purpose-driven leadership in social responsibility and sustainability helped remain a positive force in Sri Lanka's communities and the nation at large, amid the challenging economic conditions faced by the country.

Contribution to Gross Value Added (GVA)
USD767 million
(0.9% of the Nation's GDP)

Operational Direct GVA: **USD225 million**

Operational Indirect and Induced GVA: **USD231 million**

Capital Investment GVA: **USD193 million**

Productivity GVA: **USD118 million**

- Dialog's total GVA contribution to the Sri Lanka economy reached **USD767 million,** accounting for **0.9%** of total national GDP in 2022
- Dialog's operations directly and indirectly contributed **USD456 million,** accounting for **59%** of total GVA contribution
- Capital investments contributed **USD193 million,** representing a share of **25%** of total GVA contribution
- GVA contribution due to productivity improvement was **USD118 million,** accounting for **15%** of the total GVA contribution

Direct Employees
3,041

Female **24.9%**

Sri Lankan **99.8%**

- **3,041 staff** were directly employed by Dialog in 2022
- Around **25% of total employees** were women
- Sri Lankan accounted for **99.8% of total employees**

Total Jobs Supported
129,454

Outsourced **434**

Directly Employed **3,041**

Operational indirectlysupported **22,734**

Supported by Capital Investment **103,246**

- Overall, Dialog supported approximately **129,454 jobs** in 2022 through its operations and capital investments
- Dialog's operations directly supported over **3,041 jobs** and indirectly supported nearly **22,734 jobs**
- Dialog's capital investment supported around **103,246 jobs**

Capital + Operational Expenditure — **USD631 million**

Capital Expenditure: **USD206 million**

Operational Expenditure: **USD425 million**

Every **USD1** spent on capex translates to: **USD3.7 GVA** Contribution[1]

- Dialog's total Capital and Operational Expenditure reached **USD631 million** in 2022, with Capital Expenditure recorded at **USD206 million** (33%) and Operational Expenditure at **USD425 million** (67%)
- For every USD1 Dialog spent in Sri Lanka through its capital investment, it added **USD3.7 GVA** to the Sri Lankan economy in 2022

Contribution to Public Finance
USD105 million

(**1.3%** of total tax revenue of the government)

- Dialog contributed **USD105 million** in total taxes and fees, accounting for **1.3%** of total tax revenue of the Government of Sri Lanka[1]

Note: [1] Source: Total tax revenue of the government in Sri Lanka was LKR2,373 billion (USD8 billion). (Source: Ministry of Finance, Sri Lanka)

ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

Dialog's Total Economic Contribution to Sri Lanka's Economy

Dialog's substantial operational activities and capital investment contributed significantly to Sri Lanka's economy in 2022. Led by Dialog's total **operating expenditure of USD425 million** and **capital investment of USD206 million,** Dialog's total GVA contribution to Sri Lanka's economy was **USD767 million** in 2022, accounting for **0.9% of national GDP.**

Dialog's operations directly contributed **USD225 million,** representing a **share of 30%** of total GVA contribution. **USD231 million** was indirectly generated through the expenditures by Dialog's suppliers, accounting for **30% of total GVA.** For every USD1 Dialog contributed directly to the economy, **another USD1** was generated indirectly through local suppliers, higher than a **general industry average of USD0.4[1].**

Productivity improvements contributed **USD118 million,** accounting for **15% of total GVA.** Dialog's capital investment contributed a further **USD193 million** with a share of **25%** of total GVA. (Figure 1)

Figure 1:   GVA contribution to Sri Lanka's economy 2022

USD193 million (25%)
USD225 million (30%)
USD 767 million[2]
USD118 million (15%)
USD231 million (30%)

- ● Operational direct GVA
- ● Productivity
- ● Operational indirect and induced GVA
- ● GVA by capital investment

Notes: [1] Based on simple average of general industry;
            [2] The total may not add up due to rounding
Source: KPMG analysis; OECD 2011

Dialog's Total Economic Contribution over the Last Five Years

Dialog's total GVA contribution **fell at a CAGR of 16.0%** from **USD1,539 million** to **USD767 million** over the last five years. The contribution accounted for **0.9%** of the nation's GDP in 2022. This is mainly driven by a decrease in Operational direct GVA and Operational indirect and induced GVA, both of which can be attributed to a sharp decline in operational profits.

Total operational profits decreased by 42.3% from USD301 million in 2021 to USD174 million in 2022. This is a result of inflationary impact, exposure to a depreciated exchange rate, and organisational transformation costs.

Productivity improvements also decreased from **USD454 million in 2021 to USD118 million in 2022.** This is due to a fall in total mobile subscribers in the country, although productivity gains were still achieved from upgrades to 3G/4G connections. (Figure 2)

Figure 2:   GVA contribution to Sri Lanka's economy 2018-2022

- ● Operational direct GVA
- ● Productivity
- ● Operational indirect and induced GVA
- ● GVA by capital investment
- ▲ As a % of total GDP
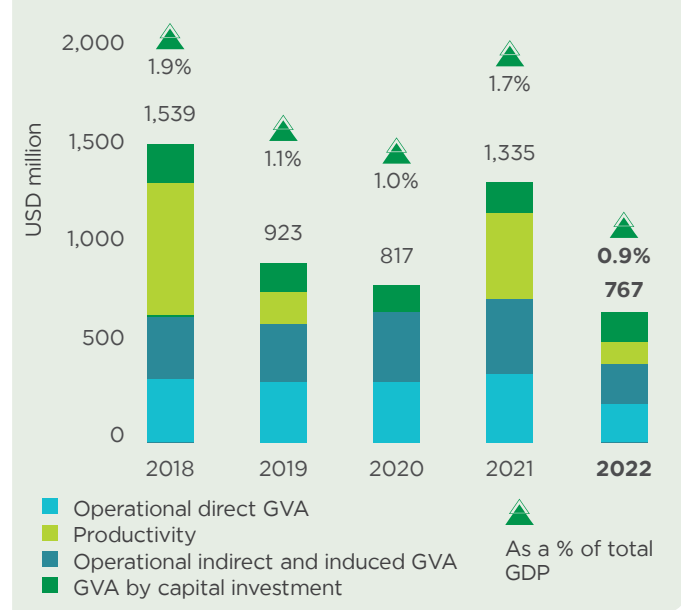
Source: KPMG analysis

Investing and Innovating for the Long Term

Dialog's total **accumulated capital investment reached USD897 million** over 2018-2022. Capital Investment was **USD206 million** in 2022. Continuous capital investment supports Dialog's long-term development and contributes to the growth of the Sri Lanka economy. (Figure 3)

Figure 3:   Total capital investment 2018-2022
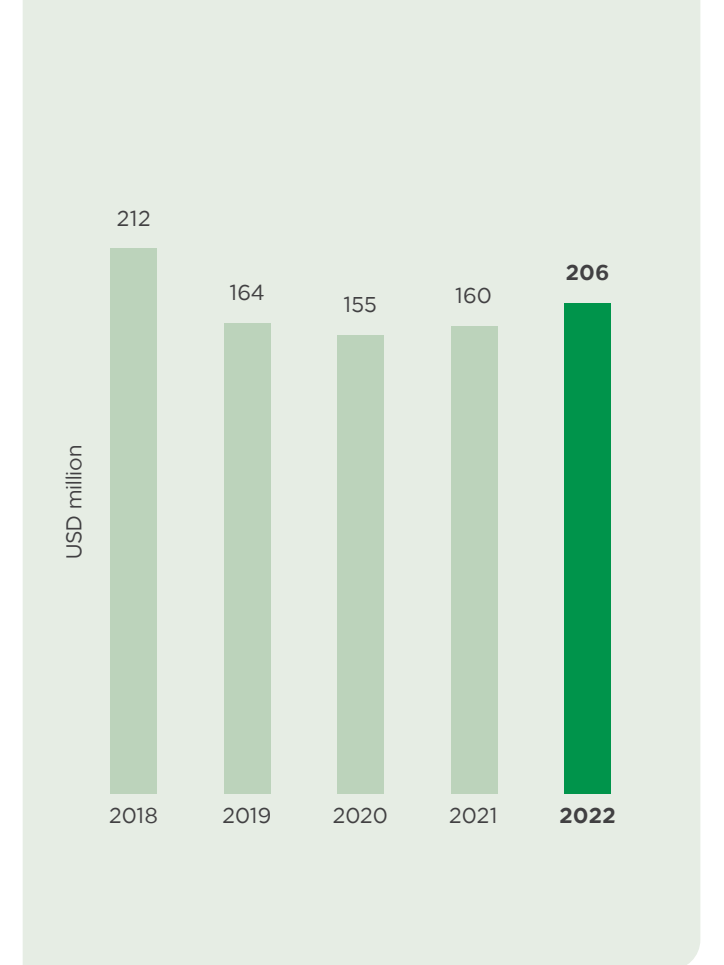
212 164 155 160 **206**
2018 2019 2020 2021 **2022**

Source: Axiata

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ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

Contributions to Public Finance

From 2018 to 2022, Dialog has contributed **USD720 million** of taxes and fees to public finance. Annual taxes and fees contributions decreased over this period, from USD210 million in 2018 to **USD105 million in 2022.**

In 2022, Dialog's taxes and fees contributions **accounted for 1.3%** of total tax revenue of the Government of Sri Lanka. (Figure 4)

Total Employment Impact

Dialog's direct operations generated **3,041 jobs** in 2022. **25%** of the total employees were female. Dialog was dominated by Sri Lankans as **99.8%** of total employees were locals.

A further **22,734 jobs** were supported indirectly by Dialog's operations. Its capital investment supported **103,246 jobs**. (Figure 5)

Dialog's Labour Productivity over the Last Five Years

Dialog's productivity, measured as GVA per employee, **decreased by a CAGR of -4.5%** from USD77,944 in 2018 to **USD64,739 in 2022.**

A decrease in labour productivity of **27.6%** was observed for 2022 due to a sharp decline in operational profits while the number of direct employees remained relatively constant, from 3,036 in 2021 to 3,041 in 2022. (Figure 6).

Figure 4:   Total taxes and fees contributions to public finance 2018-2022 (up to end Nov 22)

USD million

1.6%	1.7%	1.2%	1.2%	**1.3%**
210	186	101	117	**105**
2018	2019	2020	2021	**2022**

■ Total taxes and fees paid to government
▲ As a % of total tax revenue of government

Source: Axiata and KPMG analysis

Figure 5:   Total employment impact 2022

3,041 (2%)
22,734 (18%)
434 (0%)

129,454 JOBS SUPPORTED[1]

103,246 (80%)

● Operational indirectly supported
● Supported by capital investment
● Directly employed
● Outsourced
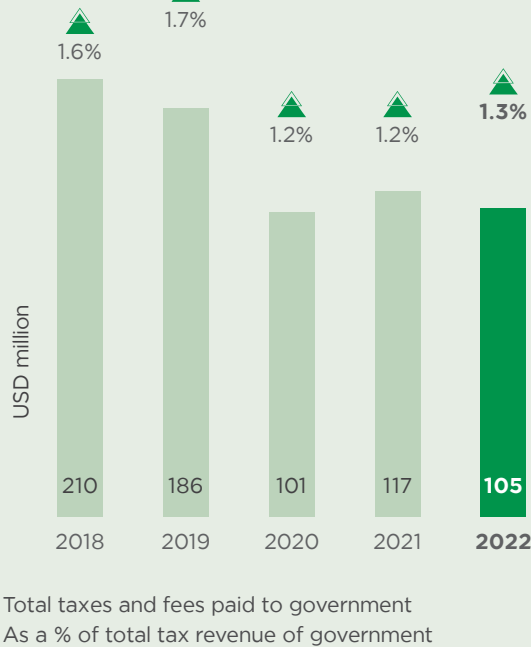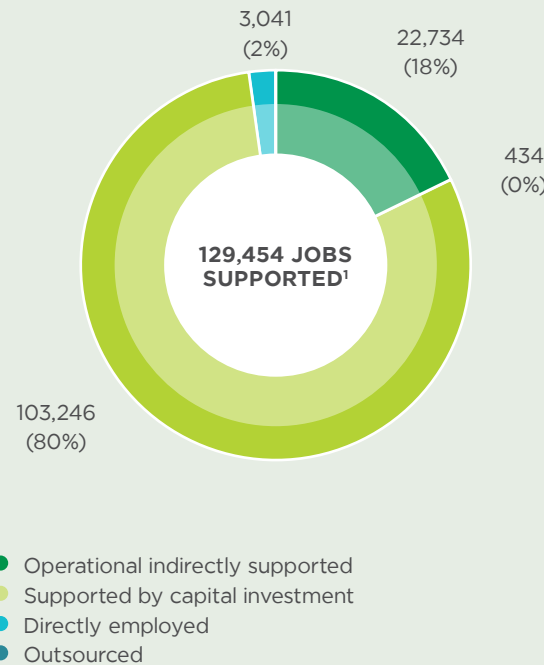
Note: [1]   *Totals may not add up due to rounding*
Source: KPMG analysis

Figure 6:   Total taxes and fees contributions to public finance 2018-2022 (up to end Nov 22)

USD/employee

77,944	106,897	97,182	89,451	**64,739**
2018	2019	2020	2021	**2022**
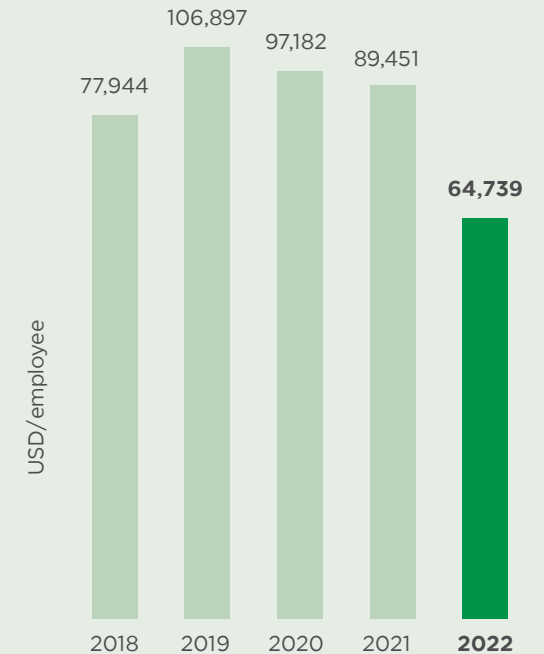
Source: KPMG analysis

NATIONAL CONTRIBUTION REPORT

BANGLADESH robi

Robi is the second largest mobile network operator in Bangladesh, serving more than 54.4 million customers. It was the first company in Bangladesh to launch the 4.5G service in 64 districts of the country. Robi ended 2022 standing tall with more than half of its subscribers (53%) using 4G service. In relation to the data user base, close to 76% of subscribers are data users. On both of these counts, Robi is leading the industry by a long margin. They will continue to scale up their data business by ensuring quality 4G service to nullify this concern. Going forward they will continue to leverage cost optimisation to strengthen our bottom line.

Contribution to Gross Value Added (GVA)
USD1,294 million
(0.4% of the Nation's GDP)

Operational Direct GVA: **USD452** million

Operational Indirect and Induced GVA: **USD422** million

Capital Investment GVA: **USD185** million

Productivity GVA: **USD235** million

- Robi's total GVA contribution to the Bangladesh economy reached **USD1,294 million,** accounting for **0.4%** of total national GDP in 2022
- Robi's operations directly and indirectly contributed **USD874 million,** accounting for **68%** of total GVA contribution
- Capital investments contributed **USD185 million** with a share of **14%** of total GVA
- GVA contribution due to the productivity improvement was **USD235 million**, accounting for **18%** of the total GVA

Direct Employees 1,239
Female **13.0%**
Bangladeshi **99.8%**

- **1,239 staff** were directly employed by Robi in 2022
- **13% of total employees** were women
- Bangladeshi citizens accounted for **99.8% of total employees**

Total Jobs Supported 109,539
Directly Employed **1,239**
Operational indirectly supported **78,003**
Supported by Capital Investment **30,297**

- Overall, Robi supported approximately **109,539 jobs** in 2022 through its operations and capital investments
- Robi's operations directly supported over **1,239 jobs** and indirectly supported over **78,003 jobs**
- Robi's capital investment supported around **30,297 jobs**

Capital + Operational Expenditure USD670 million
Capital Expenditure: **USD164 million**
Operational Expenditure: **USD506 million**
Every **USD1** spent on capex translates to: **USD7.9 GVA** Contribution[1]

- Robi's total Capital and Operational Expenditure reached **USD670 million** in 2022, with Capital Expenditure recorded at **USD164 million** (24%) and Operational Expenditure at **USD506 million** (76%)
- For every USD1 Robi spent in Bangladesh through its capital investment, it added **USD7.9 GVA** to the Bangladesh economy in 2022

Contribution to Public Finance USD430 million
(**0.9%** of total tax revenue of the government)

- Robi contributed **USD430 million** in total taxes and fees, accounting for **0.9%** of total tax revenue of the Government of Bangladesh[2]

Notes: [1] Including GDP contribution from market penetration related productivity impact
[2] Total tax revenue of the government was BDT4,330 billion (USD46.5 billion). (Source: Ministry of Finance, Bangladesh)

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ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

Robi's Total Economic Contribution to Bangladesh's Economy

Robi's substantial operations and investments in Bangladesh contributed significantly to the country's economic growth. **With a total operating expenditure of USD506 million** and **capital investment of USD164 million,** Robi contributed **USD1,294 million** to the economy of Bangladesh in 2022, accounting for **0.4% of national GDP.**

Robi's operations **directly contributed USD452 million,** accounting for **35% of total GVA** contribution. Another **USD422 million** was indirectly generated through the expenditures by Robi's suppliers. **For every USD1 Robi directly** added to Bangladesh economy, **it generated just under another USD0.9 indirectly** from local suppliers, higher than an average of USD0.4 for general industry[1].

Productivity improvements contributed **USD235 million,** accounting for **18% of total GVA. Capital investment** contributed a further **USD185 million,** representing a share of **14% of the total GVA. (Figure 1)**

Figure 1: GVA contribution to Bangladesh's economy 2022

USD185 million (14%)

USD235 million (18%)

USD452 million (35%)

USD 1,294 million[2]

USD422 million (33%)

- ● Operational direct GVA
- ● Productivity
- ● Operational indirect and induced GVA
- ● GVA by capital investment

Robi's Total Economic Contribution over the Last Five Years

Robi's total GVA contribution **fell at a CAGR of -2%** from **USD1,408 million in 2018 to USD1,294 million in 2022,** representing **0.4%** of the national GDP in 2022.

Robi's total GVA **was lower in 2022** at USD1,294 million as GVA contribution from productivity impact decreased from USD576 million in 2021 to USD235 million in 2022, due to the lower growth from mobile connections in 2022 compared to 2021. (Figure 2)

Figure 2: GVA contribution to Bangladesh's economy 2018-2022

0.5%   0.4%   0.4%   0.5%   **0.4%**

1,408   1,448   1,306   1,664   **1,294**

USD million

2018   2019   2020   2021   **2022**

- ■ Operational direct GVA
- ■ Productivity
- ■ Operational indirect and induced GVA
- ■ GVA by capital investment
- ▲ As a % of total GDP
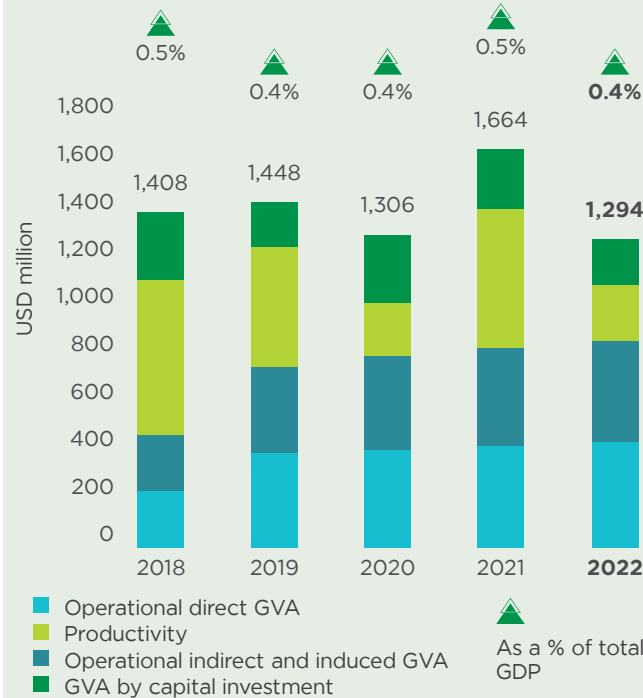
Source: KPMG analysis

Investing and Innovating for the Long Term

Robi's capital investment was **USD164 million in 2022.** The total **accumulated capital investment reached USD1,051 million** over the last five years. Capital investment plays an important role in facilitating long-term sustainable development of Robi's business and contributing to the growth of Bangladesh economy. (Figure 3)

Figure 3: Total capital investment 2018-2022
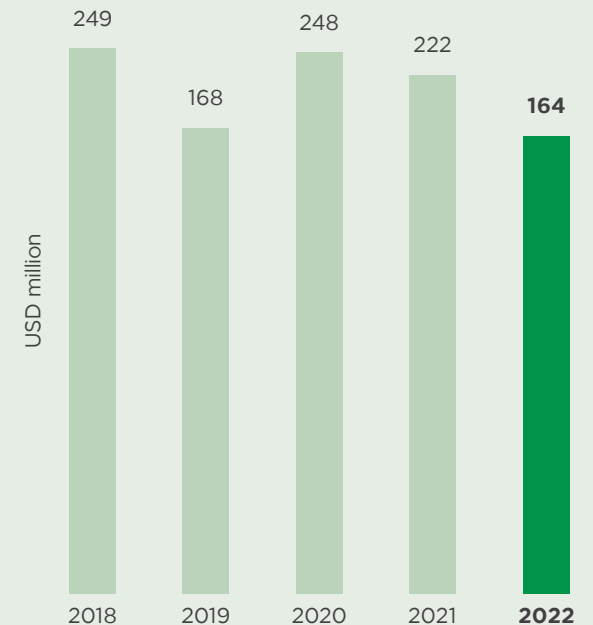
249   168   248   222   **164**

USD million

2018   2019   2020   2021   **2022**

Source: Axiata

Notes: [1]   Based on simple average of general industry;
         [2]   The total may not add up due to rounding
Source: KPMG analysis; ADB 2006

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ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

Contributions to Public Finance

Total **accumulated taxes and fees contributions** to public finance over the last five years reached **USD2,164 million.**

Annual taxes and fee contributions in 2022 was **USD430 million, accounting for 0.9%** of total tax revenue of the Government of Bangladesh. (Figure 4)

Total Employment Impact

In 2022, Robi's operations directly provided **1,239 jobs.** 13% of Robi's employees were women. Employees of the firm are predominantly Bangladesh citizens comprising **99.8%** of the workforce.

Robi's operations also indirectly supported **78,003 jobs.** A further **30,297 jobs were supported by** its capital investment. (Figure 5)

Robi's Labour Productivity over the Last Five Years

Robi's productivity, measured as GVA per employee, increased from **a CAGR of 23.5% to USD364,909 in 2022** from USD157,108 in 2018, mainly driven by decreasing employment and increasing operating profits.

Robi's productivity grew by 5.6% from USD345,400 per worker over 2021-2022, mainly due to a 6.4% increase in operating profits. (Figure 6)

Figure 4: Total taxes and fees contributions to public finance 2018-2022[1]

USD million

	2018	2019	2020	2021	2022
	1.2%	0.8%	1.1%	1.4%	0.9%
	367	327	501	539	430

■ Total taxes and fees paid to government
▲ As a % of total tax revenue of government

Figure 5: Total employment impact 2022

1,239 (1%)

30,297 (28%)

78,003 (71%)

109,539 JOBS SUPPORTED[1]

● Operational indirectly supported
● Supported by capital investment
● Directly employed

Figure 6: Robi's labour productivity 2018-2022

USD/employee

2018	2019	2020	2021	2022
157,108	261,151	307,046	345,400	364,909

Note: [1] Total government revenue numbers were updated based on the latest information available
Source: Axiata and KPMG analysis

Note: [1] Totals may not add up due to rounding
Source: KPMG analysis

Source: KPMG analysis

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NATIONAL CONTRIBUTION REPORT

CAMBODIA Smart

Smart is Cambodia's leading mobile telecommunications operator, serving more than 7.1 million customers. Smart is at the forefront of mobile technology advancement in Cambodia with extensive nationwide coverage of approximately 99% of the population. As the first network to introduce 4G LTE in 2014, 4G+ in 2016, 4G+ with HD Voice (VoLTE) and LTE Advanced Pro in 2017, subsequently in 2019 Smart hosted the first 5G live showcase in the Kingdom, manifesting its mobile data leadership position in the country. Smart believes in fostering an innovative culture that allows it to constantly improve and evolve. They are eager to support the Kingdom's Digital Economy and Society Policy Framework 2021-2035 and its goals of becoming a middle-income country by 2030 and a high-income nation by 2050.

Contribution to Gross Value Added
USD367 million
(1.3% of the Nation's GDP)

Operational Direct GVA: **USD201** million

Operational Indirect and Induced GVA: **USD100** million

Capital Investment GVA: **USD56** million

Productivity GVA: **USD10** million

- Smart's total GVA contribution to Cambodian economy reached **USD367 million,** accounting for **1.3%** of total national GDP in 2022
- Smart's operations directly and indirectly contributed **USD301 million,** accounting for **82%** of total contribution
- A **further USD56 million** GVA was generated by Smart's capital investment, accounting for **15%** of total contribution
- **GVA** contribution due to the **productivity** increase was **USD10 million**, accounting for **3%** of the total GVA contribution

Direct Employees
842

Female
35.9%

Cambodians
97.4%

- Approximately **842 staff** were directly employed by Smart in 2022
- Around **36% of total employees** were women
- Cambodian citizens accounted for **97.4% of total employees**

Total Jobs Supported
54,079

Directly Employed
842

Operational indirectly supported
34,196

Supported by Capital Investment
19,041

- Overall, Smart supported **54,079 jobs** in 2022 through its operations and capital investments
- Smart's operations directly and indirectly supported over **35,038 jobs**
- A further **19,041 jobs** were supported by Smart's capital investments

Capital + Operational Expenditure   USD255 million

Capital Expenditure
USD70 million

Operational Expenditure
USD185 million

Every **USD1** spent on capex

translates to:

USD5.2 GVA Contribution[1]

- Smart's total Capital and Operational Expenditure reached **USD255 million** in 2022 with Capital Expenditure recorded at **USD70 million** (27%) and Operational Expenditure at **USD185 million** (73%)
- For every USD1 Smart spent in Cambodia through its capital investment, it added **USD5.2 GVA** to the Cambodian economy in 2022

Contribution to Public Finance
USD121 million

(**3.5%** of total tax revenue of the government)

- Smart contributed **USD121 million** in total taxes and fees, accounting for **3.5% of total tax revenue** of the Government of Cambodia[1]

Notes: [1] Total tax revenue of the government in 2022 was estimated at USD3,450 million. (Source: As reported by Khmer Times)

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ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

Smart's Total Economic Contribution to Cambodia's Economy

Smart's substantial operations and investments in Cambodia had a strong positive impact on the Cambodian economy in 2022. **With a total operating expenditure of USD185 million and capital investment of USD70 million,** Smart's total Gross Value Added (GVA) contribution to Cambodia's economy was estimated at **USD367 million** in 2022, accounting for **1.3% of national GDP.**

Smart's operations **directly contributed USD201 million,** accounting for **55% of total GVA** contribution. It also **indirectly contributed USD100** million to economic activity. For every USD1 Smart contributed directly to Cambodia's economy, another USD0.5 was generated indirectly through local suppliers, **higher than the general industry average of USD0.4**[1].

Capital investment contributed USD56 million, representing **15% of total GVA.** A further **USD10 million** was generated from **productivity improvements, accounting for 3% of total GVA.** (Figure 1)

Figure 1: GVA contribution to Cambodia's economy 2022

USD56 million (15%)
USD10 million (3%)
USD201 million (55%)
USD 367 million[2]
USD100 million (27%)

- ● Operational direct GVA
- ● Productivity
- ● Operational indirect and induced GVA
- ● GVA by capital investment

Smart's Total Economic Contribution over the Last Five Years

Smart's total GVA contribution **ranged between USD345 million and USD453 million** representing a share of the country's GDP between **1.3% and 1.7%** during the last five years.

Over the last five years, total **operational profits** grew from **USD134 million to USD188 million** with a CAGR of 8.9%. Whilst productivity gains in 2022 were lower as overall subscriber growth was minimal due to the maturing market, there was still a gain from an increase in 4G subscribers. (Figure 2)

Figure 2: GVA contribution to Cambodia's economy 2018-2022
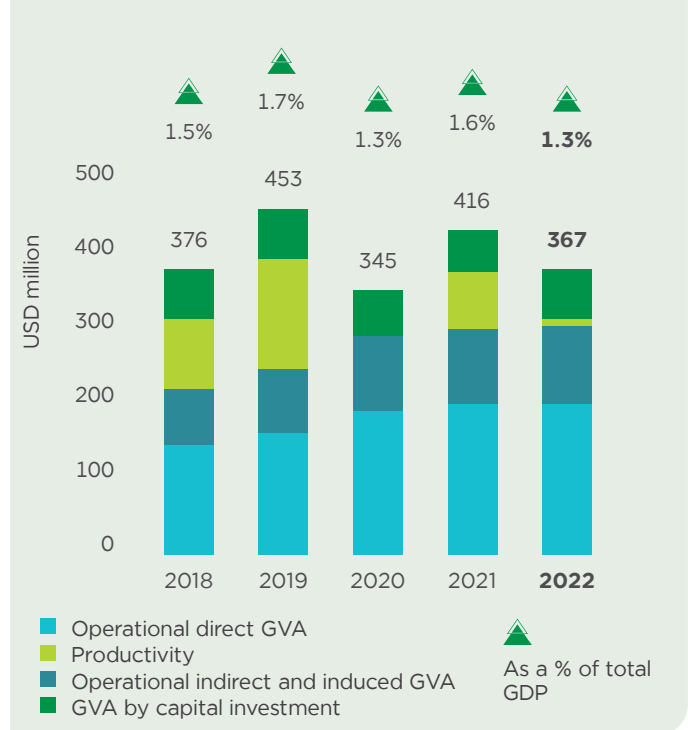
Year	GVA	% of total GDP
2018	376	1.5%
2019	453	1.7%
2020	345	1.3%
2021	416	1.6%
2022	367	1.3%

- ● Operational direct GVA
- ● Productivity
- ● Operational indirect and induced GVA
- ● GVA by capital investment
- ▲ As a % of total GDP

Investing and Innovating for the Long Term

Total **accumulated capital investment** by Smart over the last five years **reached USD382 million.** In 2022, capital investment **was USD70 million,** maintaining Axiata's capital expenditure over the five year period between USD70 million and USD80 million annually. Continuing capital investment supports Smart's development in Cambodia and makes a significant contribution to the Cambodian economy. (Figure 3)
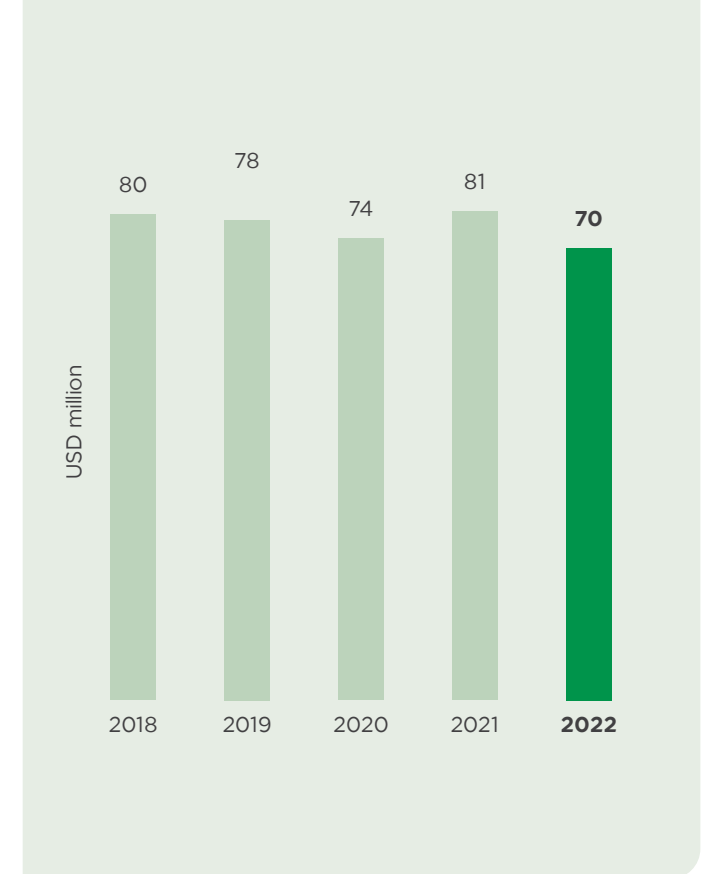
Figure 3: Total capital investment 2018-2022

Year	USD million
2018	80
2019	78
2020	74
2021	81
2022	**70**

Notes: [1] *Based on the simple average of general industry;*
[2] *Totals may not add up due to rounding*
Source: KPMG analysis; OECD 2011

Source: KPMG analysis;

Source: Axiata

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ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

Contributions to Public Finance

Total **accumulated taxes and fees contributions** to public finance over the last five years reached **USD499 million.**

In 2022 Smart contributed **USD121 million** in total taxes and fees, accounting for **3.5% of total tax revenue** of Cambodian government, excluding regulatory related fees, levies and payment. (Figure 4)

Total Employment Impact

Smart directly **provided 842 jobs** in 2022. Cambodian citizens accounted for **97% of total employees** of the firm. Around **37% of Smart employees were women.**

Smart's operations indirectly supported **an additional 34,196 jobs** and a further **19,041 jobs** were supported by Smart's capital investments. (Figure 5)

Smart's Labour Productivity over the Last Five Years

Smart's productivity, measured as Gross Value Added (GVA) per employee, **increased** from **USD174,224** in 2018 to **USD238,797** in 2022 **with a CAGR of 8.2%**. Significant growth in operational profits supports the expanding of productivity but Smart had increased its workforce by 7% during 2022. (Figure 6)

Figure 4:   Total taxes and fees contributions to public finance 2018-2022
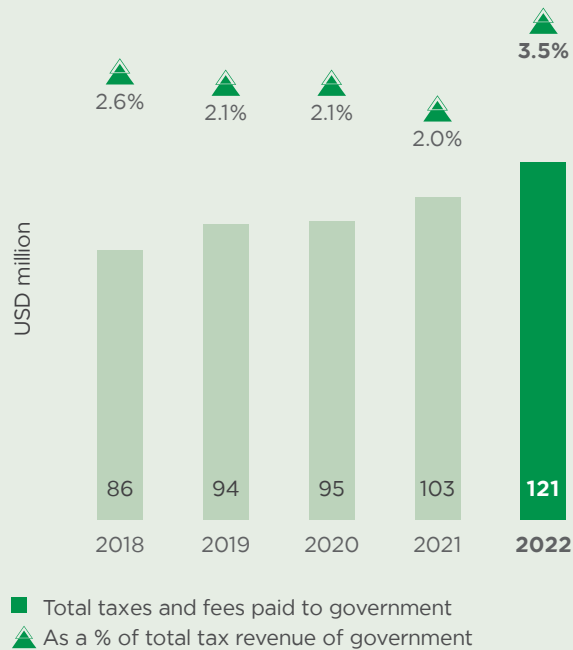
USD million

2.6%	2.1%	2.1%	2.0%	3.5%
86	94	95	103	121
2018	2019	2020	2021	**2022**

■ Total taxes and fees paid to government
▲ As a % of total tax revenue of government

Source: Axiata and KPMG analysis

Figure 5:   Total employment impact 2022

842 (2%)

19,041 (35%)

34,196 (63%)

54,079 JOBS SUPPORTED[1]

● Operational indirectly supported
● Supported by capital investment
● Directly employed
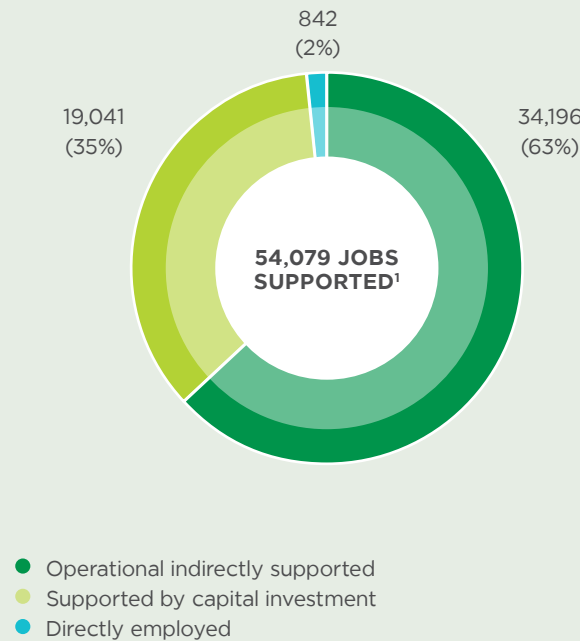
Note: [1]   Totals may not add up due to rounding
Source: KPMG analysis

Figure 6:   Smart's labour productivity 2018-2022

USD/ employee

174,224	195,678	232,614	237,913	**238,797**
2018	2019	2020	2021	**2022**

Source: KPMG analysis

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NATIONAL CONTRIBUTION REPORT

NEPAL Ncell
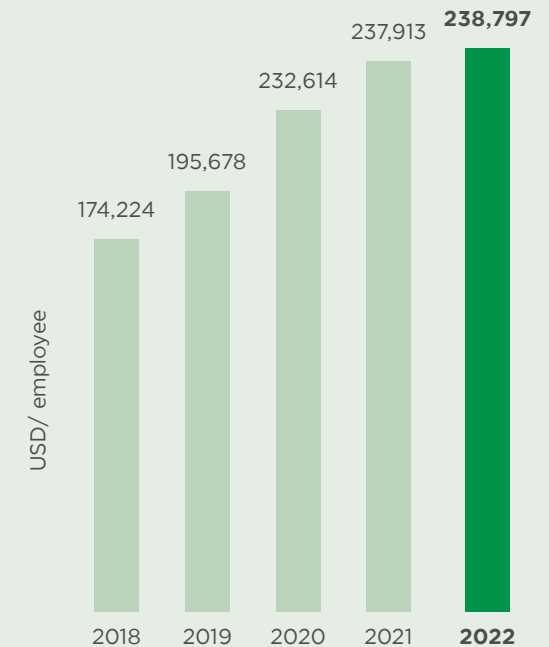
Ncell is Nepal's first private sector telecom company to operate GSM services. Today, Ncell operates the country's widest 4G network and serves 17.1 million customers, providing high-quality, modern and cost-effective services. Ncell continues to maintain its position as the market leader in terms of RMS, with a steady brand equity score that surpasses other market players, as evidenced by their positive rNPS. This gives a solid foundation to move forward with optimism into 2023. They continue to build on this momentum and work collaboratively to achieve strategic priorities as part of Ncell's Recovery & Resilience journey for 2023 and beyond.

Ncell reports its financial year for the full 12 months between 16 July 2021 and 15 July 2022.

Contribution to Gross Value Added
USD428 million
(1.3% of the Nation's GDP)

Operational Direct GVA: **USD232** million

Operational Indirect and Induced GVA: **USD82** million

Capital Investment GVA: **USD53** million

Productivity GVA: **USD61** million

- Ncell's total GVA contribution to the Nepal economy reached **USD428 million,** accounting for **1.3%** of total national GDP in 2022
- Ncell's operations directly and indirectly contributed **USD314 million,** accounting for **73%** of total GVA contribution
- Capital investments contributed **USD53 million** with a share of **12%** of total GVA
- GVA contribution due to the productivity improvement was **USD61 million,** accounting for **14%** of the total GVA

Direct Employees
533

Female
24.8%

Nepalese
98.3%

- **533 staff** were directly employed by Ncell in 2022
- Around **25% of total employees** were female
- Nepalese residents accounted for **98.3% of total employees**

Total Jobs Supported
23,597

Directly Employed
533

Operational indirectly supported
14,010

Supported by Capital Investment
9,054

- Overall, Ncell supported **23,597 jobs** in 2022 through its operations and capital investments
- Ncell's operations directly supported **533 jobs**. It also indirectly supported around **14,010 jobs**
- Ncell's capital investment supported **9,054 jobs**

Capital + Operational Expenditure USD183 million

Capital Expenditure
USD67 million

Operational Expenditure
USD116 million

Every **USD1** spent on capex

translates to:

USD6.4 GVA Contribution[1]

- Ncell's total Capital and Operational Expenditure reached **USD183 million** in 2022, with Capital Expenditure recorded at **USD67 million (37%)** and Operational Expenditure at **USD115 million (63%)**
- For every USD1 Ncell spent in Nepal through its capital investment, it added **USD6.4** GVA to the national economy in 2022

Contribution to Public Finance
USD165 million

(**1.9%** of total tax revenue of the government)

- Ncell contributed **USD165 million** in total taxes and fees, accounting for **1.9%** of total tax revenue of the Government of Nepal[2]

Notes: [1] Capital expenditure and operational expenditure data provided by Axiata in NPR, then converted to USD
   [2] Estimated total tax revenue of government in Nepal was NPR1,076 billion (USD8.9 billion). Based on 23.4% revenue growth reported in ADB's Nepal Macroeconomic Update, September 2022

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ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

Ncell's Total Economic Contribution to Nepal's Economy

Led by Ncell's total operating expenditure of USD116 million and capital investment of USD67 million, Ncell's total GVA contribution to Nepal's economy was estimated at **USD428 million** in 2022, accounting for **1.3% of national GDP.**

Ncell's **operations directly contributed USD232 million** GVA, accounting for **54% of total GVA.** A further **USD82 million was indirectly generated** through the expenditures by Ncell's suppliers, accounting for **19% of total GVA.** For every USD1 Ncell directly added to the economy, it generated another **USD0.4** indirectly from local suppliers.

Productivity benefits accrued to **USD61 million,** accounting for **14% of total GVA.** A further **USD53 million** contribution came from **capital investment, accounting for 13% of the total GVA.** (Figure 1)

Figure 1:   GVA contribution to Nepal's economy in 2022

USD61 million (14%)
USD53 million (13%)
USD82 million (19%)
USD 428 million[1]
USD232 million (54%)

- ● Operational direct GVA
- ● Productivity
- ● Operational indirect and induced GVA
- ● GVA by capital investment
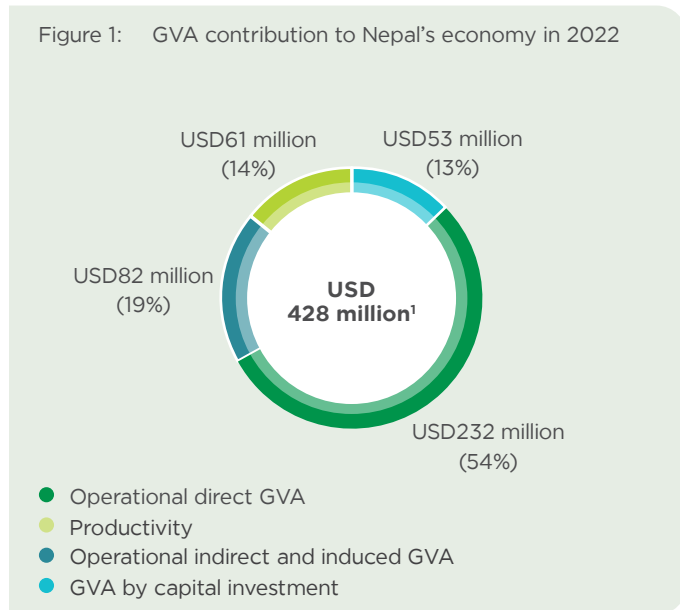
Note: [1]   Totals may not add up due to rounding
Source: KPMG analysis

Ncell's Total Economic Contribution over the Last Five Years

Ncell's total GVA contribution dropped from **USD748 million in 2018 to USD428 million in 2022,** representing a decreased share of the country's GDP from 2.7% to 1.3%. This was mainly due to the decrease of operating profits.

Ncell's operational profits decreased from USD350 million to USD211 million over 2018–2022. Productivity benefits decreased from USD179 million in 2018 to USD61 million in 2022 as mobile penetration growth slowed. (Figure 2)

Figure 2:   GVA contribution to Nepal's economy 2018-2022

USD million

Year	Value	% of GDP
2018	748	2.7%
2019	629	2.1%
2020	463	1.4%
2021	442	1.4%
2022	428	1.3%

- ● Operational direct GVA
- ● Productivity
- ● Operational indirect and induced GVA
- ● GVA by capital investment
- ▲ As a % of total GDP
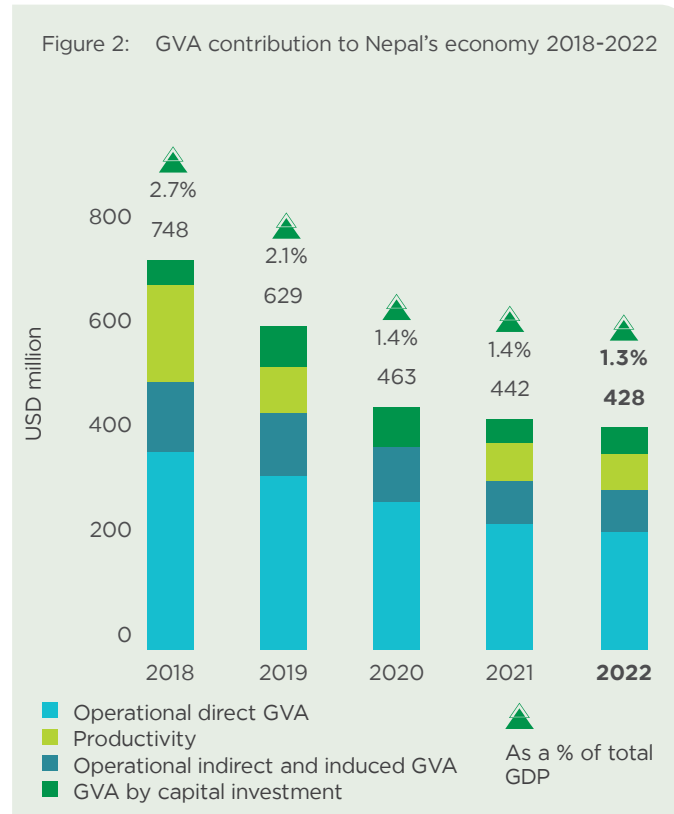
Source: KPMG analysis

Investing and Innovating for the Long Term

Ncell's total **accumulated capital investment reached USD384 million** over the last five years' of operations. Capital investment increased by 32% from USD51 million in 2021 to **USD67 million** in 2022. Capital investment plays a significant role in enhancing the company's competitiveness and contributing to Nepal's economy. (Figure 3)
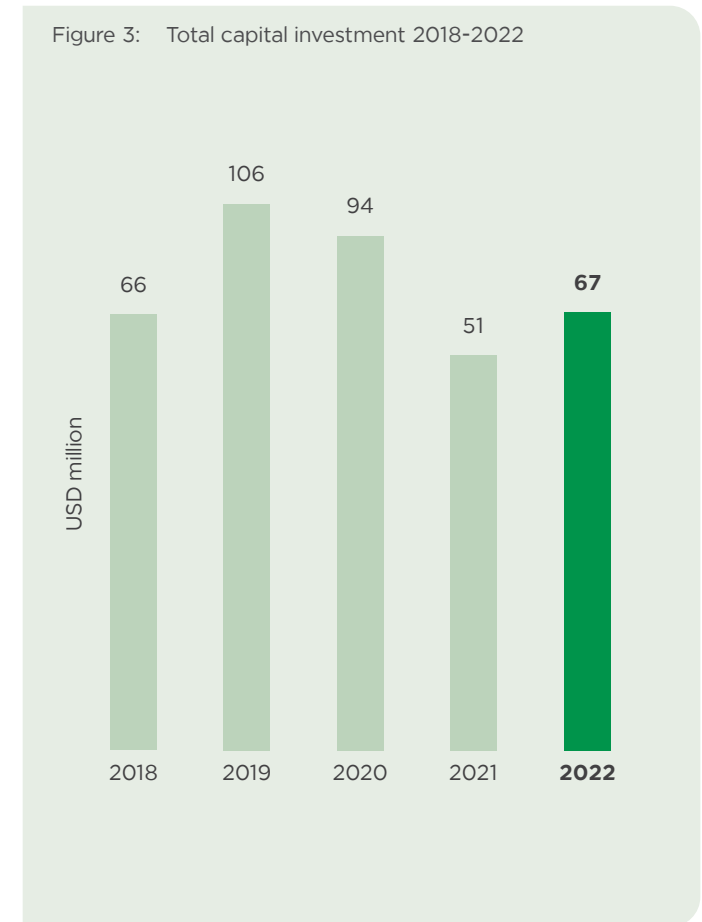
Figure 3:   Total capital investment 2018-2022

USD million

Year	Value
2018	66
2019	106
2020	94
2021	51
2022	67

Source: Axiata

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ECONOMIC AND FINANCIAL CONTRIBUTION TO THE NATION

Contributions to Public Finance

In 2022, Ncell contributed **USD165 million in total taxes and fees, accounting for 1.9%** of total tax revenue to the Government of Nepal. Accumulated taxes and fees contributions was **USD1,191 million for the last five years.** (Figure 4)

Total Employment Impact

In 2022, there were **23,597 jobs** supported by Ncell's business in total. Ncell **directly provided 533 jobs** in 2022. 98.0% of the firm's employees were Nepalese residents and 25% of the total employees were female.

A further **14,010 jobs were supported indirectly** by its operations. Ncell's capital investment supported **9,054 jobs.** (Figure 5)

Ncell's Labour Productivity over the Last Five Years

Ncell's productivity, measured as Gross Value Added (GVA) per employee, was estimated at **USD431,821** in 2022, **a drop by 3.6%** from USD450,908 in 2021. The decreasing trend of labour productivity from 2018-2022 is mainly due to a decrease in operating profits over this period.

Figure 4: Total taxes and fees contribution to public finance 2018-2022
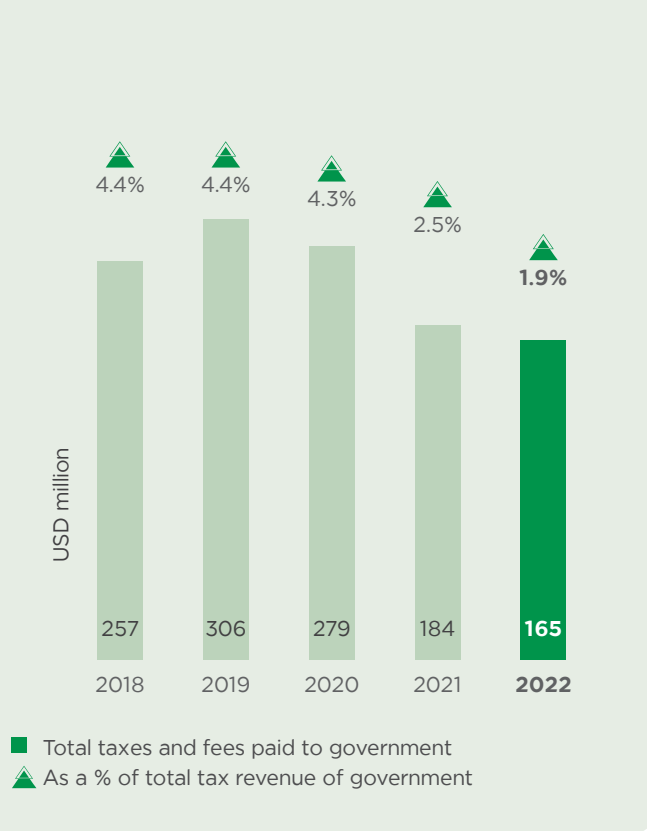
- 2018: 257 — 4.4%
- 2019: 306 — 4.4%
- 2020: 279 — 4.3%
- 2021: 184 — 2.5%
- **2022: 165 — 1.9%**

USD million

■ Total taxes and fees paid to government
▲ As a % of total tax revenue of government

Source: Axiata and KPMG analysis

Figure 5: Total employment impact 2022

- 533 (2%)
- 9,054 (38%)
- 14,010 (60%)

23,597 JOBS SUPPORTED[1]

● Operational indirectly supported
● Supported by capital investment
● Directly employed
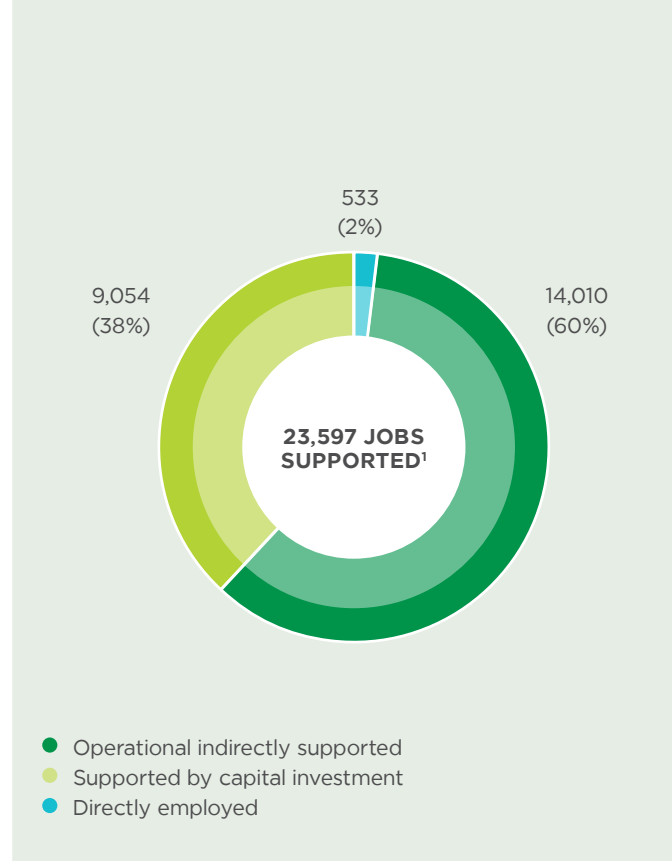
Note: [1] *Totals may not add up due to rounding*
Source: KPMG analysis

Figure 6: Ncell's labour productivity 2018-2022[1]

- 2018: 713,690
- 2019: 637,085
- 2020: 526,540
- 2021: 450,908
- **2022: 434,821**
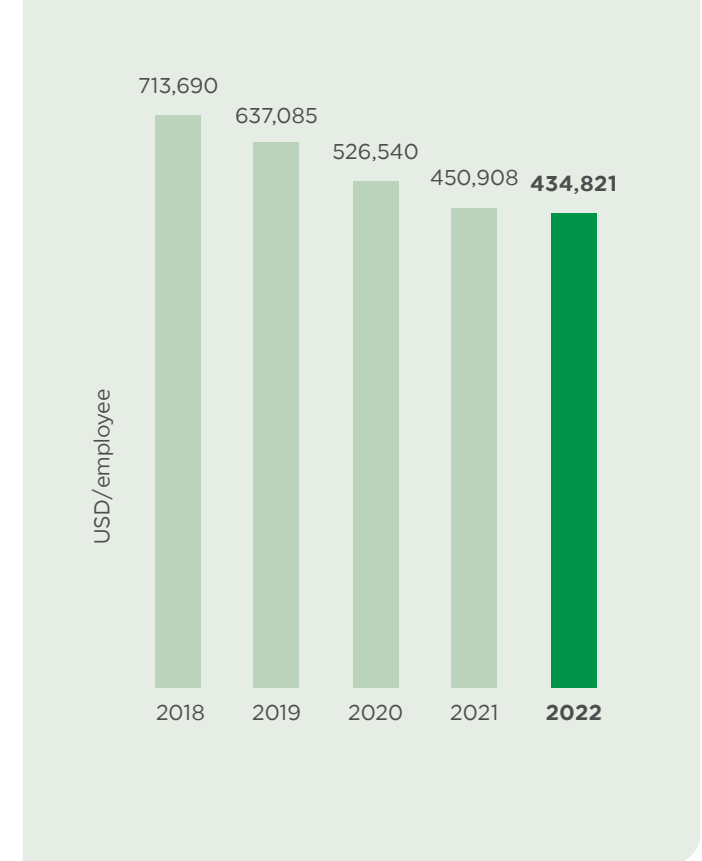
USD/employee

Note: [1] *Outsourced employees were excluded for all years*
Source: KPMG analysis

NATIONAL CONTRIBUTION REPORT

EDOTCO

EDOTCO is the first and leading regional integrated telecommunications infrastructure services company in Asia. EDOTCO specialises in end-to-end solutions in the tower services sector including co-locations, build-to-suit, energy, transmission and operations and maintenance (O&M). In 2022, they stand as the sixth largest global telecommunications TowerCo, committed to bridging the digital divide in the region. With over 58,000 towers in their regional portfolio, they are closer to achieving their mission of providing reliable and accessible digital connectivity to all. EDOTCO business operates and manages towers across its core markets of Malaysia, Myanmar, Bangladesh, Cambodia, Sri Lanka, Pakistan, Indonesia, Philippines, and Laos.

Direct Employees
1,262

Female
23.1%

- **1,262 staff** were directly employed by EDOTCO in 2022
- **23% of total employees** were women

Total Jobs Supported
39,291

Directly Employed
1,262

Operational indirectly supported
34,579

Supported by Capital Investment
3,450

- Overall, EDOTCO supported **39,291 jobs** in 2022 through its operations and capital investments
- EDOTCO's operations directly and indirectly supported approximately **35,800 jobs**
- EDOTCO's capital investment supported **3,450 jobs**

Contribution to Gross Value Added
USD824 million

Operational Direct GVA: **USD428 million**

Operational Indirect and Induced GVA: **USD360 million**

Capital Investment GVA: **USD36 million**[2]

- EDOTCO's total GVA contribution across the eight economies it operates in reached **USD824 million.** While this is a trivial amount compared to the sum of national GDP across eight countries, for comparison this is approximately **0.2%** of Malaysia's national GDP in 2022
- EDOTCO's operations directly and indirectly contributed **USD788 million,** accounting for **96%** of total GVA contribution
- Capital investments contributed **USD36 million** with a share of **4%** of total GVA

Capital + Operational Expenditure **USD227 million**[1]

Capital Expenditure
USD36 million[2]

Operational Expenditure
USD191 million

Every **USD1** spent on capex

translates to:

USD22.8 GVA Contribution

- EDOTCO's total Capital and Operational Expenditure reached **USD227 million** in 2022, with Capital Expenditure recorded at USD16 million (16%) and Operational Expenditure at **USD191 million** (84%)
- For every USD1 EDOTCO spent through its capital investment, it added **USD22.8 GVA** in 2022 to the economies it operates in

Contribution to Public Finance
USD123 million

(**0,05%** of total tax revenue of the government of countries it operates in)

- EDOTCO contributed **USD123 million** in total taxes and fees to government, accounting for **0.05%** of total tax revenue of the governments in countries it operates in[3]

Notes:
1. Capital expenditure and operational expenditure data provided by Axiata in MYR, then converted to USD
2. Estimation of Capital expenditure GVA excludes EDOTCO's Sale and Purchase Agreement with Smart worth MYR3,358.3 million
3. Total tax revenue of governments is estimated at USD258 billion, and is the sum of tax revenue of governments across all eight countries where EDOTCO operates. Where available, tax revenue of governments estimates are obtained from national agencies. Estimates are otherwise obtained from IMF WEO.

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NATIONAL CONTRIBUTION REPORT

EDOTCO's Total Economic Contribution

EDOTCO's substantial operations and investments contributed significantly to the economic growth in the countries it operates in. **With a total operating expenditure of USD191 million** and **capital investment of USD36 million,** EDOTCO contributed **USD824 million** to the economies. While this is a trivial amount compared to the sum of national GDP across eight countries, for comparison this is approximately 0.2% of Malaysia's national GDP in 2022.

EDOTCO's operations **directly contributed USD428 million,** accounting for **52% of total GVA** contribution. Another **USD360 million was** indirectly generated through the expenditures by EDOTCO's suppliers. **For every USD1 EDOTCO directly** added to the economies, **it generated another USD0.8 indirectly** from local suppliers.

Capital investment contributed a further **USD36 million,** representing a share of **4%** of the total GVA. (Figure 1)

Figure 1:   GVA contribution to the countries' economies in 2022

USD36 mn (4%)

USD360 mn (44%)

USD 824 million[1]

USD428 mn (52%)

- Operational direct GVA
- Operational indirect and induced GVA
- GVA by capital investment
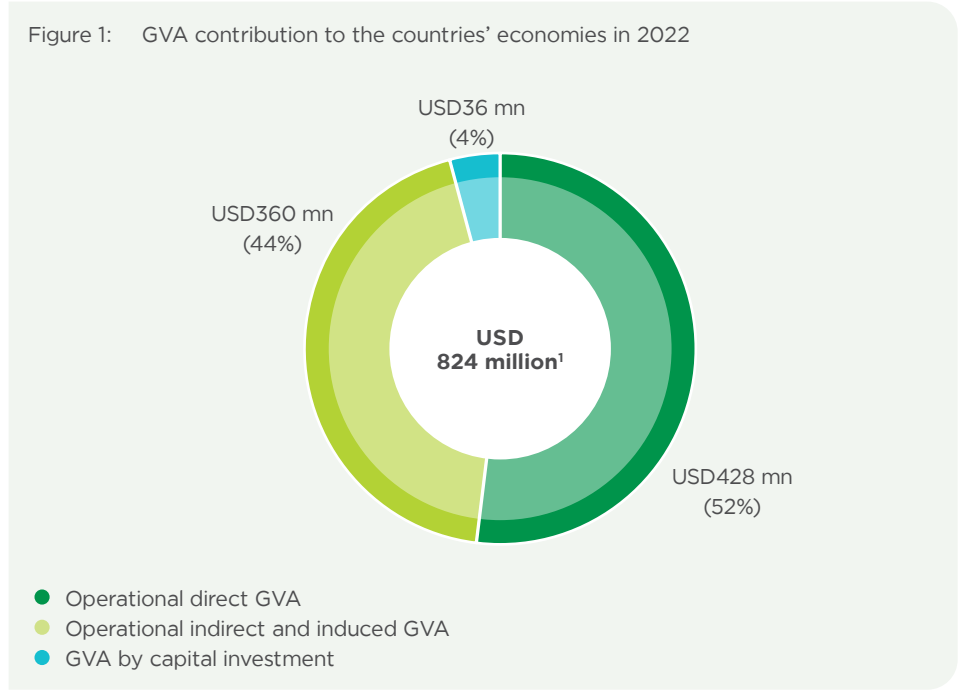
Note: [1]   Totals may not add up due to rounding
Source: KPMG analysis

Investing and Innovation for the Long Term

EDOTCO's capital investment was **USD36 million in 2022,** excluding a sale and purchase agreement with Smart of USD767 million. Capital investment plays an important role in facilitating long-term sustainable development of EDOTCO's business and contributing to the growth of the eight economies it operates in.

USD million

183 — 2018
143 — 2019
121 — 2020
253 — 2021
36 — 2022

Source: Axiata
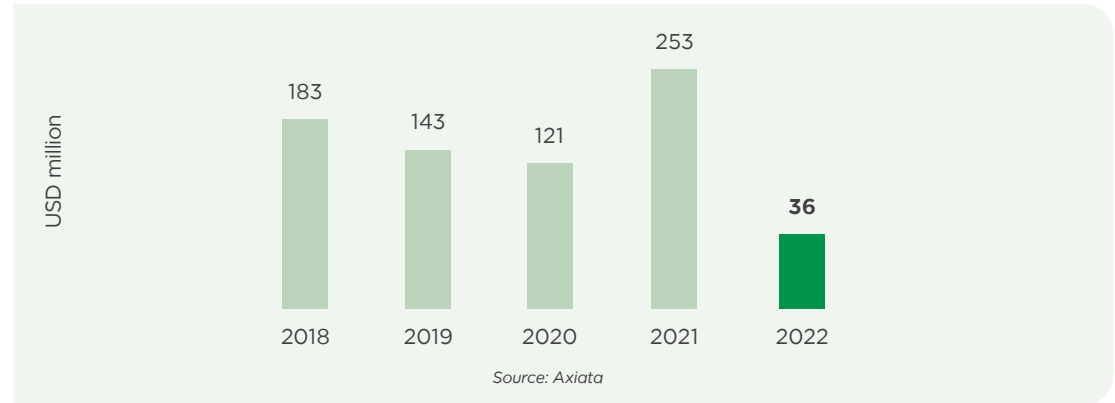
Contributions to Public Finance

Annual taxes and fees contributions in 2022 was **USD123 million, accounting for 0.05%** of total tax revenue of the governments of economies EDOTCO operates in.

USD million

0.05% / 50 — 2018
0.06% / 72 — 2019
0.03% / 76 — 2020
0.04% / 89 — 2021
0.05% / **123** — 2022

■ Total taxes and fees to government   ▲ As a % of total tax revenue of governments
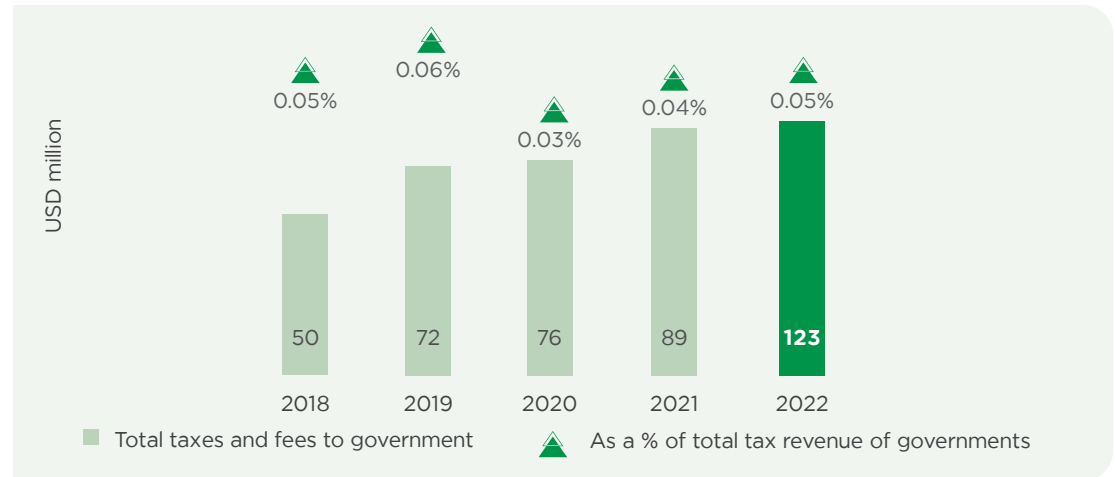
Note: Where available, tax revenue of governments estimates are obtained from national agencies. Estimates are otherwise obtained from IMF WEO.
Source: Axiata and KPMG analysis

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NATIONAL CONTRIBUTION REPORT

Total Employment Impact

1,262 jobs were directly provided by EDOTCO's operations in 2022. 23% of EDOTCO's employees were women.

EDOTCO's operations also indirectly supported **34,579 jobs.** A further **3,450 jobs were supported by** its capital investment. (Figure 5)

Figure 2:   Total employment impact 2022

1,262
(3%)

3,450
(9%)

39,291 JOBS SUPPORTED[1]

34,579
(88%)

● Operational indirectly supported
● Supported by capital investment
● Directly employed
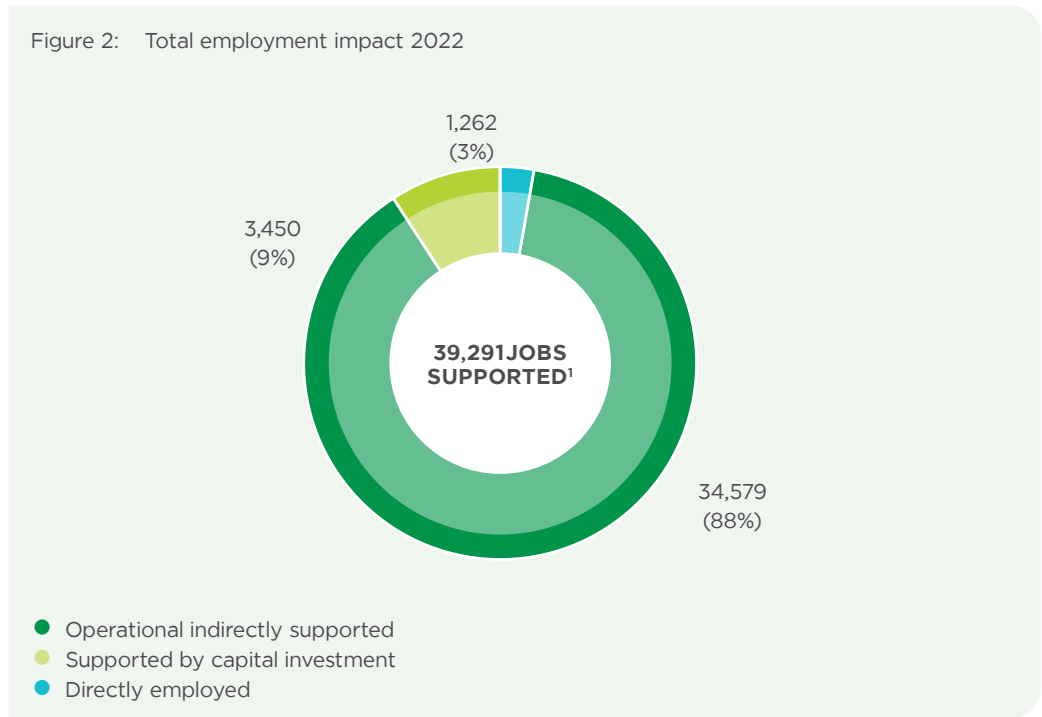
Note: [1] *Totals may not add up due to rounding*
Source: External Consultant analysis

EDOTCO's Labour Productivity

EDOTCO's productivity, measured as GVA per employee was **USD339,259 in 2022.** Labour productivity has been growing significantly over 2018-2022, at a CAGR of 36.6%.

Figure 3:   EDOTCO's labour productivity 2018-2022

339,259

289,341

246,110

179,234

97,565

USD/employee

2018   2019   2020   2021   2022

Source: KPMG analysis

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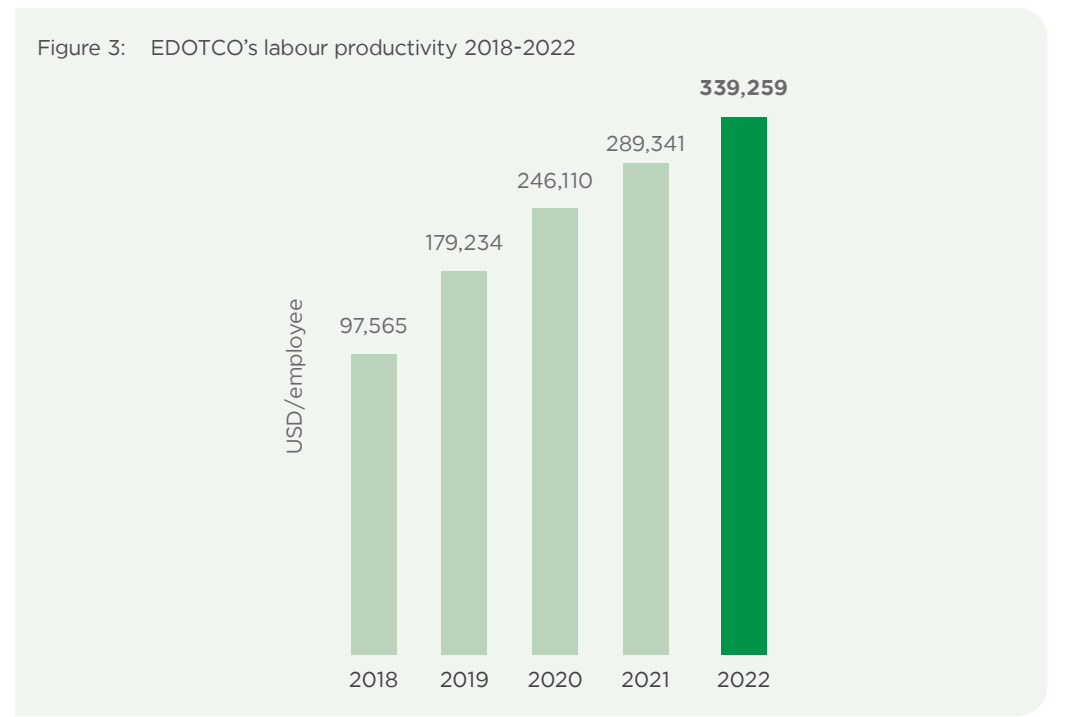
NCR METHODOLOGY

1. Methodologies and computational formula

Direct Value Added contributions were estimated based on operational data provided by Axiata regarding operating revenues, operating expenditures, compensation of employees, and indirect taxes and levies.

Total Value Added contributions were estimated using an economic multiplier. The total multipliers (Type II) for the Telecomm industry were derived from national Input-Output (-O) tables published by OECD, ADB, and national statistical agencies.

Employment is generated through a number of avenues including:

i. Directly through Axiata and related industries.

ii. Outsourced support services (if any) including customer support and network operations and maintenance.

iii. Indirectly through firms that provide services to Axiata's operations.

iv. Induced as employees from the above spend their household income thereby generating further rounds of employment.

Total employment impact is estimated using I-O tables and Average Value Added per Worker derived from relevant Departments of Statistics for each country.

2. Capital Investment

i. Total Value Added = Capital Expenditure in Host Country x Average Value Added Multiplier

ii. **(a) For countries where employment multipliers are available**
Total Employment in Host Country = Total Capital Expenditure in Host Country x Average Employment Multiplier

(b) For countries where employment multipliers are not available:
Total Employment in Host Country = Total Capital Expenditure Value Added in Host Country/Average Value Added per Worker in Host Country

3. Operational

i. Total Value Added = Direct Value Added x Total Value Added Multiplier where:

Direct Value Added = Operating Revenue – Operating Expenditure + Compensation of Employees + Indirect Taxes and Levies

Note: O*perating expenditure provided by Axiata excludes depreciation*

ii. **(a) For countries where employment multipliers are available:**
Total Employment = Total Operational Expenditure x Average Employment Multiplier

(b) For countries where employment multipliers are not available:
Total Employment = (Total Indirect Value Added/ Average Value Added per Worker in Host Country) + (Direct Employment as per Axiata data)

iii. Axiata's labour productivity = Direct Value Added/Number of Employees

Note: Number of Employees include both direct and outsourced employees if any.

4. Productivity Analysis

Axiata Contribution to GDP Growth = National Contribution to GDP Growth x Market Share of Axiata where:

National Contribution to GDP Growth = National Penetration Growth x Growth Factor

Our methodology until FY2021 for National Penetration was = Total Number of Subscribers/ Population

For FY2022, we updated the methodology to split the productivity analysis into a mobile ownership effect and an upgrade effect (allowing us to assess the impact of 3G and 4G connectivity growth). 5G and IoT connections were less than 10% penetration and therefore were not assessed due to a lack of theoretical network effect.

Note: Until 2021, Growth factor was assumed to be 1.2% per 10% change in market penetration for all countries. For 2022, we assumed Growth factor to be 0.5% per 10% change in connections, 0.07% per 10% change in 3G connections and 0.05% per 10% change in 4G connections

5. Multiplier Analysis

Capex Multiplier = Total Axiata's Value Added Contribution/Capital Expenditure

Note: Total Axiata's Value Added contribution includes Operational Direct Value Added, Operational Indirect and Induced Value Added, Value Added by Capital Investment, and Value Added by Productivity Impact

6. Future Revision of Economic Contributions Estimate

Economic contributions estimated in the latest year may be revised in future. This is largely due to a revision of the underlying economic data such as number of mobile subscribers in the country, GDP growth, population, mobile penetration growth rate, etc. For example, in 2019, the economic data available for the year 2019 is usually a preliminary estimate. In 2020, that 2019 estimate may be revised or superseded by actual figures.

7. Exchange Rate

Exchange rates used in this analysis are derived by taking the average of exchange rates at the start of each month in the financial year (i.e. 1st Jan – 1st Dec). This approach is designed to capture the average exchange rate across the entire year, which is when the economic activities of Axiata that are being analysed take place.

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MANAGEMENT OF MATERIAL RISKS AND OPPORTUNITIES

Axiata uses an integrated assurance methodology to manage our risks and opportunities, to catalyse long-term value creation. The following outlines our material risks, along with our Group's exposure and potential impacts, and identifies mitigation measures which are linked to our Axiata strategy and future opportunities.

Risk Category	Mitigating Actions and Opportunities Arising
Financial Risk	**Risk Owners: Axiata Treasury Management Centre** • To proactively manage macroeconomic risk, Axiata continuously monitors and adjusts its capital structure across the Group and its operating companies • Monitor current and future outlook of the relevant economies and foreign exchange markets • Develop hedging strategies that are governed strictly by the treasury policies • Oversee and control the Group's treasury and funding matters • Strict implementation and monitoring of the Group's capital structure guardrails such as the Gross Debt/ EBITDA ratio, local and foreign currency debt mix, hedging of foreign currency debt (where available), fixed and floating interest rate mix, average tenure of debts and the liquidity ratio
Market Risk	**Risk Owners: OpCo CEOs** • Strategic focus on digitisation, analytics and automation initiatives, internally and through external partnerships, to improve revenue yield per customer • Selective industry consolidation in targeted markets • Establish strategic ties with hyper-scalers Over-the-Top (OTT) and digital product developers to create customer-centric products and services • Seek opportunities to share telco infrastructure to reduce investment cost • Invest in new technologies to improve competitiveness and reduce future cost of gigabyte production (cost/GB)
Regulatory Risk	**Risk Owners: Group Regulatory** • Advocates strict compliance, fair and transparent practices in government policies • Continuously improve process flows for swift and cost-effective responses to changing regulations • Axiata senior officials engage regulatory officers to establish sustainable regulatory regimes for mobile telecommunication • Participate in government consultations and industry events to collaborate and share knowledge on best policies and practices including with relevant partners such as the International Telecommunication Union (ITU), World Bank and GSMA • Axiata's Regulatory Compliance Framework and Action Plan manage regulatory compliance risks • Appoint stakeholder representatives to engage directly with top-level stakeholders, push National Champion agenda, maximise investment synergies, and support crisis management activities • Dedicate resources to monitor developments and maintain relationships with governing authorities

Risk Category	Mitigating Actions and Opportunities Arising
Cyber and Data Privacy Risk	**Risk Owners: Group Risk and Compliance** • Develop and implement Privacy and Cyber Security policies, frameworks and standards • Implement cyber security strategy to improve overall maturity and resilience, measure maturity against NIST Cyber Security Framework • Perform independent benchmark and maturity reviews to validate effectiveness • Commissioned and operationalised Axiata Cyber Fusion Centre • Enhance detection, response and offensive security capabilities • Enhance situational awareness and resilience through public-private efforts • Remediate identified telecom infrastructure risks through independent assessments • Implement International Association of Privacy Professionals (IAPP)/Certified Information Privacy Manager (CIPM) and GDPR best practices for compliance with PDPA and the privacy programme • Vendors and partners to comply with data protection and compliance controls in Axiata's Supplier Code of Conduct and contracts • OpCos aligned with common KPIs collaborate to achieve Group objectives • Centrally manage security monitoring and threat intelligence for prompt response to malicious events • Perform simulations of critical threats to improve response capability
Operational Risk	**Risk Owners: Group Technology, Group Procurement** • Monitor critical supplier performance and develop new relationships to reduce dependency on single-source suppliers • Group Business Continuity Plan identifies critical business processes and adequate recovery actions to address possible risks • Working with international standards agencies to standardise SIMs will reduce variances and improve availability of supply • Focusing on operational resilience by implementing backup power systems and redundancy measure to minimise impact of infrastructure disruptions • Diversifying the supply chain by maintaining local suppliers but extending to other regions to secure deliveries at a slight premium • Focus on innovation to identify new technologies and products that are less reliant on scarce materials

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MANAGEMENT OF MATERIAL RISKS AND OPPORTUNITIES

Axiata uses an integrated assurance methodology to manage our risks and opportunities, to catalyse long-term value creation. The following outlines our material risks, along with our Group's exposure and potential impacts, and identifies mitigation measures which are linked to our Axiata strategy and future opportunities.

Risk Category	Mitigating Actions and Opportunities Arising
Geo-Political Risk	**Risk Owners: OpCo Management, Group Regulatory** • Capital Management Framework • Axiata works closely with the Management of the respective OpCos, leveraging on their local expertise, knowledge, and ability to continually assess the changing political scenario and have in place various measures to ensure a timely response in the event of such occurrences • Axiata's emphasis is on maintaining a neutral government relation and contribute to the socioeconomic development of these countries through various Corporate Social Responsibility (CSR) initiatives, as highlighted in the Annual Sustainability and National Contribution Report • Managing capital with the establishment of a Capital Management Framework
Strategic and Investment Risk	**Risk Owners: Mergers and Acquisitions Committee, Group Corporate Development** • Closely monitor the competitive landscape, explore and invest in upgrading technology and platform as necessary • Review products and service relevance • Practices prudent cost management • Establishes strong strategic alliances with network vendors to keep pace with technology shifts • Venturing into new growth areas to create additional revenue streams • Investing in new markets and services that rely on connectivity • Mergers and Acquisition Committee chaired by the GCEO oversees all acquisitions and divestments and, at the same time, maintain a robust due diligence process to evaluate and manage the potential risks involved • Post-acquisition, transition teams are formed to ensure the proper implementation of organisational and cultural changes necessary to integrate the acquired company successfully • To mitigate exposure in Frontier Markets, Axiata manages capital per its Capital Management Framework

Risk Category	Mitigating Actions and Opportunities Arising
People Risk	**Risk Owners: Group People Division** • Dynamic talent acquisition approach, robust talent development programmes, attractive performance-based rewards, and safe work environment • Advocates staff empowerment to respond to changing customer demands and work processes • Employee engagement to motivate and maintain morale, and reduce attrition • Adapt to distributed workforce and changed work modes by incorporating alternative talent sources such as contract and gig • Policies and self-declared documents from our people via the Code of Conduct and Conflict of Interest that sets out rules and guidelines on how personnel are expected to conduct business and behave themselves are updated periodically
Technology Risk	**Risk Owners: Group Technology** • Constantly reviews and updates technological capabilities to remain relevant while maintaining financial prudence • Future proofing is therefore identified as a critical criterion in selecting network equipment and is built into the procurement process • Axiata is closely studying the technological advancements in the mobile communications industry, whilst carefully crafting the future network strategy • Diversifying revenue streams across geographies, markets, and business lines • Emphasising cost optimisation by reducing operating cost, increasing efficiency in operations, and improving supply chain management • Investing in new technologies and partnerships to collaborate with others to leverage synergies • Minimise the risk of technology debt by conducting thorough due diligence before investing in technologies
Governance Risk	**Risk Owners: Group Risk and Compliance, Group People Division, Group Sustainability** • Maintaining and developing strong ethical platform and corporate governance standards to support business integrity and performance • Implement compliance programme and enhance overall maturity • Implement ABAC procedures, revise policies and procedures, and align processes with appropriate control mechanisms • Establish automated systems • Mandatory training and awareness programmes for all employees • Perform independent benchmarks to ensure adequacy and effectiveness of compliance programmes • Introduce technology to identify, assess and manage ABAC risk

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LIST OF ABBREVIATIONS

Anti-Bribery & Anti-Corruption (ABAC)

Axiata Cyber Fusion Centre (ACFC)

Axiata Digital Innovation Fund (ADIF)

Axiata Digital Leaders Programme (ADLP)

Axiata Equity-in-Education Fund (AEiEF)

Axiata Foundation (AF)

Artificial Inteligence (AI)

Asia Pacific (APAC)

Axiata Procurement Centre (APC)

Application Programming Interface (API)

Association of Southeast Asian Nations (ASEAN)

Axiata Young Talent Programme (AYTP)

Business Continuity Management (BCM)

Bumiputera Empowerment Agenda (BEA)

Board Sustainability Committee (BSC)

Base Transceiver Stations (BTS)

Compound Annual Growth Rate (CAGR)

Capital Expenditure (CAPEX)

Civil Society Organisations (CSO)

Corporate Social Responsibility (CSR)

Customer Experience (CX)

Dialog Axiata Digital Innovation Fund (DADIF)

Dual Cell High-Speed Downlink Packet Access (DC-HSPA)

Diversity, Equity and Inclusion (DEI)

Data Over Cable Service Interface Specification (DOCSIS)

Digital Trust & Resilience strategy (DT&R)

Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

Enhanced Data rates for GSM Evolution (EDGE)

Employee Engagement Survey (EES)

Economic, Environmental, Social and Governance (EESG)

Enterprise Risk Management (ERM)

Environmental, Social and Governance (ESG)

Fiber to the x (FTTx)

Gigabyte (GB)

Gross Domestic Product (GDP)

Greenhouse Gas (GHG)

Gigajoules (GJ)

General Packet Radio Service (GPRS)

Global System for Mobile Communications (GSM)

Gross Value Added (GVA)

High Speed Packet Access (HSPA)

Internet Data Centre (IDC)

Internet of Things (IoT)

Industrial Revolution 4.0 (IR 4.0)

Information technology (IT)

Key performance indicators (KPIs)

Kilowatt (kW)

Long Term Evolution (LTE)

LTE Advanced (LTE-A)

Modern, Agile and Digital (M.A.D)

Malaysia Anti-Corruption Commission (MACC)

Majlis Amanah Rakyat (MARA)

Malaysia External Trade Development Corporation (MATRADE)

Malaysian Communications and Multimedia Commission (MCMC)

Machine Learning (ML)

Mobile Network Operator (MNO)

Memorandum of Understanding (MoU)

Minority Shareholder Watchdog Group (MSWG)

National Institute of Standards and Technology (NIST)

Net Promoter Score (NPS)

Open Digital Architecture (ODA)

Operating Companies (OpCos)

Open Radio Access Networks (Open RAN)

Operating Expenditure (OPEX)

Personal Data Protection Act (PDPA)

Research and Development (R&D)

Senior Leadership Team (SLT)

Small and Medium Enterprises (SME)

Short Messaging System (SMS)

Tonnes of CO2 equivalent (tCO2e)

Telecommunication Company (Telco)

Tower Company (TowerCo)

Transparent, Rights, Use, Security and Transfer (TRUST)

Uncompromising Integrity, Exceptional Performance (UI.EP)

User Interface (UI), User Experience (UI/UX)

University Leadership Development Programme (ULDP)

United Nations (UN)

United Nations Educational, Scientific and Cultural Organisation (UNESCO)

United Nations Sustainable Development Goals (UN SDGs)

United Nations Women's Empower Principles (UN WEP)

United Nations Global Compact (UNGC)

Voice over LTE (VoLTE)

Voice over WiFi (VoWiFi)

Wireless fidelity (WIFI)

Women-led small and medium enterprises (WSME)

WTTx is a 4G & 4.5G-based broadband access solution, which uses wireless to provide fiber-like broadband access for household (WTTx)

Young CEO Development Programme (YCDP)

Year on year (YoY)

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PERFORMANCE DATA FOR AXIATA GROUP BERHAD (CORPORATE CENTRE), DIGITAL TELCOS AND INFRASTRUCTURE

Aspect	Indicator	Detail	Unit	2020	2021	2022
Market Presence	202-1	Ratios of standard entry level wage vs local minimum wage	Male	1.3:1	2.1:1	1.3:1
			Female	1.3:1	2.0:1	1.3:1
	202-2	Proportion of senior management from local country[1]	%	66%	70%	71%^
Procurement Practices	204-1	Percentage local[2]	%	55%	52%	60%^
		Percentage foreign	%	45%	48%	40%
Energy	302-1	Total energy consumption	Million GJ	6.98	7.59	7.84
		Direct energy consumption	Million GJ	0.55	0.87	0.94
		Indirect energy consumption	Million GJ	6.43	6.72	6.90
Emissions	305-1	Scope 1 GHG - GHG from fuel[3]	Tonnes CO_2e	77,888.21	74,016.87	69,109.33^
	305-2	Scope 2 GHG - GHG from grid[3]	Tonnes CO_2e	1,240,556.53	1,287,797.61	1,322,575.35^
Employment[4]	401-1	Employees by gender	Male	7,877	7,765	8,302
			Female	3,264	3,294	3,531
			Total employee[4]	11,141	11,059	11,833
		Women in senior leadership positions	%	17.5%	18.0%	23.0%
		Joining the Group - by gender[5]	Male	557	696	791
			Female	269	371	391
		Joining the Group - by age[5]	≤ 30 years old	458	623	731
			31-49 years old	328	402	426
			≥ 50 years old	40	42	25
		Turnover rate	Percentage	10	11	10
Health & Safety[4]	403-9	Injuries (workforce)	Number	10	2	4
	403-10	Fatalities (workforce)	Number	1	0	2
Training	404-1	Average training hours (by gender)[5]	Male	22.0	34.0	26.4^
			Female	22.1	31.1	28.9^
		Average training hours (by employee category)[5]	Senior Management	33.0	26.4	8.4^
			Middle Management	24.5	47.4	35.6^
			Executive	22.9	31.1	31.1^
			Non-executive	15.7	20.0	19.0^
	404-3	Employees receiving performance review	%	100%	100%	100%^
Diversity[4]	405-1	Staff Diversity - by age	≤ 30 years old	2,350	2,392	2,143
			31-49 years old	7,901	7,807	8,863
			≥ 50 years old	890	860	827

Notes:
The figures stated above cuts across the Group excluding ADA, Boost, ADL
In 2022, the figures stated above covers the reporting period for the financial year 1 January to 31 December 2022. This also represents the Celcom-Digi merger and the newly acquired Link Net, as stated in the reporting period below:
- Celcom − from 1 January 2022 to 30 November 2022
- Link Net − from 1 July 2022 to 31 December 2022

[1]   Senior Leadership or senior management comprises of CEO and CEO-1. Local country refers to citizens of respective OpCo country
[2]   Local percentage considers weightage given to local participation in ownership, management, employment, and extent of value added locally as defined by Axiata Procurement Centre
[3]   Scope 1 and 2 emissions across 2020 - 2022 have been restated incorporating revised emission calculation based on updated emission factors
[4]   Employee figures stated above only captures full time employee (FTE) data and excludes temporary, interns, protegees and contractors
[5]   Number does not include Celcom
^   This data has been externally assured. Refer to the Independent Limited Assurance Report in this SNCR
**   The total number of employees across the Group is 14,341

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GRI CONTENT INDEX

Axiata Group Berhad has reported the information cited in this GRI content index for the period 1 January 2022 to 31 December 2022 with reference to the GRI Standards.

GRI 1 USED: GRI 1: FOUNDATION 2021

GRI 2: GENERAL DISCLOSURES 2021

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
1. The organisation and its reporting practices				
2-1	Organisational Details	Page 4		
2-2	Entities included in the organisation's sustainability reporting	Page 2		
2-3	Reporting period, frequency and contact point	Pages 2 - 3		
2-4	Restatements of information	No restatements were made in this Report		
2-5	External assurance	Pages 154 - 157		
2. Activities and workers				
2-6	Activities, value chain and other business relationships	Pages 2, 4, 26 - 27, 115 - 117		
2-7	Employees	Page 81, 85, 146		
2-8	Workers who are not employees			
3. Governance				
2-9	Governance structure and composition	Refer to pages 83 - 90 in IAR 2022 and Board Charter		
2-10	Nomination and selection of the highest governance body	Refer to page 98 in IAR 2022		
2-11	Chair of the highest governance body	Tan Sri Shahril Ridza Ridzuan		
2-12	Role of the highest governance body in overseeing the management of impacts	Pages 14 - 15. Refer also to page 92 in IAR 2022 and Terms of Reference of Board Sustainability Committee		
2-13	Delegation of responsibility for managing impacts			
2-14	Role of the highest governance body in sustainability reporting	Pages 14 - 15. Refer also to page 101 in IAR 2022 and Terms of Reference of Board Sustainability Committee		
2-15	Conflicts of interest	Refer to pages 89 and 98 in IAR 2022		
2-16	Communication of critical concerns	Page 106		
2-17	Collective knowledge of the highest governance body	Refer to page 94 in IAR 2022 and page 12 - 14 in GAFS 2022		
2-18	Evaluation of the performance of the highest governance body	Refer to pages 92 - 94, 98 in IAR 2022		
2-19	Remuneration policies	Refer to pages 94 - 98 in IAR 2022		
2-20	Process to determine remuneration			
2-21	Annual total compensation ratio	-	Information unavailable due to no data collection	

GRI CONTENT INDEX

GRI 2: GENERAL DISCLOSURES 2021				
Disclosure	**Description**	**Sections/ Page Number**	**Omissions**	**External Assurance**
4. Strategy, policies and practices				
2-22	Statement on sustainable development strategy	Pages 5 - 7		
2-23	Policy commitments	Pages 88, 104 - 107, 115		
2-24	Embedding policy commitments	Pages 14 - 15. Refer also to pages 36 - 40 in GAFS 2022 and page 99 in IAR 2022		
2-25	Processes to remediate negative impacts	Page 106. Refer also to the Whistleblowing Policy		
2-26	Mechanisms for seeking advice and raising concerns			
2-27	Compliance with laws and regulations	Page 105. Refer also to Note 38, section (d) Lists of contingent liabilities of subsidiaries of the Group in GAFS 2022		
2-28	Membership associations	Page 24		
5. Stakeholder Engagement				
2-29	Approach to stakeholder engagement	Pages 21 - 23		
2-30	Collective bargaining agreements	Page 81		
GRI 3: MATERIAL TOPICS 2021				
3-1	Process to determine material topics	Pages 16 - 17		
3-2	List of material topics	Pages 18 - 20		
GRI 201: ECONOMIC PERFORMANCE 2016				
3-3	Management approach	Pages 30 and 119		
201-1	Direct economic value generated and distributed	Page 30 - 33, 120 - 140		
201-2	Financial implications and other risks and opportunities due to climate change	Pages 63 - 69		
201-3	Defined benefit plan obligations and other retirement plans	Page 79. Refer also to pages 94 - 96 in GAFS 2022		
GRI 202: MARKET PRESENCE 2016				
3-3	Management approach	Pages 4, 32, 35, 119		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Page 81		
202-2	Proportion of senior management hired from the local community			Yes
GRI 203: INDIRECT ECONOMIC IMPACTS 2016				
3-3	Management approach	Pages 32, 40, 91		
203-1	Infrastructure investments and services supported	Pages 32, 42 - 54, 92 - 96, 98 - 99		
203-2	Significant indirect economic impacts	Pages 32, 42 - 54, 92 - 96, 119 - 141		
GRI 204: PROCUREMENT PRACTICES 2016				
3-3	Management approach	Pages 115 - 117		
204-1	Proportion of spending local suppliers	Page 116		Yes

GRI CONTENT INDEX

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
GRI 205: ANTI-CORRUPTION 2016				
3-3	Management approach	Pages 102, 104 - 105		
205-1	Operations assessed for risks related to corruption			
205-2	Communication and training about anti-corruption policies and procedures	Pages 105 - 106		
205-3	Confirmed incidents of corruption and actions taken			
GRI 206: ANTI-COMPETITIVE BEHAVIOUR 2016				
3-3	Management approach			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Page 107		
GRI 207: TAX				
3-3	Management approach			
207-1	Approach to Tax			
207-2	Tax governance, control and risk management	Page 108. Refer also to GAFS 2022		
207-3	Stakeholder engagement and management of concerns related to tax			
GRI 302: ENERGY 2016				
3-3	Management approach	Pages 62, 72 - 74		
302-1	Energy consumption within the organisation	Page 71		
302-3	Energy intensity			
GRI 305: EMISSIONS 2016				
3-3	Management approach	Pages 61 - 62, 70 - 74. Refer also to Axiata's Net-Zero Carbon Roadmap		
305-1	Direct (Scope 1) GHG emissions	Pages 62, 70		Yes
305-2	Energy indirect (Scope 2) GHG emissions			Yes
305-4	GHG emissions intensity	Page 71		
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016				
3-3	Management approach	Page 115 - 117. Our suppliers are required to comply with Axiata Supplier Code of Conduct, which includes environmental criteria. We have in place mitigation measures for any supplier that does not comply with the Code of Conduct, which enables us to assist in their compliance and implementation of remediation measures		
308-1	New suppliers that were screened using environmental criteria			
308-2	Negative environmental impacts in the supply chain and actions taken			
GRI 401: EMPLOYMENT 2016				
3-3	Management approach	Pages 79 - 80, 82 - 83		
401-1	New employee hires and employee turnover	Pages 85, 146		

GRI CONTENT INDEX

GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
3-3	Management approach	Page 88		
403-1	Occupational health and safety management system	Pages 88 - 89		
403-6	Promotion of worker health	Pages 89 - 90		
403-8	Workers covered by an occupational health and safety management system	Page 89		
403-9	Work-related injuries	Pages 89, 146		
403-10	Work-related ill health	Page 146		

GRI 404: TRAINING AND EDUCATION 2016

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
3-3	Management approach	Pages 84 - 87		
404-1	Average hours of training per year per employee	Pages 86, 146		Yes
404-2	Programmes for upgrading employee skills and transition assistance programmes	Pages 85 - 87		
404-3	Percentage of total employees by gender and by employee category who received a regular performance and career development review during the reporting period	Pages 85, 146		Yes

GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
3-3	Management approach	Pages 81 - 83		
405-1	Diversity of governance bodies and employees	Pages 81, 146. Refer also to pages 41 and 87 in the IAR 2022 for diversity of governance bodies		

GRI 406: NON-DISCRIMINATION 2016

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
3-3	Management approach	Pages 81 - 83		
406-1	Incidents of discrimination and corrective actions taken	Not disclosed due to confidentiality		

GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
3-3	Management approach	Page 81		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pages 81, 107, 115. Our suppliers are required to comply with Axiata Supplier Code of Conduct, which includes labour rights & working conditions		

GRI 408: CHILD LABOUR 2016

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
3-3	Management approach	Pages 81, 107, 115		
408-1	Operations and suppliers at significant risk for incidents of child labour			

GRI 409: FORCED OR COMPULSORY LABOUR 2016

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
3-3	Management approach	Pages 81, 107, 115		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour			

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GRI CONTENT INDEX

GRI 413: LOCAL COMMUNITIES 2016

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
3-3	Management approach	Pages 91 - 96		
413-1	Operations with local community engagement, impact assessments, and development programmes	Pages 40 - 54, 91 - 96. 100% of our operations engage with the local community which we operate in, while most of our operations conduct development programmes and impact assessments		

GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
3-3	Management approach	Page 115 - 117. Our suppliers are required to comply with Axiata Supplier Code of Conduct, which includes labour rights and working conditions. We have in place mitigation measures for any supplier that does not comply with the Code of Conduct, which enables us to assist in their compliance and implementation of remediation measures		
414-1	New suppliers that were screened using social criteria			
414-2	Negative social impacts in the supply chain and actions taken			

GRI 418: CUSTOMER PRIVACY 2016

Disclosure	Description	Sections/ Page Number	Omissions	External Assurance
3-3	Management approach	Pages 109 - 112. Refer also to page 44 in the GAFS 2022		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	-	Not disclosed due to confidentiality constraints	

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TCFD CONTENT INDEX

TCFD Recommendations	Section and Page Reference	Remarks
Governance *Disclose the organisation's governance around climate-related risks and opportunities*		
a. Describe the board's oversight of climate-related risks and opportunities	• Sustainability Governance & Accountability, pages 14 to 15 • TCFD: Governance, page 64	
b. Describe management's role in assessing and managing climate-related risks and opportunities		
Strategy *Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material*		
a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term		Partial alignment: Axiata has identified and assessed climate-related risks and opportunities, which will be more comprehensively assessed across the time horizons that will be defined in the future For more information on Axiata's forward-looking plans, please refer to the "Next Steps" under the TCFD: Strategy section on page 68
b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	• TCFD: Strategy, pages 65 to 68	Partial alignment: Axiata has assessed the climate impacts in a qualitative manner. Moving forward, we will quantify those impacts, and incorporate the outcomes of the assessment into our business, strategy and financial planning For more information on Axiata's forward-looking plans, please refer to the "Next Steps" under the TCFD: Strategy section on page 68
c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario		Partial alignment: Axiata has selected the climate scenarios to be adopted, and will be conducting our climate scenario analysis, moving forward For more information on Axiata's forward-looking plans, please refer to the "Next Steps" under the TCFD: Strategy section on page 68
Risk Management *Disclose how the organisation identifies, assesses, and manages climate-related risks*		
a. Describe the organisation's processes for identifying and assessing climate-related risks		Partial alignment: Axiata has defined a clear process for identifying and assessing their climate-related risks, and is working towards integrating this process into our existing ERM framework For more information on Axiata's forward-looking plans, please refer to the "Next Steps" under the TCFD: Risk Management section on page 69
b. Describe the organisation's processes for managing climate-related risks	• TCFD: Risk Management, pages 65, 68 to 69	
c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management		
Metrics and Targets *Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material*		
a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	• Climate Change, pages 62, 70 to 74 • TCFD: Metrics and Targets, page 69	
b. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 Greenhouse Gas (GHG) emissions and the related risks	• Climate Change, pages 70 to 71 • TCFD: Metrics and Targets, page 69	
c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	• Climate Change, pages 62, 70 to 74 • TCFD: Metrics and Targets, page 69	

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UNGC PRINCIPLES INDEX

Principles	Description	Remark
HUMAN RIGHTS		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights; and	Axiata Group Berhad Employee Code of Conduct
Principle 2	Make sure that they are not complicit in human right abuses	Axiata Supplier Code of Conduct Business Ethics and Governance - Human Rights, page 107 Fair, Diverse & Inclusive Employment - The Winning Culture in Axiata, pages 80 to 81 Employee Health, Safety & Wellbeing, pages 88 to 90 Sustainable Supply Chain - Approach, page 115
LABOUR		
Principle 3	Businesses should uphold the freedom of association and effective recognition of the right to collective bargaining;	Axiata Group Berhad Employee Code of Conduct Axiata Supplier Code of Conduct
Principle 4	The elimination of all forms of forced and compulsory labour;	Business Ethics and Governance - Human Rights, page 107 Fair, Diverse & Inclusive Employment - The Winning Culture in Axiata, pages 80 to 81 Sustainable Supply Chain - Approach, page 115
Principle 5	The effective abolition of child labour and;	
Principle 6	The elimination of discrimination in respect of employment and occupation	
ENVIRONMENT		
Principle 7	Businesses should support a precautionary approach to environmental challenges;	Axiata Group Berhad Employee Code of Conduct Axiata Supplier Code of Conduct Climate Change - Approach, page 62 Climate Change - Task Force on Climate-related Financial Disclosures (TCFD), pages 63 to 69 Environmental Management - Approach, page 75
Principle 8	Undertake initiatives to promote greater environmental responsibility; and	Axiata Group Berhad Employee Code of Conduct Axiata Supplier Code of Conduct Axiata Net-Zero Carbon Roadmap Climate Change - Approach, page 62 Environmental Management - Approach, page 75 Sustainable Supply Chain - Approach, page 115
Principle 9	Encourage the development and diffusion of environmentally friendly technologies	Axiata Net-Zero Carbon Roadmap Climate Change - Approach, page 62 Environmental Management - Approach, page 75
ANTI-CORRUPTION		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	Axiata Group Berhad Anti-Bribery and Anti-Corruption Policy Anti-Bribery and Anti-Corruption Policy Statement Anti-Bribery, Anti-Corruption and Anti-Money Laundering Terms & Conditions Axiata Group Berhad Employee Code of Conduct Axiata Supplier Code of Conduct Business Ethics and Governance - Anti-Bribery and Corruption, pages 105 to 106 Sustainable Supply Chain - Approach and Ensuring Suppliers' Compliance to the Code, pages 115 and 116

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INDEPENDENT LIMITED ASSURANCE REPORT

Independent Limited Assurance Report on Selected Sustainability Information in Axiata Group Berhad's Sustainability & National Contribution Report 2022

To the Board of Directors of Axiata Group Berhad

We have been engaged by Axiata Group Berhad ("Axiata" or "the Company") to perform an independent limited assurance engagement on selected sustainability information, comprising the information set out in the Subject Matter Information section (hereinafter referred to as "Subject Matter Information") for the financial year ended 31 December 2022 as reported by the Axiata in its Sustainability & National Contribution Report 2022.

Our Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information contained in the Sustainability & National Contribution Report 2022 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

Subject Matter Information

The Subject Matter Information reported and marked with the circumflex (^) symbol in Axiata's Sustainability & National Contribution Report 2022 on which we provide limited assurance consist of:

- GRI 305-1: Direct (Scope 1) GHG emissions
- GRI 305-2: Energy indirect (Scope 2) GHG emissions
- GRI 404-1: Average training hours per year per employee (by gender category and employee category)

- GRI 404-3: Percentage of employees receiving regular performance and career development reviews
- GRI 202-2: Proportion of senior management hired from the local community
- GRI 204-1: Proportion of spending on local suppliers

Our assurance was only with respect to the financial year ended 31 December 2022 information and we have not performed any procedures with respect to earlier periods or any other elements included in the Axiata's Sustainability & National Contribution Report 2022 and, therefore, do not express any other conclusion thereon.

Reporting Criteria

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which Axiata is solely responsible for selecting and applying.

The reporting criteria used for the reporting of the Subject Matter Information are:

- Axiata's internal sustainability reporting guidelines and procedures by which the Subject Matter Information are gathered, collated and aggregated internally; and
- Global Reporting Initiative's Sustainability Reporting Standards ("GRI standards") for disclosures.
  (collectively referred to as the "Reporting Criteria")

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INDEPENDENT LIMITED ASSURANCE REPORT

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Independent Limited Assurance Report on Selected Sustainability Information in Axiata Group Berhad's Sustainability & National Contribution Report 2022 (continued)

Inherent limitations

The absence of a significant body of established practice on which to draw to evaluate and measure the Subject Matter Information allows for different, but acceptable, measurement basis and can affect comparability between entities and over time. In addition, Greenhouse Gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

The Subject Matter Information is subject to more inherent limitations than financial information, given the characteristics of the underlying subject matter and the methods used for determining such information. The precision of different measurement techniques may also vary.

Management's Responsibility

Management of Axiata is responsible for the preparation of the Subject Matter Information included in Axiata's Sustainability & National Contribution Report 2022 in accordance with the Reporting Criteria.

This responsibility includes the selection and application of appropriate methods to prepare the Subject Matter Information reported in Axiata's Sustainability & National Contribution Report 2022 as well as the design, implementation and maintenance of internal control relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error. Furthermore, the responsibility includes the use of assumptions and estimates for disclosures made by Axiata which are reasonable in the circumstances.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the approved standard for assurance engagements in Malaysia, International Standard on Assurance Engagements ("ISAE") 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". This standard requires that we plan and perform this engagement under consideration of materiality to express our conclusion with limited assurance about whether the Subject Matter Information is free from material misstatement.

The accuracy of the Subject Matter Information is subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. Our limited assurance report should therefore be read in conjunction with the Reporting Criteria.

A limited assurance engagement involves assessing the suitability in the circumstances of Axiata's use of the Reporting Criteria as the basis for the preparation of the Subject Matter Information, assessing the risks of material misstatement of the Subject Matter Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

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INDEPENDENT LIMITED ASSURANCE REPORT

Independent Limited Assurance Report on Selected Sustainability Information in Axiata Group Berhad's Sustainability & National Contribution Report 2022 (continued)

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("MIA") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Management 1 "Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements", and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Main Assurance Procedures

Our work, which involved no independent examination of any of the underlying information, included the following procedures:

- Evaluated the suitability in the circumstances of Axiata's Reporting Criteria as the basis for preparing the Subject Matter Information;
- Obtained understanding of Axiata's control environment, processes and systems relevant to the preparation of the Subject Matter Information at the consolidated level and Operating Companies ("OpCos") level. Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities;

- Evaluated the appropriateness of measurement and evaluation methods, reporting policies used and estimates made by Axiata, noting that our procedures did not involve testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Axiata's estimates;
- Performed analytical procedures for consistency of data with trends and our expectation;
- Performed limited substantive testing on a selective basis on transactions included in the Subject Matter Information at the Axiata's consolidated level which involved agreeing data points to/from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported;
- Checked mathematical formulas, proxies and default values used in the Subject Matter Information against Axiata's internal sustainability reporting guidelines and procedures; and
- Evaluated the appropriateness of the disclosures and presentation of the Subject Matter Information based on the Reporting Criteria.

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INDEPENDENT LIMITED ASSURANCE REPORT

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Independent Limited Assurance Report on Selected Sustainability Information in Axiata Group Berhad's Sustainability & National Contribution Report 2022 (continued)

Restriction on Distribution and Use and Disclaimer of Liability to Third Parties and For Any Other Purpose

This report, including the conclusion, has been prepared solely for the Board of Directors of Axiata in accordance with the agreement between us, in connection with the performance of an independent limited assurance engagement on the Subject Matter Information as reported by Axiata in its Sustainability & National Contribution Report 2022 and should not be used or relied upon for any other purposes. We consent to the inclusion of this report in Axiata's Sustainability & National Contribution Report 2022 to be disclosed in the website of Axiata at www.axiata.com, in respect of the financial year ended 31 December 2022, to assist the Directors in responding to their governance responsibilities by obtaining an independent limited assurance report on the Subject Matter Information in connection with the preparation of Axiata's Sustainability & National Contribution Report 2022. Accordingly, we will not accept any liability or responsibility to any other party to whom our report is shown or into whose hands it may come.

Yours faithfully,

PRICEWATERHOUSECOOPERS PLT
LLP0014401-LCA & AF 1146
Chartered Accountants

Kuala Lumpur
18 April 2023