Elevating sustainability in Axiata

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Axiata Sustainability Framework

Our Commitment -> continued focus to elevate and advance practices on ESG as a "core strategic pillar" towards delivering our Vision of Advancing Asia.

Advancing digital societies	Enable all to thrive in a digitally connected world with a focus to improve the lives of people through technology whilst **ensuring digital inclusion** → **Impacting the lives of 23mn people within 4 years by 2025**
Advancing our people and communities	Create **positive social impact on our people (talent) and society.** Internally this links to our agenda for Fair, Diverse & Inclusive Employment → **Ranked 22 out of 200 World Benchmarking Alliance on Digital Inclusion benchmark**
Advancing Green Economy	Promote climate action and circular economy across our markets to our commitment to the journey to **become net-zero no later than 2050** → **40.5% (Scope 1+2) & 25% (Scope3) reduction in GHG by 2030**
Driving governance and risk	Adopt responsible and fair practices across our value chain to **build long-term digital trust and enhance cyber security and data protection** → **Maturity level >3 against NIST framework as at Q3, 2023**

Prioritised UN SDGs

4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 10 REDUCED INEQUALITIES | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS | 17 PARTNERSHIPS FOR THE GOALS

WE SUPPORT UN GLOBAL COMPACT · GSMA · EDISON ALLIANCE · WOMEN'S EMPOWERMENT PRINCIPLES EQUALITY MEANS BUSINESS UN WOMEN UNITED NATIONS GLOBAL COMPACT · CAN ceo action network

>> Digital Inclusion

We translate our commitments into tangible measures, ensuring a dynamic and inclusive transformation for a better tomorrow.

Inclusive Access

Connectivity

Access to Vital Services

> Provide rural and school connectivity, devices for learning and healthcare services through apps, telemedicine and insurance

XL axiata

Extended connectivity to >50k people in rural areas including 4G in the Frontier, Outermost, Disadvantaged Regions

Training for Digital Skills

Basic, Intermediate, Employable & Advanced Digital Skills

> Provide digital literacy to train students for the job market as well as SMEs to digitize their business

Dialog

Nenasa program one of the largest e-learning platforms serving >2k schools and reaching >1.7 million homes

Innovation & Inclusive Services

Innovation for Social Impact

Empowering Women, Girls & People with Disabilities

> Support local digital entrepreneurs in delivering new services through digital funds
> Introduce accessibility services and features for those with different abilities

axiata

Axiata Group websites have accessibility features in an effort to be inclusive for all

Safe & Responsible Use of Technology

Mitigating Harms & Responsible Use

> Promote awareness, provide training and deploy tools to protect users, especially children and youth from harmful content

AXIATA DIGITAL LABS

KidSafe website to promote online safety and cybersecurity for children and youth

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EDISON ALLIANCE

Axiata's pledge to improve the lives of **23 million people by 2025** in education, healthcare and financial inclusion is on track.

| 3.8 mn | | 23 mn |
| **2022** | | **2025** |

World Benchmarking Alliance

Ranked in the top quartile for the last 3 years on the **Digital Inclusion Benchmark**

Axiata's Ranking

| 31/100 | 28/150 | 22/200 |
| **2020** | **2021** | **2022** |
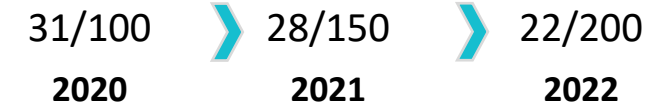
>> Climate Action
We are on-track on our climate agenda for both SBTi validation and TCFD reporting.

advancing to ▶ zero

axiata

Net Zero Progress

Science Based Targets initiative (SBTi)
- Targets and baseline submitted for SBTi validation, pending approval
- To reflect adjustments to Axiata's operational control, the baseline year was revised to 2022

Our approach to meet our goals will be executed across three key objectives:

1 Accelerate Decarbonisation of Our Network Operations
- Continued measures to optimise operations (network and facilities) resulting in ~ 30% improvement in energy intensity in 2022 vs 2020
- Increase access to renewables resulting in an increase in the number of solar sites by ~100% vs 2020

2 Accelerate Transformation of Our Value Chain
- Scope 3 baseline emissions across all 15 categories established
- A decarbonisation roadmap will be developed to systematically manage scope 3 emissions reduction

3 Deliver an Inclusive Climate Agenda
- Change4Climate (Axiata Foundation): Several programmes rolled-out to raise awareness and support climate inclusivity
- Co-organized GSMA/ UNGCMYB Roundtable on a Renewable Energy Pathway for the Telco Industry in Malaysia

➢ Refer to https://sustainability.axiata.com/ for our Net Zero Carbon Roadmap and the TCFD Report within the SNCR 2022

TCFD Updates

Governance
- Climate governance in place with board oversight and mgmt. role

Strategy & Risk Management
- Processes to identify & manage climate related risks integrated into ERM
- 9 climate-related risks identified and its impact integrated into ERM including scenario analysis
- 11 climate-related opportunities identified and focus on leveraging on opportunities

Metrics & Targets
- Target goals for managing climate related risks (&opportunities) will be aligned to, & validated by SBTi for Scopes 1, 2 and 3 emissions

>> Digital Integrity

Cyber Resilience and Data Privacy are key elements for Axiata's aspirations of becoming The Next Generation Digital Champion

As part of our Board approved **Digital Trust & Resilience strategy,** we achieved the following (not exhaustive):

- o **Maturity level** > 3.0 against the NIST Framework (A global cyber framework)

- o Strengthened **Governance**, with the establishment of the Board Risk Compliance Committee (BRCC) tasked with overseeing Cyber and Data Privacy Strategy

- o **Culture** – a success rate of over **95% completion** of mandatory employee training

- o **Supply Chain Risk Management** – Strengthened third-party risk management process by enhancing vendor due diligence and sourcing arrangements

- o Launched a world-class **Cyber Fusion Centre (CFC)** to strengthen Cyber resilience across the Group, providing 24/7 monitoring and response to cyber threats for all the OpCos

Given the dynamic and continuously evolving nature of Cyber threats and global data breaches, we continue strengthening our cyber resilience and data privacy practices.

CFC CAPABILITIES

- Monitoring & Incident Response
- Threat Intelligence & Hunting
- Offensive Security
- Penetration Testing
- Vulnerability Management
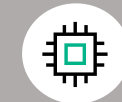- Security Strategy & Architecture

LAUNCHED OUR CYBER FUSION CENTRE

- ✓ 100+ keywords monitored **across open, deep and dark-web** for brand protection

- ✓ **2000+ IPs scanned** for vulnerabilities every month

- ✓ **24X7 monitoring of 11,000+** IT and Telecom Assets

- ✓ Dissemination of **115+ automated reports** per week

- ✓ **Annual cyber drills** and red team exercise across Axiata

- ✓ **Threat Intelligence & Attack Surface Monitoring** for proactive discovery & response to emerging threats

>> Digital Integrity
Strengthening internal capabilities and collaboration for elevated maturity and resilience.

Global, Regional & National Level Achievements

CFC awarded as the **Cybersecurity Project of the Year** by Cybersecurity Malaysia

CyTaka™

CREST

FiRST
Improving Security Together

Offensive Security team member won the 2nd place in Round 1: **"Cyber Nations Championship"** among 100 participants from 24 countries at Burj Khalifa

Axiata is the first Telecom Group to obtain membership to the acclaimed **FIRST** organization and the **CREST** accreditation and Group **achieved an above-average maturity level** as certified by CREST in February 2023.

Leveraging on our Expertise & Synergies

Eliminated vendor dependency by **Insourcing Group Security Operations Centre**

Cybersecurity Strategy Refresh conducted by In-house Subject Matter Experts

AIA

USAID

SRI LANKA AIR FORCE

SRI LANKA NAVY

Sri Lanka Army

Global, Regional business communities, Government authorities and military authorities visited Axiata Cyber Fusion Centre for learning and explore opportunities for collaboration

Contribution towards Public-Private Partnership

YB Tuan Ahmad Fahmi Bin Mohamed Fadzil, Minister Of Communications And Digital, visited CFC to understand its capabilities

AND

An MOU between **Axiata** & **Cybersecurity Malaysia**

Axiata and **Malaysia Digital Economy Corporation (MDEC)**

are scheduled to be signed in December 2023 to strengthen the public-private partnership to enhance Digital Economy Capabilities leveraging on Axiata Cyber and Privacy Capabilities

* FIRST: Forum of Incident Response & Security Teams

OVERALL, Sustainability Highlights across the Group
Recognition by UNGC, The Edge and NACRA for Axiata with improved performance across ESG Ratings

Accolades

Silver Award for **Telecommunications & Media at The Edge Malaysia ESG Awards 2023 – Equity Awards**

United Nations Global Compact Malaysia & Brunei **Forward Faster Sustainability Awards 2023**

➢ Climate Action – Winner for Large Company Category
➢ Partnership For the Goals Recognition – Axiata Foundation's Axiata Young Talent Programme (AYTP)

National Annual Corporate Report Awards (NACRA) 2023
➢ Gold for Excellence Award - Companies with more than RM10bil in market capitalization
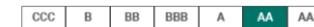➢ Silver for Best Sustainability Reporting

ESG Ratings

Constituent of the **FTSE4Good Bursa Malaysia Index** and **FTSE4Good Bursa Malaysia Shariah Index** with 4-star ESG Grading Band
↑ **Scored 3.6 by FTSE Russel ESG Rating** (improved from 3.4) (as of Mar-23)

Maintain AA (Leader) rating by MSCI ESG Ratings (as of Oct-23)

Performed in the top third in the Telecommunication Services Industry in the 2023 S&P Global Corporate Sustainability Assessment (with an ↑ improved score 39/100) [1]

↑ **CDP Scoring C (Awareness)** (2022) (improved from D)

Note :
1. CSA Score as of 24 November 2023

Thank you