



# INTEGRATED ANNUAL REPORT

2024





## EMPOWERING AN INCLUSIVE FUTURE

At Axiata, we are driven by a strong commitment to champion digital empowerment and inclusivity across Southeast and South Asia. As we progress on our path of sustainable growth, we remain focused on delivering lasting value, fostering innovation and reinforcing our market leadership within the region.

We aim to do more than achieve financial success. We want to create real impact by creating opportunities, closing digital gaps and supporting the aspirations of the people, communities and countries we serve.



# Inside This Report

## Basis Of This Report

### Year In Review

Creating Value In 2024	5
Chairman's Message	6
In Conversation With Our Group Chief Executive Officer And Managing Director	8

### Our Strategic Context

The Context Of Our Operations	14
Considering What Matters	16
Stakeholders Engagement	20
Our Strategy	22
Our Risks Linked To Strategy	23

### We Are Axiata

This Is Axiata	29
Our Investor Proposition	30
Our Value Creation Model	31
5 Vectors Of Value Creation	33

### Axiata In Action

Operational Excellence	37
Telco-TechCo Journey	39
Portfolio Optimisation & Value Illumination	42
New Engagement & Operating Model	43
Winning Culture	44

## Sustainability At Core

Our Approach To Sustainability	46
Memberships & Associations	47
Advancing Digital Societies	48
Advancing Green Economy	64
Advancing Our People & Communities	74
Driving Governance & Risk	84

## Transparency & Accountability

Committed To Accountability	95
Our Governance Structure	96
Leading With Accountability	97
An Experienced Leadership	105
Our Governance At A Glance	113
Embedding Sustainability Into Our Governance Structures	115
Board Leadership And Effectiveness	117
Board Accountability	120
Board Committees	121
Internal Control And Risk Management	126
Communication With Stakeholders	128
Financial Calendar	129

## Financial Resilience

Financial Review	131
Consolidated Statement Of Comprehensive Income	134
Consolidated Statement Of Cash Flows	135
Consolidated Statement Of Financial Position	136

Group Financial Snapshot	137
Group Financial Position	138
Key Performance Indicators	139
Our Share Price Performance	140
Our Dividend Policy	141

## Additional Information

Corporate Information	143
Bursa Performance Data	144
Independent Limited Assurance Statement	149
GRI Content Index	151
TCFD Index	153
The United Nations Global Compact Ten Principles	154
Notice Of Annual General Meeting	155
Statement Accompanying Notice Of Annual General Meeting	161
• Proxy Form	



## BASIS OF THIS REPORT

### Reporting Philosophy

The Axiata Group Berhad's ('Axiata', 'the Group', or 'Axiata Group') 2024 Integrated Annual Report (IAR) provides a concise overview of how we create and sustain value for stakeholders while managing risks. References to 'Axiata' or 'the Group' may also include its subsidiaries and operating companies (OpCos), where applicable. This year, we have combined our IAR and sustainability report, which was previously part of the Sustainability and National Contribution Report (SNCR), to provide a unified narrative of our progress toward becoming a leading Converged Connectivity Group. The National Contribution Report (NCR) will be published separately at a later date.

### Our Reporting Suite

#### Integrated Annual Report 2024 (IAR)



Covers Axiata's performance, encompassing our strategic initiatives, business model, operating landscape and financial and non-financial outcomes. It highlights our Triple Core Business and details our material sustainability performance, integrating the Axiata Sustainability Framework and the refreshed Task Force on Climate-related Financial Disclosures (TCFD) approach to enhance our environmental, social and governance (ESG) efforts.

This report complements our United Nations Global Compact (UNGC) Communication on Progress, reflecting our commitment to aligning business practices with the 10 Principles, United Nations Sustainability Development Goals (SDGs) and the Paris Agreement.

In 2024, Axiata became the first telecommunications company in Malaysia to receive approval from the Science-Based Targets initiative (SBTi) for its commitment to achieving net-zero emissions by 2050, with 2022 as the base year. As the first Malaysian telco to adopt the SBTi framework, Axiata joins a global network of industry leaders taking urgent action on climate change.

### Scope and Boundary

Axiata's 2024 Reporting Suite, which encompasses the IAR and GAFS, covers the Group's performance across its operating footprint in Southeast and South Asia, including Malaysia, Indonesia, Sri Lanka, Bangladesh, Cambodia, Pakistan, Myanmar, the Philippines, as well as the broader geography covered by its digital advertising and analytics businesses. The reporting period covers 1 January to 31 December 2024, including significant events up to 31 March 2025, where material to our disclosures. These reports include performance reviews of our businesses in which Axiata exercises significant operational control with over 50% ownership ('Operating Companies' or 'OpCos').

To reinforce transparency and accountability, we have taken steps to align with heightened disclosure requirements. The establishment of the Annual Report Management Committee (ARMC) ensures strong governance and oversight in our reporting processes.

#### Frameworks, Standards and Guidelines

- Bursa Malaysia Main Market Listing Requirements
- Bursa Malaysia Sustainability Reporting Guide (3<sup>rd</sup> edition)
- Companies Act 2016
- FTSE4Good Bursa Malaysia requirements
- Global Reporting Initiative (GRI) Universal Standards 2021
- Greenhouse Gas (GHG) Protocol
- Intergovernmental Panel on Climate Change's Fifth Assessment Report
- GSMA ESG Metrics for Mobile Sector
- Malaysian Code on Corporate Governance 2021
- Malaysian Financial Reporting Standards (MFRS)
- SBTi
- TCFD Recommendations
- UNGC Ten Principles
- UN SDGs
- Value Reporting Foundation/International Integrated Reporting Council (IIRC)'s International Integrated Reporting <IR> Framework

Our disclosures are based on key performance indicators (KPIs) from global ESG ratings and benchmarks, including the S&P Global Corporate Sustainability Assessment (CSA), FTSE4Good Bursa Malaysia, MSCI and Carbon Disclosure Project (CDP) Worldwide.

#### Governance And Audited Financial Statements 2024 (GAFS)



Covers the Group's governance details, audited financial statements and essential regulatory-required information.

#### Frameworks, Standards and Guidelines

- Bursa Malaysia Main Market Listing Requirements
- Companies Act 2016
- International Financial Reporting Standards (IFRS)
- Malaysian Code on Corporate Governance 2021
- Malaysian Financial Reporting Standards (MFRS)

### Integrated Thinking and Reporting Process

Our IAR reflects Axiata's commitment to integrated thinking, linking our strategy, business model and value creation with our goal of becoming a Sustainable Dividend Company. This report demonstrates the interconnectedness of our disclosures and how they contribute to a holistic view of Axiata's performance.

#### Materiality

We disclose information on material matters that influence value creation and preservation across short-, medium- and long-term horizons. Our periodic comprehensive assessment, supported by annual internal validation from the Board of Directors (Board), ensures these matters remain relevant to regulatory and benchmark disclosure requirements.

For 2024, no significant external factors or changes in our business model or operational context necessitated updates to our material matters. The materiality assessment conducted in 2022, which accounted for the acquisition of Link Net and the merger completion of Celcom and Digi, remains valid.

The Board Sustainability Committee (BSC) reaffirmed the 16 sustainability-related material matters. Our strategic responses to these material matters are detailed within this IAR.



## BASIS OF THIS REPORT

### Improvements in Axiata's IAR 2024

#### Integrated sustainability disclosures in the IAR:

Combines the IAR with sustainability disclosures previously included in the SNCR. This integration provides a cohesive narrative that directly links strategy, performance and sustainability, and reflects how Axiata creates financial and non-financial value.

#### Improved navigation through digital cross-referencing:

Uses embedded links and QR codes to guide readers to additional resources, case studies and policies online.

**Sharper narrative and tighter language:** Prioritises clarity and conciseness, with information organised more logically to deliver a stronger, more focused narrative aligned with Axiata's strategic priorities.

**Clearer linkages to strategy and outcomes:** Features the 5\*5 Strategy more clearly, showing how each initiative drives long-term value and stakeholder impact.

### IAR Theme and Image Rationale

Axiata stands on a foundation of strength, driven by its purpose of Advancing Asia to create a digitally inclusive and future-ready society. By leveraging its scale, capabilities and strategic partnerships, Axiata empowers communities, businesses and governments with seamless digital solutions that bridge divides and drive financial inclusion. Its ability to balance innovation with resilience has enabled the Group to build not just a sustainable and high-performing business but also a transformative digital ecosystem that delivers meaningful impact. With sustainability at its core, Axiata continues to shape a more connected, equitable and digitally empowered Asia while creating lasting value for all stakeholders.

### Forward-Looking Statements

Some statements in this IAR 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 IAR due to various events, risks, uncertainties and other factors.

### Board Approval

The Board ensures the integrity of this IAR, adhering to the IIRC's International <IR> Framework and other disclosure standards. The Board, through the ARMC, ensures the integrity of this IAR by adhering to the relevant disclosure standards. The newly-established ARMC, supported by a dedicated reporting team, oversees the preparation of the IAR Suite. Assurance for the report is provided through management, internal audit, independent external sources and service providers.

For details on ARMC, please refer to page 127

### Assurance

The financial and non-financial disclosures verified by PwC PLT are as follows:

#### Financial Disclosures

Audited Financial Statements (AFS) are disclosed in the GAFS and have been fully audited.

#### Non-financial Disclosures

Certain key ESG indicators reported in this report (i.e., percentage of employees who have received training on anti-corruption by employee category, total hours of training by employee category, proportion of spending on local suppliers, Scope 1 emissions in tCO<sub>2</sub>e, Scope 2 emissions in tCO<sub>2</sub>e, and total energy consumption (excluding renewable energy) have been subjected to an external independent limited assurance.

For details on the subject matter and scope of assurance, please refer to the Independent Limited Assurance Statement on pages 149 to 150

### Feedback

We value feedback to improve our reporting practices and disclosures. Stakeholders are encouraged to share their views on this Report or our sustainability performance by contacting Group Sustainability at [sustainability@axiata.com](mailto: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** and **GAFS** Refer to website

### Stakeholders

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

### Capitals

Financial Capital	Intellectual Capital	Human Capital
Manufactured Capital	Social & Relationship Capital	Natural Capital

### Material Matters

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

### 5 Vectors of Value Creation

- V1 Synergies Delivery in CelcomDigi
- V2 Structural Transformation in Indonesia
- V3 Business Resilience in Frontier Markets
- V4 Sustainable Value Creation for InfraCo
- V5 Value Illumination of Digital Businesses

### Strategic Priorities

- SP1 Operational Excellence
- SP2 Telco-TechCo Journey
- SP3 Portfolio Optimisation & Value Illumination
- SP4 New Engagement & Operating Model
- SP5 Winning Culture





# CELEBRATING OUR PROGRESS, FORGING AHEAD

Reflecting on a year of progress, Axiata remains committed to innovation, growth and creating sustainable value for all.

YEAR IN REVIEW





## CREATING VALUE IN 2024



## Business

## Revenue

**RM22.3 billion**

(2023: RM22.3 billion)

## EBITDA

**RM11.1 billion**

(2023: RM9.9 billion)

## EBIT

**RM3.8 billion**

(2023: RM1.7 billion)

## PATAMI

**RM0.9 billion**

(2023: -RM0.6<sup>1</sup> billion)

**Total number of  
customers served**

**> 175<sup>2</sup> million**

(2023: 177 million)



## Sustainability

## Diverse Talent Factory of

**~ 10,500  
employees**

## Reviewed and updated

**Scope 1 & Scope 2 emissions,  
and established Scope 3 emissions**

**SBTi validated Axiata's 1.5°C and net-zero targets,  
cementing its leadership in  
corporate climate action**

**7% of reduction  
in Scope 1 emissions (absolute)**

**85.1%<sup>^</sup> spending  
on local suppliers**



## Recognition

## National Corporate Governance &amp; Sustainability Award (NACGSA) 2024

- Overall Excellence Awards
- Industry Excellence Award - Telecommunications & Media

## Forward Faster Sustainability Awards 2024 by United Nations Global Compact Malaysia &amp; Brunei (UNGCMYB)

- SBTi Validators Recognition
- Sustainability Awareness and Employee Engagement Recognition

## National Annual Corporate Report Awards (NACRA) 2024

- Silver for Excellence Award - Companies with more than RM10 billion in market capitalisation
- Silver for Best Sustainability Reporting



## ESG Ratings

## Constituent of the FTSE4Good Bursa Malaysia Index and FTSE4Good Bursa Malaysia Shariah Index

Maintained a score of 3.4 by FTSE Russell ESG Rating (Score as of December 2024)

## Maintain AA (Leader) rating by MSCI ESG Ratings in 2024

## S&amp;P Global Corporate Sustainability Assessment (CSA)

**Maintained a score of 39 (out of 100) in 2024 (Score as of 10 December 2024)**

- Axiata has also achieved 43 (out of 100) in the 2024 S&P Global ESG Score, which is a modelled score of CSA, which provided a more complete and holistic assessment of a company's sustainability performance

## Performed CDP score of D (Disclosure) in 2024

Notes: <sup>1</sup> Refers to continuing operations PATAMI

<sup>2</sup> Includes digital telcos and digital businesses in footprint countries

<sup>^</sup> The proportion of spending on local suppliers was subjected to external independent limited assurance. Refer to the Independent Limited Assurance Statement on pages 149 to 150



## CHAIRMAN'S MESSAGE



# Creating Enduring Value

Axiata strengthened its role as a digital and financial enabler across Southeast and South Asia, driving connectivity, innovation and inclusion amid global geopolitical adjustments. The Group expanded digital access, empowered communities and advanced sustainability efforts, which reinforced its commitment to a more connected and resilient Asia.

**Tan Sri Shahril Ridza Ridzuan**  
Chairman

## Dear Stakeholders,

On behalf of the Board of Directors (the 'Board'), it is an honour to present Axiata Group Berhad's ('Axiata' or 'the Group') progress over the past year, reflecting on the strides made in strengthening financial resilience, driving digital inclusion and advancing sustainable growth across its markets.

## Navigating a Dynamic Landscape

The year 2024 witnessed significant global economic shifts, including geopolitical tensions, inflationary pressures, high interest rates and evolving regulatory landscapes. Asia, however, demonstrated resilience, driven by strong domestic consumption, accelerating digital adoption and strengthening of infrastructure investments.

With rapid digitalisation, the need for fast connectivity and business solutions is growing. To succeed, telecom companies must invest wisely in their networks, have scalable presence, build strong partnerships and adapt quickly in an increasingly dynamic industry. Across the region, the telecommunications sector continued its transformation, with industry consolidation emerging as a defining theme, shaping market structures into more sustainable three-player models across the region and investing into 5G and Artificial Intelligence (AI) opportunities.

 **IAR**, The Context Of Our Operations on pages 14 to 15

## Strengthening Our Market Leadership

Amidst a rapidly changing landscape, Axiata and its operating companies (OpCos) in Southeast and South Asia have focused on expanding digital and financial access. We are driving technology-led economic growth and supporting national digital agendas. As governments push for digitalisation, businesses adopt AI, cloud and 5G, and consumers demand seamless connectivity, Axiata is committed to delivering top-tier digital solutions, fuelling Asia's next growth phase.

Leveraging our strong presence across diverse markets, we're continuously enhancing connectivity, expanding digital financial services and reinforcing our telecommunications infrastructure, creating a solid platform for future growth.

In 2023, we launched a transformation journey guided by our 5\*5 Strategy, aimed at maximising long-term value. This involved streamlining our portfolio, strengthening our financial stability and accelerating digital innovation to meet the demands of an increasingly connected world. Our clear growth strategy enables us to maximise value in core markets, capitalise on industry consolidation and evolve into a leading Telco-TechCo company.

The results are evident. In 2024, we solidified our market leadership through effective execution and strategic enhancements. The CelcomDigi merger in Malaysia delivered strong synergies ahead of schedule, reinforcing its position as the country's leading telco. Smooth integration is paving the way for further efficiencies and improved service. In Indonesia, XL Axiata's consolidation efforts with the intent to merge with Smartfren will strengthen its competitive edge and market standing. Beyond connectivity, Boost launched its digital bank, expanding financial access for underserved communities and small businesses. Furthermore, the Group's disciplined capital management in key frontier markets has strengthened our financial resilience, ensuring long-term stability.

 **IAR**, Our Strategy on page 22 and 5 Vectors Of Value Creation on pages 33 to 35

## Financial and Shareholder Value Creation

Axiata stayed committed to financial resilience, successfully reducing debt and strengthening its balance sheet to ensure long-term stability. Through disciplined capital management, the Group continues to balance innovation and financial stewardship while enabling sustainable growth to deliver shareholder returns.

In line with its aspiration to be a Sustainable Dividend Company, Axiata maintained its commitment to sustainable dividends. For 2024, the Group declared a dividend of 10.0 sen per share (DPS), reflecting its ability to generate strong cash flows while pursuing strategic investments for future value creation.

Total dividend of

**10.0 sen**  
per share

for the financial year ended  
31 December 2024

The Board remains focused on steering the Group's vision, setting strategic priorities, and ensuring that subsidiaries and its joint control entity **operate with accountability and efficiency**



Along with partner, RHB Banking Group, Boost launched its digital bank, playing an important role in **expanding financial access for underserved communities and small businesses**



## CHAIRMAN'S MESSAGE



### Advancing Sustainability

As environmental, social and governance (ESG) considerations drive investment and business strategies, Axiata prioritises building a greener digital economy, building future-ready talent and expanding digital and financial access to strengthen communities. With a clear focus on digital transformation, operational efficiency and sustainable growth, the Group is well-positioned to support national development goals and drive long-term economic resilience.

To strengthen its efforts on climate-related disclosures, the Group's net-zero targets were validated by the Science-Based Targets initiative (SBTi) in June 2024, reaffirming its commitment to reducing carbon emissions. Axiata is also preparing to align its reporting with the International Financial Reporting Standards (IFRS) S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures) to ensure greater transparency and accountability in its climate-related efforts.


Axiata maintained its FTSE Russell ESG Rating at 3.4 and its 3-star ESG Grading Band in the FTSE4Good Bursa Malaysia Index and retained an AA (Leader) rating from MSCI ESG Ratings in 2024.

 **IAR**, Sustainability At Core on pages 46 to 93

### Robust Governance Driving Value

Strong governance is essential for Axiata's long-term success. The Board of Directors is committed to guiding the Group's vision, setting clear strategic priorities and ensuring all subsidiaries operate with accountability and efficiency. We continuously refine our governance structure, improve decision-making and drive operational excellence throughout the organisation.

Prudent capital management will always be a key priority to ensure that financial resources are optimally deployed to balance liquidity, fuel sustainable growth and maximise shareholder returns. The Axiata Board Investment Committee (ABIC) oversees all investment decisions, focusing on cash generation, return on investment and value creation. To further enhance financial resilience, management-led committees like the Capital Allocation Council (CAC) and the Merger & Acquisition Committee (MAC) provide strategic guidance, ensuring disciplined execution in a dynamic market.

 **IAR**, Driving Governance & Risk on pages 84 to 93 and Transparency & Accountability on pages 95 to 129

### Cyber Security and Building Digital Trust

The Board Risk and Compliance Committee (BRCC) conducts continuous and comprehensive evaluations of the maturity and risk landscape pertaining to cyber security and data privacy, adhering strictly to the Enterprise Risk Management Framework (ERM). Strategic risk mitigation initiatives are aligned with industry best practices, ensuring optimal levels of protection and compliance.

Together, we are driving a transformative wave of research and innovation, significantly enhancing our cyber resilience through the Axiata Cyber Fusion Centre (ACFC). The recent introduction of our AI-powered threat attribution platform, HELIOS, stands as a testament to our commitment, earning accolades across the industry and the region.

We are also fortifying our strategic partnerships to strengthen the security of our 5G roll outs, pioneering the integration of cutting-edge technologies. Our strategic alliances with CyberSecurity Malaysia and the Malaysia Digital Economy Corporation (MDEC) are essential in bolstering our threat intelligence and governance frameworks. These initiatives are our commitment to delivering secure services while fostering unwavering trust with our customers, regulators and all stakeholders.

 **GAFS**, Building Digital Trust Through Data Privacy And Cyber Security on pages 29 to 32

### Future Outlook and Appreciation

Looking ahead to 2025, Axiata remains focused on strengthening its balance sheet, enhancing dividend capacity and advancing portfolio transformation to drive long-term sustainability and value creation. The Group will continue to refine its strategic direction to ensure financial resilience while seizing opportunities for growth in an evolving market landscape. As Asia's economic landscape evolves, Axiata is well-positioned for its next phase of growth, underpinned by a clear and disciplined strategy.

I would like to acknowledge the valuable contributions of Thayaparan S Sangarapillai who served previously as Independent Non-Executive Director, and Ong King How who served as Non-Independent Non-Executive Director and representative of Khazanah Nasional Berhad, both of whom have resigned from the Board.

The Board is fully committed to guiding Axiata towards greater resilience, innovation and leadership. As part of its ongoing focus on governance excellence, the Group welcomes Amrit Kaur and Patrick Forth as Independent Non-Executive Directors and Dr Farid Mohamed Sani as a Non-Independent Non-Executive Director to the Board. Their expertise and insights will be invaluable in shaping Axiata's future. The Board also extends its deepest appreciation to Dr Hans Wijayasuriya, whose leadership and contributions have been instrumental in Axiata's transformation. The Board wishes him continued success in his new role.

As the Group moves forward, its purpose of enabling digital connectivity, financial inclusion and sustainable progress remains central to its strategy, ensuring that Axiata upholds its commitment to creating lasting value for its stakeholders and the communities it serves.

**Tan Sri Shahril Ridza Ridzuan**



## IN CONVERSATION WITH OUR GROUP CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR



## Resilient Growth, Stronger Future

**“Axiata has made strong progress in its transformation, gaining valuable insights along the way. In 2023, to reinforce our long-term resilience, we took bold steps to strengthen our financial foundation, streamline operations, rebalance our portfolio, and accelerate digital transformation.**

**Vivek Sood**, Axiata's Group Chief Executive Officer and Managing Director outlines the Group's progress in delivering value to stakeholders while reinforcing its commitment to long-term sustainability and growth.

Guided by our 5\*5 Strategy, we continued to drive market consolidation and create value for shareholders in 2024, while successfully navigating market volatility, currency fluctuations and regulatory shifts during the year.

Our goal has been clear — build future-ready businesses, strengthen our competitive edge in Southeast and South Asia, and simplify our investor proposition to deliver consistent returns.

The results are showing, as evident in our 2024 financial and operational performance. Synergies are taking shape, operational efficiencies are improving and our disciplined execution is delivering value. We have reinforced our market leadership in Malaysia, Cambodia and Sri Lanka while holding a strong second-place position in Bangladesh. In Indonesia, the upcoming XL Axiata and Smartfren merger will position the new entity, XLSMART, as a close number two player.

As we evolve into a Converged Connectivity Group, we remain focused on creating long-term, sustainable value. With a strong track record and disciplined execution, we are well-positioned to seize opportunities and deliver growing, sustainable returns to our shareholders.”

Q1

### How did Axiata's financial performance in 2024 reflect the Group's strategic priorities?

Axiata's 2024 financial performance underlined the success of our strategy, and disciplined capital and operational management, which reinforced our resilience across markets. Revenue<sup>1</sup> grew by 1.9% on underlying basis, slightly below our Key Performance Indicators (KPIs) target, but Earnings Before Interest and Taxes<sup>1 & 2</sup> (EBIT) surged 39.3%, exceeding our target of growth in the teens. Profit more than doubled to RM947 million.

At the OpCo level, XL, Robi, Smart and EDOTCO delivered record profits despite market challenges. Strong cost and capital management, along with effective debt management, resulted in an operating cash flow after leases of approximately RM2.3 billion. Axiata also strengthened our balance sheet by reducing debt and improving leverage ratios.

Prudent financial management and disciplined capital allocation helped mitigate risks, particularly in managing currency exposure, ensuring continued financial stability.

### 2024 Financial Achievements

#### ~ RM1 billion in opex optimisation

Operational excellence across HoldCo and OpCos lifted Earnings Before Interest and Taxes (EBIT)<sup>3</sup> margins by ~ 4% points<sup>3</sup>

#### ~ RM2 billion in capex optimisation

Savings came on the back of the new governance model, with Board Investment Committees and a disciplined focus on Return on Investment (ROI)

#### RM0.9 billion PATAMI

Driven by strong EBIT<sup>1 & 2</sup> growth of 39.3% at constant currency, exceeding FY2024 Headline KPI

#### RM2.6 billion net debt reduction

Strengthened the balance sheet as net debt/EBITDA reduced to 2.7x<sup>3</sup>, from 3.4x<sup>3</sup> in FY2023<sup>3</sup>

#### ~ RM1.3 billion in OpCo dividends

There was strong dividend from OpCos and key associate, and Axiata declares 10 sen DPS for FY2024

### Key growth drivers:

- Higher data contribution at XL and Smart
- EDOTCO revenue increased due to higher tower and colocation tenancies
- Boost's growth in loan book and strong deposit mobilisation
- Higher Data & Artificial Intelligence (AI), Customer Engagement and e-Commerce revenue contributed to revenue growth for ADA

Headline KPI	Target	FY2024
	@constant rate <sup>4</sup>	
Revenue growth <sup>1</sup>	Mid-single digit	1.9%
EBIT growth <sup>1 &amp; 2</sup>	Mid-teens	+39.3%
	Target	FY2024
Capex	RM6.1 billion	RM4.1 billion

Notes: <sup>1</sup> Headline KPIs exclude EDOTCO Myanmar

<sup>2</sup> Headline KPIs exclude impairment of assets

<sup>3</sup> Exclude EDOTCO Myanmar

<sup>4</sup> Constant rate is based on FY2023 Average Forex Rate (i.e., 1 USD = RM4.56)



## IN CONVERSATION WITH OUR GROUP CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

### Q2 What were the impactful milestones achieved in 2024 under Axiata's 5\*5 Strategy, and how have these advancements strengthened the Group's position?

In 2024, we focused on strengthening Axiata's foundation by enhancing operational efficiency and financial resilience. Key priorities included repositioning our OpCos for success, driving operational excellence, improving the balance sheet, reducing forex exposure and maintaining strong cash flows.

We accelerated momentum by capturing synergies. In Sri Lanka, we completed the Dialog-Airtel merger and fast-tracked the integration process, while in Indonesia, we signed a definitive agreement to merge XL and Smartfren and finalised the Link Net carve-out to establish a FibreCo, strengthening

our infrastructure capabilities there. In Malaysia, we launched a digital bank, Boost Bank Berhad, partnering with RHB Banking Group.

We strengthened resilience in frontier markets by strategically managing capital, improving balance sheets, driving margin growth at Robi, growing market share at Dialog and focusing on cash flow at Smart, all in response to challenging macroeconomic conditions.

#### Our Progress Driven By Our 5\*5 Strategy

Mid-term Priorities	2024 Progress
<b>V1 Synergies Delivery in CelcomDigi</b>	<ul style="list-style-type: none"> <li>CelcomDigi delivered projected merger synergies, declaring 14.3 sen dividend per share for 2024, contributing RM555 million dividends to the Group. Share of profits from associates and joint ventures was lower consequent to the acceleration of depreciation</li> <li>Second-year integration and transformation ahead of plan, synergy targets on-track</li> </ul>
<b>V2 Structural Transformation in Indonesia</b>	<ul style="list-style-type: none"> <li>Market consolidation remains central to Axiata's strategy</li> <li>The upcoming XL Axiata-Smartfren merger in Indonesia - expected to be finalised by 2Q25 - will reshape the market to build sizeable synergy and scale. The merger is set to deliver pre-tax cost synergies of USD300-400 million annually upon full integration</li> <li>Secure over 25% market share in all telco markets, under a three-player structure and potential Average Revenue Per Unit (ARPU) uplift with improvement in market structure</li> <li>Completed delayering strategy in Indonesia with the transfer of customers from Link Net to XL, positioning XL as the second largest converged operator and Link Net as the second largest FibreCo in Indonesia. This firmly establishes Link Net as a FibreCo and XL as a ServeCo, enabling both entities to scale, accelerate organisation agility and maximise value</li> </ul>
<b>V3 Business Resilience in Frontier Markets</b>	<ul style="list-style-type: none"> <li>There have been concerted efforts to minimise our exposure to forex volatility in frontier markets</li> <li>In FY2024, both Robi and Dialog reduced USD debt exposure by a total of USD93.1 million</li> <li>Dialog completed its acquisition of Airtel Lanka on 26 June 2024, with integration progressing ahead of schedule and synergies starting to be realised in 2024, with full impact to be seen in 2025</li> </ul>
<b>V4 Sustainable Value Creation for InfraCo</b>	<ul style="list-style-type: none"> <li>EDOTCO remains a market leader player in its key markets. All National Tower Companies (NTCs) (except the Philippines which is, still in the investment phase) are self-sustaining and PAT positive. Group tenancy ratio achieved 1.68x</li> <li>EDOTCO had the highest ever profit, signed an extended contract with CelcomDigi, continued with dividend payout from Bangladesh and declared first dividend</li> <li>Completed delayering strategy and transfer of customers from Link Net to XL, firmly establishing Link Net as a FibreCo to focus on scaling, agility and value creation</li> </ul>
<b>V5 Value Illumination of Digital Businesses</b>	<ul style="list-style-type: none"> <li>Boost Holdings launched its digital bank, Boost Bank Berhad, in June 2024, obtaining RM700 million in deposits within six months. Boost Holdings is on track to secure funding from a new investor by the first half of 2025</li> <li>ADA achieved 10.6% increase in revenue, reflecting strong performance in Data &amp; AI, Customer Engagement and e-Commerce segments</li> </ul>

The Group reduced debt, improved cash flow and streamlined costs while ensuring steady cash upstreaming from OpCos to strengthen its financial position. USD debt exposure was mitigated, bringing total USD-denominated debt to 55%, in line with Axiata's 50:50 foreign-local currency policy.

 IAR, Our Strategy on page 22 and 5 Vectors Of Value Creation on pages 33 to 35

#### Debt Reduction Efforts

##### Improved HoldCo debt

- HoldCo borrowings reduced from RM11.1 billion to RM9.5 billion

##### Strengthened Group financial position

- Borrowings reduced from RM24.8 billion to RM23.2 billion
- Lowered USD-denominated debt from USD3.2 billion to USD2.8 billion



## IN CONVERSATION WITH OUR GROUP CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

Q3

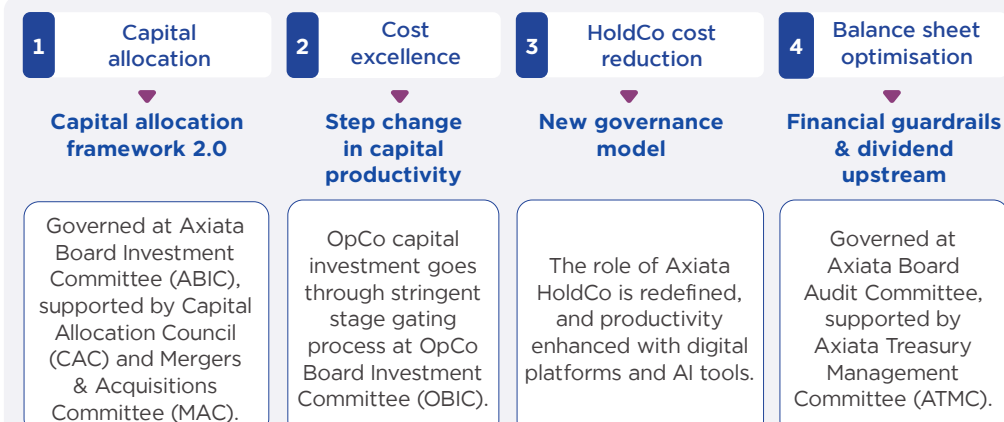
**How does Axiata plan to sustain this trajectory to be a Sustainable Dividend Company?**

Axiata is firmly committed to delivering sustainable dividends. We aim to achieve this by strategically balancing debt reduction with long-term value creation. Our approach centers on three key pillars: disciplined capital management, strategic portfolio optimisation and operational excellence.

By the end of 2026, we aim to achieve a net debt-to-EBITDA ratio of 2.5x. This target will strengthen our financial resilience, enabling us to deliver progressive dividend growth and a high single-digit total shareholder return. We will achieve this through consistent cash flow from our market-leading operating companies, strategic portfolio restructuring and maximising value from the sale of non-strategic assets. In Indonesia, the proposed XL-Smartfren merger and Link Net's shift to a fibre wholesale model demonstrate our capital-efficient strategy.

Axiata's governance structure is aligned with our new operating model, ensuring strategic capital allocation and maintaining a robust balance sheet. Formalised policies, such as the Data/AI Governance Policy, and clear oversight across all operating companies ensure effective execution of our growth and sustainability objectives.

This structured approach, with a focus on efficient capital management across four key pillars, supports our goal of being a Sustainable Dividend Company. By reinforcing governance and financial discipline, Axiata is well-positioned to deliver consistent returns and solidify our leadership as a high-performing, future-ready connectivity provider.



Q4

**What are Axiata's key priorities for 2025 and how will this enable the Group to enhance its value proposition for shareholders?**

In 2025, Axiata's key priority will be on maximising long-term shareholder value. We are refining our portfolio to focus on our core strengths: connectivity and convergence, particularly in Malaysia and Indonesia, while maintaining our leadership positions in our frontier markets through strong capital management and operational excellence.

We are optimising our portfolio to maximise value. This includes prioritising long-term strategic assets by driving operational excellence, boosting profitability and increasing dividend generation. We will also pursue strategic monetisation of infrastructure assets in the near to medium term, and digital assets in the longer term, to generate additional financial opportunities.

The market consolidation in Indonesia with the upcoming XL Axiata-Smartfren merger in Indonesia is a critical step, creating significant scale and synergy. It allows us to capitalise on Indonesia's vast fixed broadband potential, a key growth area. We are also focused on maintaining strong market positions with at least 25% market share in all our key markets.

Meanwhile, plans are in place to illuminate value and monetise our infrastructure and digital assets to simplify our portfolio and bolster our financial strength. Proceeds from these actions, including the XL-Smartfren merger and infrastructure divestments, will be used to reduce HoldCo debt, significantly lowering costs and interest expenses.

These priorities look set to directly enhance shareholder returns by improving Axiata's profitability and dividend capacity, create a more streamlined and focused portfolio, strengthen our balance sheet and reduce financial risk, and position Axiata for sustainable long-term growth in our key markets.



## IN CONVERSATION WITH OUR GROUP CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

**Leading Market Consolidation for Sustainable Growth**

Axiata has led industry consolidation to create more sustainable market structures across Southeast and South Asia. The Dialog-Airtel merger in Sri Lanka in 2024 and the upcoming XL Axiata-Smartfren merger in Indonesia reinforce our strategy of ensuring a three-player market structure. Post the Indonesia merger, we will gain over 25% market share in all operating markets.

**2025 Focus**

Unlock synergies through network site consolidation, gradual price hardening and higher ARPU.

Strengthen leadership in Malaysia, Cambodia and Sri Lanka, while maintaining a strong No. 2 position in Bangladesh. Improving resilience in frontier markets.

Accelerate and complete network integration and modernisation, realise synergies and operational excellence in CelcomDigi, aiming for RM700-800 million annual steady-state cost savings post-2027.

Strengthen market leadership and grow Home & Enterprise solutions through organic and inorganic initiatives.

Accelerate build-to-suit FTTH deployment by Link Net for XL and unlock new revenue streams from external customers.

**Financial Turnaround and Structural Changes**

Beyond cost optimisation, we continue to drive structural improvements for financial sustainability.

**2025 Focus**

Target net debt-to-EBITDA of 2.5x by 2026, with anticipated progress ahead of schedule by FY2025.

Complete XL Axiata-Smartfren merger to unlock market synergies and drive growth.

Monetise Link Net, establish a path to value realisation for EDOTCO and ensure continued investment in network expansion.

Explore monetisation of digital assets in 2027-2028 post value illumination to maximise shareholder value.

Manage gearing, reduce exposure to forex-denominated debt, address rising costs from inflation, optimise opex and capex.

Rationalise infrastructure business footprint by exiting non-core/ high risk markets, invest in core markets and achieve scale via market consolidation.

**Accelerating Digital Transformation and Innovation**

Axiata's shift towards a digital-first, AI-driven Telco-TechCo remains a critical part of our long-term strategy.

**2025 Focus**

AI Factory deployment across major OpCos to enhance efficiency, scalability and sustainability.

Digital businesses as growth drivers, with ADA and Boost leading in AI, data analytics, fintech and digital banking.

Boost non-bank profitability projected by 2025 on a run rate basis, with Boost Bank Berhad focusing on SME lending.

Goal of building two unicorns, with ADA already valued at USD550<sup>5</sup> million and on track for further growth.

Axiata Digital Labs (ADL) to monetise Digital Telco Enabler (DTE)/Axonect Enterprise Enabler (AEE) and Axonect API Manager platforms, grow external revenue and improve resource efficiency.

Q5

**How is Axiata's strategy for 2025 and beyond positioned to drive long-term growth and digital transformation across its markets?**

Axiata is accelerating its transformation into a Telco-TechCo, integrating AI, expanding digital services and strengthening connectivity to align with its aim of being a leading Converged Connectivity Group in Asia. This journey is driven by a focused strategy that enhances technological capabilities, unlocks new revenue streams and positions Axiata at the forefront of digital innovation in the region.

The three Group-wide initiatives that will drive convergence across Axiata's markets are:

- 5G Fixed Wireless Access (FWA), which will expand next-generation connectivity solutions
- Open Gateway Application Programming Interface (API), which will enhance digital integration and foster ecosystem partnerships
- The award-winning ACFC, which is set to commercialise its capabilities and elevate its cyber security offerings to enhance digital resilience of organisations in the private and public sector

AI will be a key enabler for this journey. Axiata is transforming to an AI-powered Telco-TechCo model and driving AI transformation across all OpCos, addressing margin compression by implementing AI at scale, enabling Group-wide upskilling and deploying high-impact use cases to unlock new growth drivers.

**Transformation Powered by****Axiata.AI - Organisation-wide AI Transformation Programme****Transformation Outcome****AI-Powered Telco-TechCo**

From Digital Telco

AI-powered Telco-TechCo

**Intelligent Digital Assets**

From Infrastructure Business

Intelligent Digital Assets

**AI Products and Services**

From Digital Business

AI Business

Axiata is also expanding its digital and fintech footprint. ADA, valued at USD550 million, continues its trajectory toward unicorn status, solidifying its role as a leading AI and data analytics business.

Recognising the rapid shift toward digital economies across South Asia, Axiata remains committed to supporting this growth while ensuring commercial viability. Investments in digital infrastructure continue to scale, with Link Net, Indonesia's second-largest fixed broadband provider, on track to expand from 4 million to 8 million homes passed within five years. Meanwhile, Axiata is scaling its tower businesses in Malaysia, Indonesia and the Philippines to tap into the region's increasing demand for connectivity.

Note: <sup>5</sup> Based on transacted deal with Mitsui completed in June 2024

IAIR, Our Strategy on page 22 and 5 Vectors Of Value Creation on pages 33 to 35



## IN CONVERSATION WITH OUR GROUP CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

**Q6 How is the Group driving sustainability and corporate responsibility to build long-term value?**

We firmly believe that our long-term success is inseparable from our commitment to environmental, social, and governance (ESG) principles. We continue to actively integrate ESG into our core business strategy, building on past progress to drive digital inclusion, ensure equitable technology access and embed robust climate action and governance practices.

Our Winning Culture, characterised by innovation, agility and collaboration, is a critical enabler of our sustainability efforts. It ensures ESG remains a central focus across the entire organisation.

To strengthen our governance and accountability, Axiata has implemented key measures. Starting in FY2025, OpCo CEOs will be evaluated based on ESG metrics tied to 'Business Ethics & Governance' and 'Digital Integrity'. This ensures direct accountability and aligns with our material sustainability priorities. The Axiata BSC provides oversight on this at the Group level. The use of the annual scorecard to track and ensure progress on key sustainability metrics aligns with the company's strategic priorities as it focuses on sustainability matters that are material to our business, ensuring that we meet our sustainability targets.

In addition to the annual scorecard, we have a Long-Term Incentive (LTI) structure for senior leadership that directly ties executive compensation to achieving key sustainability goals. The LTI programme is designed to drive tangible outcomes such as emissions intensity reduction and greater workforce diversity. This aligns executive performance with our long-term sustainability objectives.

These governance enhancements demonstrate our commitment to not just setting sustainability goals but also delivering measurable results. By holding ourselves accountable, we create lasting value for our shareholders, stakeholders and the communities we serve.

**Bridging the Digital Divide**

- Empowering digital inclusion to improve lives in healthcare, education and financial access
- Positively impacting ~ 19 million lives through technology-driven solutions (as of 2024, this cumulative number is estimated to reach 29 million)
- Target: Reach 23 million people between 2022 and 2025

➔ IAR, Advancing Digital Societies on pages 48 to 63

**Accelerating Climate Action**

- Committed to net-zero by 2050, with SBTi-approved near-term as well as long-term targets
- Driving decarbonisation efforts on Scope 1 and Scope 2 emissions, with a close linkage to cost-efficiency led initiatives across markets
- Target: Achieve high-single digit emissions intensity reduction for combined Scope 1 and 2 emissions for the Group

(As of 2024, Scope 1 and 2 combined emissions underwent an emissions intensity reduction of 7% over last year)

➔ IAR, Advancing Green Economy on pages 64 to 73

**Championing People & Communities**

- Creating positive social impact through fair, diverse and inclusive employment. This includes setting a target of 30% women in leadership positions
- Ranked 22 out of 200 by the World Benchmarking Alliance on Digital Inclusion in FY2023
- Committed to fostering inclusivity and diversity in the workplace

➔ IAR, Advancing Our People and Communities on pages 74 to 83

**Strengthening Governance & Cyber Resilience**

- Upholding responsible and fair practices to build long-term digital trust
- Enhancing cyber security and data protection across operations
- Target: Aim to be within the top 25% of Enterprises in APAC which are matured and measured against NIST Cybersecurity Framework by end of 2025

➔ IAR, Driving Governance and Risk on pages 84 to 93

**Q7 How is Axiata preparing to navigate emerging challenges, mitigate risks and capitalise on opportunities?**

Axiata is proactively addressing emerging challenges by focusing on strategic consolidation, operational excellence and prudent financial management.

In Indonesia and Malaysia, we are navigating heightened competition through continuous innovation and accelerated merger synergies. The upcoming XL Axiata-Smartfren merger, once completed, will solidify a sustainable three-player market structure, unlocking significant network efficiencies and market competitiveness. This will drive stronger growth in Indonesia.

Beyond these key markets, we maintain market leadership in Cambodia and Sri Lanka, and maintain a strong second position in Bangladesh. Synergies from the Dialog-Airtel merger in Sri Lanka and CelcomDigi in Malaysia are already enhancing operational performance and market share.

We recognise the need for ongoing focus on cost efficiency and market differentiation in the increasingly competitive digital telco landscape. Additionally, we are strategically executing the 5G wholesale network development in Malaysia to ensure long-term value creation.

We are also actively managing macroeconomic risks, particularly in our frontier markets, Bangladesh and Sri Lanka. While political and economic conditions pose challenges, stabilising currencies and market optimisation offer opportunities for long-term growth.

Guided by our 5\*5 Strategy, we are prioritising operational excellence, strategic cash management and selective growth investments. Our recent financial turnaround and structural improvements have strengthened our foundation, enabling us to deliver sustainable business growth and profitability. Through ongoing cost optimisation, debt reduction and asset monetisation, we are progressing towards our goal of becoming a Sustainable Dividend Company.

**Closing Thoughts and Appreciation**

Axiata remains focused on sustainable growth, market leadership and long-term value creation in an industry that is rapidly evolving and remains competitive. With a clear, future-focused strategy, we are driving innovation, expanding digital inclusion and enhancing shareholder value across our markets. As we advance toward becoming a leading Converged Connectivity Group, we are well-positioned to capitalise on emerging opportunities and shape the industry's future.

I extend my sincere gratitude to our shareholders, employees, partners and stakeholders for your trust and support. Your confidence in Axiata fuels our ambition to innovate, push boundaries and build a more inclusive future for all.

A special appreciation goes to the Axiata team, whose dedication and commitment to our Winning Culture have been instrumental in our success. I look forward to achieving even greater milestones together in the years ahead.

**Vivek Sood**



# EXTENDING OUR REACH TO ENHANCE CONNECTIVITY

Our extensive network is poised to innovate, excel and deliver, seamlessly adapting to the needs of the markets we serve.

## OUR STRATEGIC CONTEXT





## THE CONTEXT OF OUR OPERATIONS

### Macroeconomic Factors

#### Operating Environment

- Inflation and macroeconomic headwinds in key markets eroded purchasing power and increased cost pressures
- Political instability, armed conflicts, regulatory changes and natural disruptions continued to affect business conditions
- Emerging market currencies weakened against the USD due to political uncertainty, inflation and USD liquidity constraints
- 5G-related capex required as networks mature, bringing focus on monetisation

#### Strategic Implications and Our Response

- High market risk in frontier markets calls for disciplined strategic planning and investment
- Leveraging network sharing and zero-touch operations to reduce operating costs
- Addressing macroeconomic pressures in Sri Lanka and Bangladesh through cost efficiency, convergence and consolidation
- Managing USD liquidity risks by reducing dollar debt exposure and maintaining sufficient liquidity to safeguard dividend repatriation

#### Way Forward

- Enforce disciplined capital allocation under the Capital Management Framework
- Proactively monitor economic conditions, interest rates and exchange rates
- Strengthen liquidity planning through close coordination with OpCos and banks, exploring collaborative solutions
- Reduce USD exposure in frontier markets via debt reduction and hedging strategies
- Enhance efficiency through market consolidation, network-sharing and automation

#### Link to Risks and Strategy

##### Risks



##### Our Strategic Response



### Regulatory

#### Operating Environment

- High interest rates and weak local currencies continue to shape fiscal and economic responses
- Uncertain fiscal environment driving higher general and sector-specific taxes, such as Sri Lanka's Social Security Contribution Levy (SSCL)
- Changes in policymakers may significantly alter the business environment
- Upcoming general elections could trigger policy changes and heighten uncertainties

#### Strategic Implications and Our Response

- High interest rates, local currency devaluation and tax uncertainties continue to raise operating costs and impact profitability
- Stricter Quality of Service (QoS) and coverage mandates may drive up infrastructure capex
- Proactive engagement with regulators to influence policy, advocate investment in frontier markets, and manage compliance
- Secured timely, cost-effective spectrum releases for 4G/5G and identified future spectrum bands
- Regular advocacy at national and regional forums on key industry issues including spectrum, 5G licensing, taxation, digital competition, industry sustainability, open access, Network Fair Share and digital policy
- Secured direct engagement with the Malaysian Government to address strategic and investment priorities
- De-escalated QoS demands in key markets, preventing unnecessary capex commitments
- Advocated for measured and careful retail tariff hikes in several markets for market repair

#### Way Forward

- Deepen stakeholder engagement in Indonesia to support increased investments, strengthen franchise protection and leverage Malaysia-Indonesia bilateral ties
- Accelerate cross-market regulatory learnings via the Axiata Regulatory Expert Working Group
- Support Axiata Telco-TechCo strategy by shaping national regulatory landscapes, prioritise investment sustainability and promote regulatory fairness and digital policy readiness
- Strengthen relationships with ministries, regulators such as MCMC, National AI Office, MyDigital Corporation, MDEC, CyberSecurity Malaysia, Bank Negara Malaysia (Central Bank of Malaysia), rating agencies and key banks to ensure alignment and clear communications

#### Link to Risks and Strategy

##### Risks



##### Our Strategic Response



### Hyper-Competition

#### Operating Environment

- Competitive pressures in the mobile business remain high despite market repair and in-country consolidation, while fixed-line competition continues to intensify with the 5G roll out
- Smaller players face sustained profitability challenges due to competitive vulnerability
- Market consolidation is advancing, especially in Indonesia's telco and Internet Service Providers (ISP) sectors, although it does not necessarily reduce competition
- Hyperscalers and Over-The-Top (OTT) platforms are capturing a larger share of consumer spending and engagement, signalling a shift toward advanced internet-based services over traditional offerings

#### Strategic Implications and Our Response

- Drive market repair to grow ARPU by maintaining wallet share and lowering acquisition costs
- Leverage dual-brand strategy to stay agile in an evolving competitive landscape
- Pursue market consolidation to boost scale and profitability
- Build internal capabilities via ADL and platform solutions to regain control of systems and infrastructure, while deepening engagement with the developer ecosystem
- Strengthen AI capabilities through hands-on upskilling to support sustainable digital transformation and sharpen competitiveness
- Accelerate digital and IT transformation to improve time-to-market for new solutions

#### Way Forward

- Sustain focus on market repair and consolidation. Advance digitisation, analytics and automation internally and via external partnerships to boost revenue yield per customer
- Forge collaborations with hyperscalers, OTT players and digital developers to deliver innovative, customer-aligned solutions
- Invest in emerging technologies to enhance competitiveness and lower future cost per GB
- Selectively invest in 5G spectrum and infrastructure to optimise returns and capital efficiency
- Collaborate with industry players to build a strong developer ecosystem and monetise 5G, Edge computing, and Private Network solutions
- Accelerate digital initiatives by scaling AI and analytics implementation
- Execute network optimisation through zero-touch automation and network sharing strategies

#### Link to Risks and Strategy

##### Risks



##### Our Strategic Response



**Legend:** Market Risk Geopolitical Risk

Regulatory Risk

Governance & Compliance Risk

People Risk

Technology Risk

Cyber & Data Privacy Risk

Strategic & Investment Risk

Financial Risk

Operational Risk



## THE CONTEXT OF OUR OPERATIONS

### Climate Change

#### Operating Environment

- Climate change requirements and regulations are evolving into a permanent business agenda
- Net-zero commitments are accelerating across industries, including telcos, targeting decarbonisation by 2050
- Global energy markets remain volatile, with rising prices and more focus on energy security and climate goals
- Renewable energy adoption is accelerating, though regulatory and policy support varies across markets. Climate-related risks and opportunities are increasingly material to regulators, investors and financial institutions in decision-making
- Carbon credit markets face greater scrutiny to enhance integrity, transparency and enforcement in voluntary carbon markets (VCMs)

#### Strategic Implications and Our Response

- Inaction on climate change risks credibility loss and reputational damage
- Heightened risk of non-compliance with evolving environmental regulations across operating markets
- Future-proofing depends on understanding transition and physical climate risks while capitalising on related opportunities
- Growing demand for low-carbon solutions from B2B and B2C segments opens commercial and non-commercial opportunities to enable decarbonisation
- Decarbonising our network and value chain offers operational and cost efficiency
- Signed the SBTi Business Ambition for 1.5°C and secured validation of emission reduction targets
- Updated SBTi baseline from 2020 to 2022, covering Scope 1, Scope 2 and Scope 3 emissions for FY2022

#### Way Forward

- Continue operationalising the Axiata Net-Zero Carbon Roadmap to achieve net-zero by 2050
- Ensure OpCos localise decarbonisation plans in line with the Group roadmap
- Begin implementing IFRS S1 & S2 sustainability disclosure standards, addressing climate risks and opportunities
- Explore renewable energy adoption, including Power Purchase Agreements (PPAs) and/or Renewable Energy Certificates (RECs), as they become commercially viable
- Chief Technology Officer Council to embed energy efficiency across the regional network to cut costs and emissions
- Strengthen cross-market collaboration with regulators to promote public-private dialogue

#### Link to Risks and Strategy

Risks     Our Strategic Response **V2** **V3** **V4** **SP1**

### Digital Acceleration

#### Operating Environment

- Geopolitical tensions and fast adoption of AI, quantum computing and other tech are driving more frequent and complex cyber threats
- 5G and Edge computing enabling innovation but heighten security, privacy and data risks
- Rapid tech evolution causes early obsolescence, straining working capital and liquidity
- AI is reshaping customer engagement, innovation and operational efficiency
- Shortage of specialised talent, especially in cyber security, affects cyber resilience and operational continuity

#### Strategic Implications and Our Response

- Strengthening third-party risk management to reduce cyber and data risks from external vendors
- Safeguarding operations, finances and reputation through robust cyber security and privacy measures
- Driving cross-vertical risk management via cross-divisional collaboration
- Mitigating human-related vulnerabilities through insider threat programmes and vendor assessments
- Enhancing cyber threat response with integrated threat-intelligence and controls
- Deploying AI and GenAI to boost efficiency, optimise costs, improve planning and customer experience
- Upskilled > 150 employees via Enterprise Academy to align with business and client needs
- Axiata Enterprise enabling digital acceleration for > 75 million businesses
- Rolled out GenAI Playbook to guide OpCo adoption in 2024

#### Way Forward

- Implement three-year #ASH 3.0 Data Privacy Roadmap addressing risks from emerging tech, geopolitical conflicts and evolving regulations
- Execute Digital Trust & Resilience Strategy, a three-year cyber security roadmap aligned with emerging risks and compliance needs
- Strengthen public-private partnerships to tackle regional cyber threats and leverage ACFC expertise
- Maintain active engagement with Board and Senior Leadership to elevate risk awareness and align security priorities
- Direct investments based on security risk assessments to maximise ROI and optimise resource use
- Drive AI-focused upskilling across the Group with practical, hands-on training

#### Link to Risks and Strategy

Risks     Our Strategic Response **V2** **V3** **V4** **SP1**

**Legend:**  Market Risk  Geopolitical Risk  Regulatory Risk  Governance & Compliance Risk  People Risk

 Technology Risk  Cyber & Data Privacy Risk  Strategic & Investment Risk  Financial Risk  Operational Risk



## CONSIDERING WHAT MATTERS

### Materiality Assessment

Axiata conducts an internal review of its material matters on an annual basis, which is endorsed by the Board, to ensure ongoing relevance to society, the environment, business growth and stakeholders. We aim to conduct a double materiality assessment in 2025 to assess the financial impact of climate risks on Axiata and our broader environmental and social impact. This will enhance alignment with IFRS S1 & S2 and other evolving standards.

These annual internal reviews are crucial to our business sustainability and allow us to identify opportunities and mitigate risks associated with each material matter. They also serve as a strategic compass to guide our Board, leadership and the entire organisation in understanding and addressing the issues that impact us and our stakeholders. By aligning our business goals and strategies with the material matters and stakeholder needs and expectations, the leadership team can make informed decisions that foster sustainable development.

Looking ahead to 2025, we are working towards integrating top material matters into the Key Performance Indicators (KPIs) of our OpCo CEOs, embedding these priorities across all levels to ensure that everyone is aligned with and accountable for our material matters.

The Board Sustainability Committee's (BSC) approval is premised on the basis that there were no major external factors that necessitated a material change to our identified material matters, nor were there any significant changes to our business model or operating context that warranted a change in the identified material matters, throughout the reporting year.

### Materiality Matrix

The materiality matrix below integrates input from Axiata and its stakeholders. The categorised material matters, ranging from High to Medium-Low importance, represent prioritised issues in the Group.

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	Medium-Low Importance
14	Sustainable Supply Chain	
15	Community Development	
16	Environmental Management	















## CONSIDERING WHAT MATTERS

	Description	Why is this important to the Group	Stakeholder Groups	Why is this important to Stakeholder Groups	Bursa Malaysia's Common Sustainability Matters*
<b>ADVANCING DIGITAL SOCIETIES</b>					
<b>Network Quality &amp; Connectivity</b>	Improve efficiency, availability and reliability to enhance network quality, coverage and connectivity.	Enhancing our network quality and connectivity through advancements in technology, e.g. 5G network and Internet of Things (IoT) will ensure customers' satisfaction and enable us to remain competitive in the market.	  	Our customers, business partners and communities expect us to provide them with the best network consisting of a wide area of coverage and a consistent and reliable mobile experience.	N/A
<b>Customer Experience</b>	Deliver a differentiated user experience by offering affordable products and services relative to our customer promise in the highly competitive markets we operate in.	Placing customer experience and satisfaction as a top priority by delivering personalised experiences and providing seamless products and services will retain their loyalty.		Understanding the ever-evolving needs of our customers will enable us to offer them products and services that go beyond meeting minimum expectations.	N/A
<b>Digital Inclusion</b>	Ensure everyone, including vulnerable members of the community, has access to affordable products and services to participate in the digital economy.	Empowering our customers and communities by providing affordable and innovative products and services will give them access to a digitally connected world.	 	In supporting the nation's aspirations to bridge the digital gap, continuous expansion and improvements to the network, products and services will ensure no one, including those in remote areas and vulnerable groups, is left behind.	N/A
<b>Sustainable Business Growth</b>	Promote direct and indirect value creation in our strategic investment decisions to ensure sustainable growth for our business, thereby enhancing shareholder returns.	Our investment and partnership strategies will guide us towards long-term business growth through excellence in operational performance and positive value creation.	 	Our focus on long-term business growth ensures that we create value and enhance shareholder returns, as well as the livelihood of our employees and value chain partners.	N/A
<b>Digitisation &amp; Innovation</b>	Adopt technological innovation to enhance key internal business functions, improve process efficiency and effectiveness and promote innovation and business continuity.	Prioritising technological innovation to enhance the efficiency and effectiveness of our internal business processes will support our aspiration of becoming an Asian Connectivity Leader.	  	Digitisation and innovation are key components of a digital transformation, which will help businesses grow and achieve meaningful outcomes.	N/A

Note: \* All 11 Bursa Malaysia's Common Sustainability Matters have been mapped to Axiata's Material Matters



## CONSIDERING WHAT MATTERS










	Description	Why is this important to the Group	Stakeholder Groups	Why is this important to Stakeholder Groups	Bursa Malaysia's Common Sustainability Matters*
<b>ADVANCING GREEN ECONOMY</b>					
<b>Climate Change</b>	Establish internal controls and monitoring mechanisms to meet our net-zero carbon emissions targets by no later than 2050, adopting the Task Force on TCFD recommendations as part of our 2024 reporting. Looking ahead, we will align with the IFRS Sustainability Disclosure Standards in 2025, as TCFD is fully integrated into IFRS S1 and S2.	Reducing our greenhouse gas emissions and closely monitoring and managing the impact of climate change on our business operations are important steps in our journey towards becoming carbon neutral.	   	In response to the global call for action on climate change, we endeavour to provide innovative digital solutions to enable and encourage our customers and communities to transition towards a low-carbon economy.	Energy Management, Emissions Management
<b>Environmental Management</b>	Manage environmental impacts through effective waste management, water consumption and biodiversity conservation as we aspire towards a circular economy within our operations.	Conducting our activities sustainably through the efficient use of material and water, effective waste management and biodiversity conservation to maintain our social licence to operate.	 	Operating responsibly by managing our consumption of natural resources to minimise any adverse impact on the environment, while working progressively with our partners across the value chain to uphold the same level of environmental management practices.	Waste Management, Water
<b>ADVANCING OUR PEOPLE &amp; COMMUNITIES</b>					
<b>Fair, Diverse &amp; Inclusive Employment</b>	Foster fair recruitment practices by embracing a diverse and inclusive culture in the workplace and offering employees fair compensation and benefits.	Establishing an inclusive working environment for all employees will promote a healthy and productive work culture, while boosting morale to enhance operational performance.		Promoting a fair and diverse working environment to create a winning culture that fosters safety and inclusion among our employees.	Diversity, Labour Practices and Standards
<b>Talent Development &amp; Attraction</b>	Promote and uplift the development and competencies of our employees to respond to the rapidly changing and complex business environment.	Our specialised programmes enhance our employees' competitive edge in a rapidly changing and complex business environment, while also attracting new talent to our organisation.		Digitisation and innovation are key components of a digital transformation, which will help businesses grow and achieve meaningful outcomes.	Labour Practices and Standards
<b>Community Development</b>	Promote a digitally inclusive future to support, uplift and nurture the local community, the underprivileged and the underserved group through our financial and non-financial contributions.	Creating a positive impact through purposeful contributions to local communities in the markets where we operate, fostering long-term community development.	 	Meaningful engagements with the communities will help us understand their needs and requirements and uplift their living standards.	Community/Society

Note: \* All 11 Bursa Malaysia's Common Sustainability Matters have been mapped to Axiata's Material Matters

**Legend:**  Customers  Media  Industry Bodies  Suppliers & Business Partners  Shareholders, Investors & Analysts  Community & Civil Society Organisations  Regulators & Government  Employees, Management & Board



## CONSIDERING WHAT MATTERS

	Description	Why is this important to the Group	Stakeholder Groups	Why is this important to Stakeholder Groups	Bursa Malaysia's Common Sustainability Matters*
ADVANCING OUR PEOPLE & COMMUNITIES (CONTINUED)					
<b>Emergency &amp; Disaster Response</b>	Provide support during emergencies and disasters through our business operations and humanitarian contributions.	Maintaining a culture of preparedness with the right tools, infrastructure and resources to support access and provide a humanitarian response in times of calamities and disasters.	   	Society's dependence on connectivity imposes a high level of trust on our business resilience to ensure continued access to communication and information during times of crisis.	Community/Society
<b>Employee Health, Safety &amp; Wellbeing</b>	Provide a healthy, safe and secure workplace for our employees in ways that address key challenges while bringing value to their livelihood at the same time.	Strict compliance to all applicable environmental, health and safety laws and regulations will ensure that we provide a conducive working environment that promotes physical and mental health and safety.	 	Our employees trust us to provide them with a safe, healthy and positive working environment in which rapid and appropriate actions will be taken when untoward incidents occur.	Health and Safety
DRIVING GOVERNANCE & RISK					
<b>Digital Integrity</b>	Strengthen data privacy and protect information and intellectual property against cyber security breaches to ensure the safety and security of our customers from online threats and exploitation.	Continuous strengthening of our cyber security practices to safeguard our customers' data from cyber security threats and breaches will retain their confidence and ensure the long-term viability of our businesses.	  	With rising data breaches, data privacy has become one of the topmost concerns of customers.	Data Privacy and Security
<b>Business Ethics &amp; Governance</b>	Maintain strict business ethics and corporate governance through 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.	Make strict business ethics a top priority at Axiata by establishing strong governance and ensuring that all business conduct adheres to the Code of Conduct that conforms to the T.R.U.S.T principles defined in the Malaysian Anti-Corruption Commission (MACC) Act.	  	With Axiata's strong ethical culture, we establish and nurture relationships with transparency, integrity and mutual trust and respect with our stakeholders.	Anti-corruption
<b>Sustainable Supply Chain</b>	Incorporate Economic, Environmental, Social and Governance (EESG) considerations across our supply chain management and processes, while ensuring supply chain continuity.	Holding our suppliers to high standards of business conduct, including sustainable practices, to meet the expectations of our customers for superior products and services.		Providing support and empowering our supply chain, where needed, to build their capabilities in managing the EESG factors within their business operations.	Supply Chain Management
<b>Regulatory &amp; Political Risk</b>	Monitor and manage evolving changes in the regulatory and political landscapes.	Countries in Southeast and South Asia where Axiata has operations remain highly regulated and as such, require close and constant monitoring of regulatory and political changes to be able to respond rapidly to protect long-term business growth.		Adopting a strict regulatory compliance strategy, including maintaining close relationships with regulators and governments to ensure a high level of compliance with regulatory requirements.	N/A



Note: \* All 11 Bursa Malaysia's Common Sustainability Matters have been mapped to Axiata's Material Matters

**Legend:**  Customers  Media  Industry Bodies  Suppliers & Business Partners  Shareholders, Investors & Analysts  Community & Civil Society Organisations  Regulators & Government  Employees, Management & Board



## STAKEHOLDERS ENGAGEMENT





● On-going ● As needed ● Quarterly ● Annually ● Monthly ● Throughout the year

	Engagement Mode	Matters of Concern	Response and Outcomes
 <b>Customers</b> <b>Significance to Axiata</b> We serve individual and enterprise customers, providing them with the connectivity, solutions and services they need. We focus on performance and exceeding expectations to ensure a positive user experience.	<p>We use surveys and competitor benchmarking to improve performance and exceed customer expectations across all our markets.</p> <ul style="list-style-type: none"> <li>Customer surveys</li> <li>Engagements and activities</li> <li>SME focus groups</li> </ul>	<ul style="list-style-type: none"> <li>Improving network and ICT service quality and availability</li> <li>Enhancing customer experience</li> <li>Providing transparent pricing for all products and services</li> <li>Establishing clear service differentiation</li> </ul>	<ul style="list-style-type: none"> <li>Deliver maximum value at optimum cost</li> <li>Exceed customer expectations through operational excellence</li> <li>Develop digital lifestyle products and self-service customer care solutions</li> <li>Provide valuable products, deals and services, including connectivity and Enterprise ICT solutions</li> <li>Offer excellent customer support across all channels</li> </ul>
 <b>Suppliers &amp; Business Partners</b> <b>Significance to Axiata</b> We rely on suppliers and partners for business-critical products and services that enable us to execute our strategy. We collaborate with them to optimise value and support mutual business growth.	<p>We engage with key suppliers to identify solutions and services that enhance operational excellence. We collaborate with them to address improvement opportunities through any of these following channels.</p> <ul style="list-style-type: none"> <li>Direct engagements and meetings</li> <li>Tenders and bidding</li> <li>Axiata Corporate Centre Forums</li> <li>Establish strategic alliances with local, regional and global players to capture enterprise revenue growth and capability building aligned to market demand and technology trends</li> </ul>	<ul style="list-style-type: none"> <li>Ensuring compliance with our Supplier Code of Conduct</li> <li>Engaging suppliers and partners on long-term strategy and emerging corporate developments</li> <li>Providing opportunities for supplier and partner development, including support and service continuity during emergencies (e.g. floods)</li> <li>Integrating ESG considerations throughout the supply chain to foster environmental responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Prioritise sourcing from local suppliers</li> <li>Support local direct and indirect employment through our supply chain</li> <li>Engage in industry value chain discussions to improve operational efficiency</li> <li>Leverage on Axiata's existing annual forums (e.g., ESG/ Risk &amp; Compliance (R&amp;C) forums) to address supplier awareness on process/ governance/ compliance/ ESG related issues and further strengthen engagement with stakeholders</li> <li>Define value-based procurement strategies and metrics to prioritise quality, sustainability and ethical standards</li> </ul>
 <b>Community &amp; Civil Society Organisations (CSO)</b> <b>Significance to Axiata</b> We prioritise active community participation and engagement as essential components of our social license to operate in this diverse and rapidly developing economic region.	<p>We build relationships with the community by partnering with local non-governmental organisations (NGOs) to promote digital inclusion, implement corporate responsibility programmes and assess stakeholder needs.</p> <ul style="list-style-type: none"> <li>Continuous communication through email and multi-platform messaging applications</li> <li>Ad-hoc meetings</li> <li>Annual meetings</li> </ul>	<ul style="list-style-type: none"> <li>Supporting the UN SDGs</li> <li>Developing the capacity of future leaders</li> <li>Contributing pre- and post-disaster assistance</li> <li>Addressing local social needs</li> <li>Enhancing digital connectivity and the broader digital ecosystem for society</li> </ul>	<ul style="list-style-type: none"> <li>Implement digital and financial inclusion initiatives covering digital skills, connectivity and inclusivity</li> <li>Launch disaster management and response initiatives</li> <li>Develop national talent to raise future leaders</li> <li>Establish Digital Innovation Funds to foster innovation and local entrepreneurship in four countries</li> </ul>
 <b>Shareholders, Investors, Analysts</b> <b>Significance to Axiata</b> As owners of Axiata, shareholders and investors provide us with the financial capital, while analysts can aid access to new investors and potentially new sources of funding, needed to sustain our growth. They are entitled to timely information about the Group and to receive a return on their investment.	<p>We hold Annual General Meetings (AGM) to engage with our shareholders and to seek their approval on key matters. We regularly meet investors via roadshows and conferences and actively engage with analysts and prospective investors on matters relating to strategy, financials and corporate developments, including ESG-related matters.</p> <ul style="list-style-type: none"> <li>Quarterly financial results briefings</li> <li>Investor conferences</li> <li>Annual General Meetings</li> <li>Analyst and Investor Day</li> <li>Shareholder and investor engagements</li> <li>Analyst engagements</li> <li>ESG questionnaires</li> </ul>	<ul style="list-style-type: none"> <li>Optimising our financial performance and debt reduction</li> <li>Consolidation and monetisation of businesses</li> <li>Future strategy of the Group</li> <li>Sustainability plans for the Group</li> </ul>	<ul style="list-style-type: none"> <li>Ensure transparency in corporate reporting and disclosures across multiple platforms, and making reports available via our website</li> <li>Regular engagements with shareholders, investors and analysts on emerging topics in the industry and national landscape</li> <li>Increase investor focus on ESG matters such as digital inclusion, climate-related risks, labour and human rights standards</li> </ul>



## STAKEHOLDERS ENGAGEMENT

● On-going ● As needed ● Quarterly ● Annually ● Monthly ● Throughout the year

	Engagement Mode	Matters of Concern	Response and Outcomes
 <b>Media</b> <b>Significance to Axiata</b> The media is a vital platform for engaging with our stakeholders and the local communities in the markets we operate in. These engagements are a powerful channel to ensure our strategy and objectives are communicated clearly and understood by them.	<p>We cultivate strong relationships with media outlets through proactive engagement, providing timely and accurate information on our activities, initiatives and perspectives.</p> <ul style="list-style-type: none"><li>● Media releases and press kits</li><li>● Media briefings and interviews</li><li>● Media engagements</li><li>● Media briefing sessions after AGM and release of financial results</li><li>● Media-hosted panel events</li><li>● Advertorial placements</li><li>● Media enquiries</li></ul>	<ul style="list-style-type: none"><li>• Timely updates on strategy and corporate developments</li><li>• Timely sharing of financial results, market performance and industry trends and issues</li><li>• Prompt response to media inquiries</li><li>• Clarity and accuracy in all media communications</li><li>• Access to senior leadership for exclusive or group interviews</li></ul>	<ul style="list-style-type: none"><li>• Share timely updates on performance and corporate activities</li><li>• Provide insights into Axiata's investment strategy and growth initiatives to drive business forward</li><li>• Facilitate direct and meaningful interaction with senior leadership, particularly on financial and operational performance</li><li>• Place content in targeted publications to maximise reach and impact</li><li>• Participate and host panel discussions to share emerging technologies, market trends and industry shifts</li><li>• Distribute informative press kits to convey corporate messaging</li><li>• Respond promptly to media queries</li></ul>
 <b>Regulators &amp; Government</b> <b>Significance to Axiata</b> Our operations are governed by national laws and regulations set by regulators in each market. These regulations determine our operating licenses and may have cost implications for the Group.	<p>We participate in industry meetings, regulatory platforms and capacity-building workshops to foster collaborative relationships with regulators and government agencies to contribute to the development of a thriving digital ecosystem.</p> <ul style="list-style-type: none"><li>● National regulatory authority</li><li>● Top leadership, e.g., Prime Minister-level, President-level</li><li>● Heads of regulatory agencies</li><li>● Ministers responsible for ICT and digital sectors</li><li>● Ministers related to investments, trade, foreign affairs and finance</li></ul>	<ul style="list-style-type: none"><li>• Discussing spectrum management and allocations, licensing framework, cyber security and digital inclusion</li><li>• Ensuring policies support industry sustainability to drive shareholder value</li><li>• Promoting regulatory certainty and investment-friendly policies</li><li>• Ensuring fair competition and a level playing field for all operators</li><li>• Encouraging investments in digital infrastructure</li><li>• Creating conducive environment for innovation and digital transformation</li></ul>	<ul style="list-style-type: none"><li>• Invest in local telecommunications infrastructure development</li><li>• Contribute directly and indirectly to the development of the local and regional digital economy</li><li>• Support digital innovation initiatives to enhance local and regional digital ecosystems</li><li>• Deploy world-class cyber security and data privacy practices</li><li>• Engage in proactive dialogue with regulators and government agencies to foster collaboration and address industry concerns, including ESG regulations and disclosure requirements</li></ul>
 <b>Industry Bodies</b> <b>Significance to Axiata</b> As a regional Telco-TechCo player, we collaborate with industry bodies within and related to our sector, aligning on key areas of interest.	<p>We participate in industry discussions and roundtables to drive continuous improvement and innovation within our sector.</p> <ul style="list-style-type: none"><li>● Meetings, discussions and roundtables with industry bodies</li></ul>	<ul style="list-style-type: none"><li>• Engage in discussions on 5G roll out strategies, AI governance, spectrum harmonisation, fair digital taxation and digital infrastructure resilience</li><li>• Advocate for policies that support investment certainty, network sustainability and fair regulatory frameworks</li><li>• Discuss partnerships to enhance Axiata's business growth, operational efficiencies and digital transformation goals</li><li>• Discuss collaborations in digital services, fintech, enterprise solutions, next-gen connectivity, value creation and shareholder returns</li></ul>	<ul style="list-style-type: none"><li>• Participate in roundtables with UN Global Compact Network Malaysia &amp; Brunei (UNGCMYB), GSMA and industry players on sustainability matters, including renewable energy</li><li>• Engage with industry bodies to foster collaboration, address industry concerns and respond to ESG regulations and disclosure requirements</li><li>• Contribute to industry proceedings and policies that benefit communities and society</li><li>• Engage in telco industry proceedings and policies aimed at improving the industry and benefitting communities and society</li></ul>
 <b>Employees, Management &amp; Board</b> <b>Significance to Axiata</b> Our talented and diverse workforce is essential for delivering the best digital experience to our customers and executing our business strategy. We cultivate a high-performing, accountable culture to attract, develop and retain top talent.	<p>We use various channels, including an annual survey, regular town halls and digital platforms to maintain open communication and engage with employees across the Group.</p> <ul style="list-style-type: none"><li>● Updates are broadcast on television screens</li><li>● Updates via Scoop (our intranet platform)</li><li>● Townhalls</li><li>● Employee engagement survey</li></ul>	<ul style="list-style-type: none"><li>• Sharing Axiata's long-term business strategy and performance with employees</li><li>• Highlighting career and talent development opportunities to foster growth</li><li>• Promoting work-life balance and employee wellbeing initiatives</li><li>• Embedding diversity and inclusivity in the workplace culture</li></ul>	<ul style="list-style-type: none"><li>• Provide GenAI baseline courses to employees to progress towards becoming next-generation digital champions</li><li>• Provide career and growth opportunities to talents</li><li>• Foster a Diversity, Equity and Inclusion (DEI) work environment</li><li>• Group and OpCo implement learning and development interventions respectively for talents</li></ul>



## OUR STRATEGY

Axiata's strategy in 2024 is centred on solidifying its position as a Sustainable Dividend Company by 2026, ensuring long-term value creation through steady growth, financial resilience and consistent shareholder returns.

Axiata is evolving its strategic focus, prioritising mobile connectivity and convergence to meet the region's growing digital demands. This shift towards becoming a Converged Connectivity Group expands its focus beyond mobile services to drive digital transformation. By enhancing connectivity solutions, unlocking new growth opportunities and capitalising on market opportunities, Axiata is strengthening its position as an Asian Connectivity Leader.



Financial  
Outcome

DPS 10 sen per annum  
(to progressively  
increase)

High single digit total  
shareholder return per annum

Net debt/EBITDA of 2.5x  
by the end of 2026



## OUR RISKS LINKED TO STRATEGY

Risk Level: ■ Low ■ Medium ■ High ■ Significant ■ Extreme

### Financial Risk

Risk Areas: **Financial Risk**

Risk Movement: **Stable**

Risk Level: ■

#### Context

- Exposure to foreign exchange (forex) risk across footprint markets, especially the depreciation of local currencies against the USD in frontier markets, rising interest rates, inflationary pressures, changing regulations and risk of a global recession
- Limited balance sheet headroom may restrict the ability for additional borrowings to fund capex requirements and future strategic corporate exercises
- Volatile market conditions complicate financial budgeting
- Proactive engagement with Bank Negara Malaysia and strategic banks in relation to the investments outside Malaysia and repatriation of funds back to Malaysia due to foreign currency related uncertainties in frontier markets, and with rating agencies to ensure investment-grade rating can be maintained
- Strict implementation and monitoring of the Group's capital structure guardrails such as gross and net debt/EBITDA ratio through better understanding of debt requirements, local and foreign currency debt mix and hedging of foreign currency debt, where available, and fixed and floating interest mix
- Continuously enhance Business Resilience programmes by incorporating comprehensive testing, scenario planning and a structured approach to continuous improvement

#### Impact

- USD liquidity crisis in frontier markets may impact availability of USD funds to meet USD-denominated obligations
- Inflated debt at consolidated level arising from depreciation of Axiata's reporting currency (Ringgit) against USD
- Unhedged USD liability exposure could lead to potential unrealised forex losses which depletes profit and retained earnings, impacting OpCos' capacity to upstream dividends

#### Mitigating Actions and Opportunities Arising

**Risk Owner: Axiata Treasury Management Centre**

- Proactive engagements with OpCos and financial institutions to monitor local market developments and pre-emptively address potential issues by implementing mitigating measures

#### Changes in 2024

- Proactive and pre-emptive solutioning to avoid payment defaults due to in-country liquidity shortage
- Pare down USD-denominated debt or refinancing to local currency to minimise adverse forex impact
- Pare down debt to mitigate impact of increasing interest rate
- Hedge debt by removing dependence on USD
- Prepay loans when rates are favourable
- Disciplined capex spending

**Link to Strategy and Material Matters**

Our Strategic Response

V2 V3 V4 SP1 SP5

Link to Material Matters

2 5 6 7 10

### Market Risk

Risk Areas: **Market, Operational and Financial**

Risk Movement: **Decreased**

Risk Level: ■

#### Context

Market risk refers to the challenges faced by Axiata Group that may impact our OpCos' agility to compete in their respective markets. These include macroeconomic, competitive, and industry-related risks. Below are the key risks:

- OpCos are mostly operating in emerging markets, which are more susceptible to macroeconomic and geopolitical risks.
- Challenging emerging markets' macroeconomic and geopolitical landscape impact disposable income, inflation and exchange rate
- Exponential growth in data consumption, offset by rising price competition and consumer price sensitivity, resulting in pressure on margins with escalating costs and investment requirements
- Market repair via price hardening/optimisation would depend on market behaviour, which is unpredictable
- Increasing market consolidation as well as growth in home broadband
- Risk of potential inability to adapt swiftly, especially to technology changes, and build sufficient resilience in the infrastructure and digital telco markets
- Infrastructure business continues to see demand but requires high investment, faces increasing competition and consolidation among customers
- Opportunity to tap underserved and underbanked customers for deposits and loans
- Competition for customer/deposit acquisition as well as growing loan book from other digital banks, digital finance companies and traditional banks

#### Impact

- Macroeconomic challenges and currency fluctuation may cause inflationary pressure, which could lead to shrinking consumer affordability (top line impact) and cost escalation, including for USD-linked expenditures (bottom line impact), with potential implications to EBITDA in the short to medium-run
- Exponential data consumption growth and technological evolution intensifying, expected to translate into cyclical pressure on capex and product pricing in the long-run
- Failure to repair the market, coupled with sustained extreme competition and rising data traffic, may result in a decline in ARPU
- Infrastructure business continue to register growth through new orders though the fixed broadband business in Indonesia faces profit pressures from intense price competition.

#### Changes in 2024

- Drive market repair through price adjustment as well as focus on customer acquisition cost
- Improved operational efficiency and cost structure through tactical cost transformation initiatives, as well as ROI based capex planning
- Strategic move towards increased adoption of digitisation, analytics and automation across business functions

**Link to Strategy and Material Matters**

Our Strategic Response

V1 V2 V3 V4 SP1 SP5

Link to Material Matters

1 2 3 5 6 8 10

- Strong growth in loan book and deposits though competition in digital banking based on customer acquisition strategies drives promotional interest rates up
- Rising interest rate environment, especially in developing markets resulted in escalation of net finance costs

#### Mitigating Actions and Opportunities Arising

##### Risk Owner: Group Business Operations

- Market repair and price hardening continues to be a key strategic focus where product mix and resource offerings across digital telcos are tactically reviewed and managed via regional strategies
- Continue to double down on brand advantage and strengths, customer experience and better market know-how
- Continue to counter aggressive behaviour by ISPs through converged products, offering more value to customers and also leveraging better go-to-market (GTM)
- Focus on market consolidation to improve market position, resilience and profitability
- Mitigate adverse impact from currency fluctuations by proactive reduction of unhedged USD exposure
- Proactive recalibration of working capital management to release trapped cash and improve capital structure to mitigate interest cost
- Continue working via Expert Working Groups in order to help OpCos better identify in advance, prepare for and react swiftly towards upcoming market disruptions, challenges as well as opportunities
- Explore securing advance payments in return for exclusivity to selected OpCos' sunset Application to Person (A2P) business to enable OpCos to pare down USD loans and reduce future Net Finance Cost (NFC), as well as potential forex exposure, with concentrated efforts made to increase ratio of local currency contracts
- Source external funding to support growth in infrastructure business
- Accelerate digital businesses' top line growth through strategic initiatives to tap new opportunities

#### Key Risk Indicators

- Macroeconomic outlook, such as: economic growth, exchange rates, key inflation rates and inflation rates
- Industry risk: industry growth and number of players
- Competition risk: market share, and product pricing
- ARPU and yield
- Strategic Group oversight and heightened cross-entity collaborations for knowledge sharing and leveraging combined learnings to address OpCo-specific risks and/or opportunities
- Strengthened business through a delayed approach in Indonesia as well as consolidation in Sri Lanka. Announced merger in Indonesia between XL Axiata and Smartfren
- Close monitoring of macroeconomic changes and reducing USD exposure in frontier markets



## OUR RISKS LINKED TO STRATEGY

Risk Level: ■ Low ■ Medium ■ High ■ Significant ■ Extreme**Operational Risk**Risk Areas: **Operational Risk**Risk Movement: **Stable**Risk Level: ■**Context**

- Operational and supply chain disruption resulting from environmental, geopolitical and economic factors
- Lack of a diversified supply chain reduces the agility to adjust to market conditions
- Fraud and unauthorised activities
- Business resilience and business continuity risk associated with natural disasters and other major disruptions such as pandemics, power outages, terrorist attacks and political instability

**Impact**

- Dependency on a few suppliers could limit Axiata's efforts in building a resilient and sustainable supply chain capability
- Geopolitical or economic shifts may cause delays, increase expenses and affect product quality and consumer demand
- High-impact disruptions in the markets where we operate could severely impact operations if business resilience measures are not adequate

**Mitigating Actions and Opportunities Arising****Risk Owners: Group Strategic Sourcing, Group Risk and Compliance**

- Partner with incumbent supplier(s) to leverage their competitiveness and capabilities in delivering cutting-edge technology/future proofing, while ensuring competitive commercial terms in the region
- Leverage supply chain deliveries from multiple locations within Asia, which are more stable and less affected by geopolitical risks
- Continue to explore market opportunities across the portfolios of existing major/key suppliers, while streamlining key suppliers as strategic partners
- Zero tolerance policy for fraud
- Continuously enhance Business Resilience programmes by incorporating comprehensive testing, scenario planning and a structured approach to continuous improvement

**Key Risk Indicators**

- Operation and supply chain disruption
- Cost of essential services
- Mean time to recover
- Business Continuity Management maturity levels

**Changes in 2024**

- Partnered with incumbent supplier(s) to leverage existing scale while working with the best in the region
- Increased reliance on supply chain deliveries from multiple locations across Asia given their greater stability and lower exposure to geopolitical risks
- Assessed if major/key suppliers can be streamlined as strategic partners, which can further solidify supplier reliability
- Adopted the Axiata A3 Network Architecture blueprint, aligning the evolving network architecture of Digital Telco OpCo towards a decoupled, open-stack mode
- OpCos are required to report their Business Resilience capability to Board Risk and Compliance Committee (BRCC) as part of their KPIs

**Link to Strategy and Material Matters**

Our Strategic Response

V2 V3 V4 SP1 SP5

Link to Material Matters

1 3 4 5 6 7 8 9  
11 12 14 15 16**People Risk**Risk Areas: **Operational and People Risks**Risk Movement: **Stable**Risk Level: ■**Context**

- Increasing demand for digital, AI-savvy and agile talent
- Talent attraction and retention capabilities are still a challenge
- Forecasts indicate increased talent competition in the near term and a high attrition rate for in-demand roles
- Ensure establishment of an ideal structure that fosters market agility and adaptability to optimise organisational size

**Impact**

- Increased competition and challenges in attracting and securing talents
- Potential loss of key talents and resource limitations could hamper Axiata's business aspirations

**Mitigating Actions and Opportunities Arising****Risk Owner: Group People Division**

- Dynamic talent acquisition approach, robust talent development programmes, attractive performance-based rewards and safe work environment
- Advocate employee empowerment to respond to changing customer demands and work processes
- Employee engagement to motivate and maintain morale and reduce attrition
- Periodic updates on policies and personal declaration documents, such as Code of Conduct and Conflict of Interest, which outline rules and guidelines on expected business and personal conduct
- Drive Axiata Winning Culture programmes to enhance awareness, understanding and adoption of the refreshed core values and key behaviours at all levels
- Implemented enhanced Employee Assistance Programmes and workshops themed around managing change, increasing awareness and understanding mental health and wellbeing
- Implemented Role Modelling and Culture Champions initiatives aimed at cultivating the Axiata Winning Culture
- Accelerate hiring by tapping into alternative talent sources beyond traditional talent pools
- Roll out revamped onboarding experience, including pre-, during and post-onboarding periods
- Implement improvements in data capture and analytics at the exit interview stage to identify root causes and possible trends
- Engagement activities with top leadership to increase touchpoints across all divisions

**Key Risk Indicators**

- Loss of key personnel
- Leadership competency gap
- Employee safety and health risk assessment
- Capacity and capability shortage

**Changes in 2024**

- Reviewed collaborations with external organisations to focus on opportunities more aligned with the talent development priorities vis-à-vis the new Axiata Operating Model
- Emphasis on strategically mobilising senior-level talent for CXO roles across the Group through a bespoke, targeted approach
- Shift of a more strategic and advisory role by Group to OpCos on Talent & Succession, in line with the greater empowerment to OpCos to drive talent development programmes for their talents

**Link to Strategy and Material Matters**

Our Strategic Response

V2 V3 V4 SP1 SP2 SP5

Link to Material Matters

1 3 6 7 8  
11 12 13 14



## OUR RISKS LINKED TO STRATEGY

Risk Level: ■ Low ■ Medium ■ High ■ Significant ■ Extreme**Regulatory Risk**Risk Areas: **Compliance Risk**Risk Movement: **Stable**Risk Level: ■**Context**

Regulatory risk refers to the risk Axiata faces due to changes in regulations or laws exposing the risk of doing business, affecting its operations or financial performance and this include broad range of telco regulations, depending on market maturity. Current regulatory risks which may affect Axiata in the various markets include - amongst others:

- Spectrum allocation, refarming, onerous spectrum and license renewal conditions
- Regulatory over-reach by policy makers and regulatory authorities creating operational restrictions
- Compliance with digital bank and Fintech regulations
- General elections across several footprint markets, amplifying challenges and uncertainties with changes in policy makers that may impact business operating environments
- Unpredictability and potential increase in sector-specific tax and levies, increasing cost of doing business

**Impact**

- Axiata generally operates in regulated environments and subject to various sector-specific laws, regulations and licencing regimes. Changes in policies, regulations and uncertainties could disrupt business operations, impair business resilience, returns and affect long-term growth prospects
- Inherent changes and general unpredictability of compliance requirements may increase compliance costs

**Changes in 2024**

- Overall improvement of regulatory compliance level and insights monitoring with operationalisation of the enhanced Axiata Regulatory Compliance Framework across OpCos
- Easing regulatory pressure due to more agile responses in anticipating and adapting to adverse regulatory changes
- Gradual shift in operating model to empower OpCos to drive local regulatory priorities, while Group adopts a strategic and advisory role

**Link to Strategy and Material Matters**

Our Strategic Response

V2 V3 V4 V5 SP1 SP3 SP4 SP5

Link to Material Matters

1 2 3 10

**Cyber Security & Data Privacy Risk**Risk Areas: **Regulatory and Operational Risk**Risk Movement: **Stable**Risk Level: ■**Context**

- Safeguarding the confidentiality, integrity, and availability of information is essential for customers, employees, and business partners amid emerging technologies like AI and quantum computing, which pose security challenges
- New regulatory frameworks, such as Cyber Security and Data Protection Acts, aim to enhance security and transparency
- Building customer trust in digital security offers a competitive advantage
- Given the Cyber talent shortage, insourcing cyber security capabilities and fostering in-house innovation can help navigate challenges and maintain our focus on cyber security and data privacy

**Impact**

- Cyber attacks leading to data breaches, financial losses and reputational damage, while undermining customer trust
- Intellectual property theft can erode competitive advantage, hinder innovation capabilities and compromise market position
- Unavailability of critical systems and applications resulting in revenue and reputation loss, erosion of customer confidence and legal and regulatory penalties

**Mitigating Actions and Opportunities Arising****Risk Owner: Group Risk and Compliance**

- Proactive public-private partnership between ACFC and government agencies to protect Critical infrastructure against regional cyber threats through knowledge sharing with industry, regulatory bodies, and academia, addressing the talent shortage in cyber security
- Implementing cyber security strategy, Digital Trust and Resilience 2026 and Data Privacy Strategy, #ASH 3.0 to enhance maturity and resilience, measuring against industry best practices such as National Institute of

**Changes in 2024**

- Refreshed Group cyber security strategy, with greater focus on risks posed by emerging technologies, geopolitical conflicts and increasing adoption of digital technologies
- Adoption of cyber security framework, NIST 2.0, MITRE ATT&CK Framework, Zero Trust Framework for vertical enhancement of capabilities such as Detection, Incident Response and Threat Hunting
- Implementation of Axiata's 5G Zero Trust security architecture
- Risk quantification framework to effectively identify, classify, prioritise and manage cyber risks, development of home grown platform, HELIOS, to enhance Threat Attribution through AI
- Crown Jewel recalibration exercise which helped to refresh the Crown Jewel asset schema of the Group to focus on implementation of differentiated controls across the board
- Enhanced collaboration between IT, Telecommunications, Data Privacy and AI governance teams in rolling out futuristic plans to enhance security

**Link to Strategy and Material Matters**

Our Strategic Response

SP1 SP4

Link to Material Matters

1 2 5 11 12



## OUR RISKS LINKED TO STRATEGY

Risk Level: ■ Low ■ Medium ■ High ■ Significant ■ Extreme

### Technology Risk

Risk Areas: **Operational, Technology, People and Market Risk**

Risk Movement: **Increased**

Risk Level: ■

#### Context

- In an ever-evolving technological landscape, we are cognisant of the potential risks posed by broader economic headwinds and the need for continuous investments in emerging technologies. The rapid pace of technological advancements demands a proactive approach to maintain our competitive edge and ensure long-term sustainability

#### Impact

- Short-term: Pressure on working capital and liquidity could impact our ability to maintain and improve technology assets, potentially leading to cash flow challenges and heightened competition
- Medium-term: Failure to keep pace with technological changes versus our peers and secure adequate funding for major initiatives or adopting the wrong technologies could limit our ability to remain competitive and achieve future growth objectives
- Long-term: Inadequate investment in new technologies and innovations could result in premature obsolescence, reducing our long-term value proposition and hindering our ability to maintain a competitive advantage

#### Mitigating Actions and Opportunities Arising

##### Risk Owner: Group Technology

- Continuous Technological Evaluation:** We constantly review and update our technological capabilities to remain relevant while maintaining financial prudence. Our Techno-commercial procurement processes prioritise future-proofing, ensuring that selected network equipment aligns with long-term technological trends

#### Changes in 2024

- Enhanced technology planning and procurement practices with improved ROI metrics
- Implemented comprehensive customer experience measurement framework
- Established new strategic technology partnerships focusing on emerging technologies
- Strengthened risk management framework with specific focus on AI and data security
- Improved cyber security posture in response to evolving threats
- Successfully operationalised GenAI applications across multiple OpCos following our GenAI playbook
- Accelerated digital transformation initiatives with measurable business outcomes
- Adopted the Axiata A3 Network Architecture blueprint which aligns evolving the Digital Telco OpCo's network architecture towards decoupled, open stacks, enabling hyper automation towards an Autonomous Network Level 3.5+ operation

[Link to Strategy and Material Matters](#)

Our Strategic Response

V2 V3 V4 SP1 SP2 SP5

[Link to Material Matters](#)

1 2 3 4 6 7

### Governance Risk

Risk Areas: **Compliance and Regulatory Risk**

Risk Movement: **Stable**

Risk Level: ■

#### Context

- Non-compliance with internal and external Anti-Bribery Anti-Corruption (ABAC) laws in countries we operate in due to unethical conduct and absence of good corporate governance, which impedes shareholders' protection, exposure to fines, penalties and loss of reputation
- Lack of adequate procedures being implemented within the organisation which increases risks of corporate liability (pursuant to Section 17A of the MACC Act) and poses potential risks of fines, penalties and loss of reputation

#### Impact

- Loss of investors' confidence
- Potential material penalties in the event of breach/non-compliance with the MACC Act related to ABAC

#### Mitigating Actions and Opportunities Arising

##### Risk Owner: Group Risk and Compliance

- Maintaining and developing strong ethical platform and corporate governance standards to support business integrity and performance
- A structured compliance monitoring and evaluation plan approved by Group BRCC comprising various monitoring activities conducted throughout the year and reported to the Risk and Compliance Management Committee (RCMC) and BRCC across the Group

#### Changes in 2024

- Strengthened compliance culture through mandatory and targeted training for high-risk departments to mitigate bribery and corruption risks
- Biannual reporting to MACC on Axiata's Integrity and Governance Unit (IGU) activities
- Group-wide implementation of the ABAC Plan, Corruption Risk Assessment, and Compliance Monitoring & Evaluation Reporting Systems
- Updates to the VITAL System
- Conducted a Group-wide Integrity Survey on Conflict of Interest (COI) with ~ 70% participation
- Revised ABAC and Gifts, Donations & Sponsorships (GDS) Policies and Procedures
- Organised the Axiata Key Supplier Engagement Forum 2024 in collaboration with Group Sustainability
- Organised several Dawn Raid sessions for relevant personnel across the Group who may be involved in a raid/investigation by the regulators
- Roundtable Compliance Forum with key telco organisations in Malaysia in collaboration with CelcomDigi Berhad
- Corporate Membership with The Malaysian Society for Transparency and Integrity (TI Malaysia) as part of supporting the national agenda in curbing corruption in the country
- Continuous engagement sessions with organisations such as Petronas, Khazanah, Shell and SD Guthrie in collaboration with Business Integrity Alliance on various compliance topics

[Link to Strategy and Material Matters](#)

Our Strategic Response

V2 V3 V4 SP1 SP5

[Link to Material Matters](#)

1 3 5 10



## OUR RISKS LINKED TO STRATEGY

Risk Level: ■ Low ■ Medium ■ High ■ Significant ■ Extreme

### Strategic And Investment Risk

Risk Areas: **Strategic & Financial Risk**

Risk Movement: **Stable** Risk Level: ■

#### Context

- Frontier market risk including exposure to adverse macroeconomics and emerging and frontier markets situation (e.g., political instability, inadequate regulations, large currency fluctuations, etc.)
- Exposure to industry restructuring and rationalisation, including market convergence and consolidation
- Exposure to Group profitability and retained earnings

#### Impact

- Influence of macroeconomics and emerging markets volatility may reduce the capability of frontier market OpCos resulting in a slow trajectory and no new growth areas
- External factors such as regulatory approvals and counterparty risks can hinder mergers and acquisitions (M&A) progress and industry restructuring
- Risk to achieving target dividend payout from OpCos due to depreciation of reporting currency which could lead to lower dividend income received, potential USD liquidity shortage, or delay in regulatory approval for repatriation
- Risk of Impairment – Potential for goodwill impairment as Weighted Average Cost of Capital (WACC) rises in frontier markets

#### Mitigating Actions and Opportunities Arising

**Risk Owners: Group Strategy, Group Corporate Development and Group Finance**

- Strengthen governance through Board Subcommittee formation and better representation on the Board of subsidiaries and Associates. Closely monitor the competitive landscape, explore and invest in upgrading technology and platform as necessary
- Continuously manage capital structure at Group and OpCos and use hedging instruments, where possible, to mitigate macroeconomic risk including associated inflation and interest rate risk
- Manage capital as per Capital Allocation Framework to mitigate exposure in frontier markets
- Strategic pare down of USD liabilities to reduce adverse impact from forex exposure of local currency and improve profitability

#### Key Risk Indicators

- Market volatility
- Economic landscape
- Market potential

#### Changes in 2024

- Increased engagement with regulators, counterparties and other stakeholders
- Formation of Axiata Board Investment Committee and OpCo Board Investment Committees (OBIC) respectively. Conducted quarterly OBIC meetings to deliberate and decide on OpCos' investments
- Sweat existing assets and further strengthened operational excellence to yield sustainable cashflow from OpCos
- Completed delaying in Indonesia, establishing Link Net as a FibreCo and XL as ServeCo

#### Link to Strategy and Material Matters

Our Strategic Response

V2 V3 V4 SP1 SP4 SP5

Link to Material Matters

2 5 6 7 12 14

### Geopolitical Risk

Risk Areas: **Strategic, Geopolitics, Regulatory & Compliance Risk**

Risk Movement: **Stable** Risk Level: ■

#### Context

- Axiata operates in markets exposed to potential geopolitical risks, which may impact business prospects and resilience
- Political instability (e.g. Bangladesh), civil unrest and other social tensions
- Elections, change of governments and other developments may result in adverse regulatory changes and uncertainty in policy making (political, regulatory, sanctions)

#### Impact

- Unstable and volatile political landscape may lead to uncertainties over the long term, which may negatively affect investment confidence. This includes potential new regulations and stricter compliance enforcement, which could impact business operations
- With the introduction and uncertainty of tariff policy, trade tensions will likely accelerate the geopolitical shift to a more multi-polar world

#### Mitigating Actions and Opportunities Arising

**Risk Owners: Group Regulatory Affairs and Group Business Operation**

- Closely monitoring key market geopolitical developments for any adverse changes to the laws, rules, regulations, or government policies relevant to the industry
- Where necessary, review corresponding strategies and stakeholders' engagement plan to respond to such changes
- Strategise and support OpCos, leveraging their local expertise, knowledge of the changing political situation on-ground to ensure timely and effective responses
- Leverage and capitalise on opportunity to advocate for favourable policy and regulatory reforms to improve operating conditions
- Close coordination with the Government of Malaysia and its missions/embassies abroad to stay informed of on-ground local developments and ensure Axiata's interests are consistently protected

#### Key Risk Indicators

- Global Trade and tariff policies changes, international relations
- Geopolitical risk due to change of government
- Country risk rating, political and economic stability and AML/CFT risk level

#### Changes in 2024

- Established Capital Management Framework

#### Link to Strategy and Material Matters

Our Strategic Response

V3 V4  
SP1 SP5

Link to Material Matters

3 5 10 11  
12 13 15

### ESG Risk

Risk Areas: **ESG Risk**

Risk Movement: **Stable** Risk Level: ■

#### Context

- Heightened investors' focus on ESG matters and disclosures, including net-zero commitment and labour standards
- New developments on sustainability disclosures in local market and globally, which includes convergence of reporting frameworks and climate-related disclosures such as TCFD (converging into IFRS S1 and S2 in FY2025)

#### Impact

- Enhanced sustainability disclosure requirements may disrupt operations, lead to penalties, fines or impact investor confidence
- Intentional or unintentional 'greenwashing' can damage stakeholder trust and brand value
- Inability to meet rising ESG mandates and expectations by investors and key stakeholders, and failure to achieve ESG targets may impact reputation, investor confidence and compliance with ESG-related regulations
- Impact of climate change requires strategic and proactive measures to mitigate its effects on our operations and financials

#### Mitigating Actions and Opportunities Arising

**Risk Owner: Group Sustainability**

- Continue to enhance overall strategy and framework to drive sustainability initiatives and programmes across the Group in a structured and cohesive way
- Implement climate risk and opportunity management plans
- Provide advisory support and capacity building/training for the sustainability teams in all OpCos
- Focus on review of carbon emission baseline, establishing decarbonisation pathway, for SBTi targets validation

#### Key Risk Indicators

- Metrics to measure progress of ESG targets including SBTi-validated targets

#### Changes in 2024

- Further strengthened Group-wide sustainability governance in alignment with the new operating model, while leveraging OpCo BRCCs
- Focused on reviewing the carbon emissions baseline, establishing a decarbonisation pathway, and obtaining SBTi validation for targets

#### Link to Strategy and Material Matters

Our Strategic Response

V2 V3 V4  
SP1 SP5

Link to Material Matters

9 16





# FORGING STRONGER CONNECTIONS IN THE DIGITAL ERA

Enable a thriving connected world and  
foster digital inclusivity to empower  
communities.

**WE ARE AXIATA**





## THIS IS AXIATA

As one of Asia's diversified telecommunications and digital conglomerates, with more than 175<sup>1</sup> million subscribers across Southeast and South Asia, Axiata is spearheading the ambition for a more inclusive digital society. Our Triple Core Business of Digital Telcos, Infrastructure and Digital Business drives this ambition as we strive to be a Converged Connectivity Group.

We prioritise sustainable growth and enhanced shareholder value, aiming to be a Sustainable Dividend Company. We champion talent development, community outreach and climate action, leveraging regional innovation and connectivity to promote digital inclusion and sustainable progress.

### Our Purpose

### ADVANCING ASIA

#### Our Vision

#### The Next Generation Digital Champion

#### Our Aspiration

#### Axiata as a Sustainable Dividend Company

#### OUR THREE CORE BUSINESS SEGMENTS ACROSS SOUTHEAST AND SOUTH ASIA



Key Associate Company:



##### Digital Telcos

To meet the evolving digital needs of our Consumer, Home and Enterprise segments, our digital telcos deliver domestic and international connectivity solutions including mobile, fixed, ICT and converged offerings. These intelligent solutions empower our customers to thrive in an increasingly connected world.



##### Infrastructure

Our infrastructure businesses provide end-to-end integrated telecommunications infrastructure solutions and services, including tower leasing, colocations and custom-built sites as well as energy, transmission and Operations and Management (O&M) services. These services drive sustainable value by supporting thriving digital ecosystems. EDOTCO, the world's sixth largest tower company, owns and manages over 55,000 towers across Southeast and South Asia, while Link Net focuses on scaling fibre wholesale access service for Fibre to-the-Home (FTTH) in Indonesia.



##### Digital Businesses

Our digital businesses utilise intelligence, innovation and data to provide digital financial services and facilitate digital and data transformation. Boost, a regional fintech leader, launched Boost Bank Berhad by Axiata and RHB Banking Group to expand financial inclusion and serve the underbanked and unbanked segments in Malaysia. ADA, a pioneer in data and analytics, empowers clients across Asia to leverage data as a strategic asset to drive growth and informed decision-making. ADL an innovative software service and solutions provider, assists businesses enhance operational efficiency and navigate the digital landscape.

#### Key Footprint Markets



Malaysia



Indonesia



Sri Lanka



Bangladesh



Cambodia



Pakistan



Myanmar



Philippines

### SHAREHOLDING STRUCTURE

As at 31 March 2025



- 36.70**  
Khazanah Nasional Berhad
- 18.32**  
Permodalan Nasional Berhad
- 17.68**  
Employees Provident Fund Board
- 15.67**  
Other Malaysian Shareholders
- 11.63**  
Foreign Shareholdings



Scan here to find out more on our website

Note: <sup>1</sup> Includes digital telcos and digital businesses in footprint countries



## OUR INVESTOR PROPOSITION

### 2024 Financial Performance

- **~ RM1 billion opex optimisation**  
Operational excellence across HoldCo and OpCos lifted Earnings Before Interest and Taxes (EBIT)<sup>1</sup> margins by ~ 4% points
- **~ RM2 billion capex optimisation**  
Savings came on the back of the new governance model, with Board Investment Committees and a disciplined focus on Return on Investment (ROI)
- **RM0.9 billion PATAMI**  
Driven by strong EBIT<sup>2</sup> & <sup>3</sup> growth of 39.3% at constant currency, exceeding FY2024 Headline KPI
- **RM2.6 billion net debt reduction**  
Strengthened the balance sheet as net debt/EBITDA reduced to 2.7x<sup>1</sup>, from 3.4x<sup>1</sup> in FY2023
- **~ RM1.3 billion OpCo dividends**  
There was strong dividend from OpCos and key associate, and Axiata declares 10 sen DPS for FY2024

### Executing Axiata 5\*5 Strategy: 2024 Achievements

- **Building business resilience** in frontier markets with good execution of merger in Sri Lanka and **on track to deliver merger synergies**
- **Structural transformation in Indonesia**, with the delayering of Link Net and XL into FibreCo and ServeCo respectively, which was **completed** at end-Q324
- **Indonesia mobile consolidation on track for completion** by Q225, after which all our markets will be 3-player markets, with Axiata having #1 position in 3 markets, strong #2 in 1 market, and close #2 in 1 market
- The **highest ever full year profits** delivered from XL, Robi, Smart and EDOTCO
- Maiden dividends declared by EDOTCO

### Proposition to Investors

#### Aspirations to deliver three financial outcomes from the Axiata 5\*5 Strategy:

1. To generate sustainable dividends. Axiata's goal is to maintain its 10 sen per share dividend target and work to progressively increase the dividend per share going forward
2. To generate high single digit total shareholder returns per annum
3. To proactively manage our debt levels lower with a target to achieve a Net Debt/EBITDA ratio of 2.5x by the end-2026

Effective execution of the Axiata 5\*5 Strategy will lead to the **Group transforming into a Converged Connectivity Group** with focus on growing yields through better cash flow and profits. Axiata is shifting its priority and focus to:

- Connectivity and convergence as the main business
- Investments in Malaysia and emerging markets

### Progressing Sustainability Agenda

#### Advancing Digital Societies

- Axiata was ranked #22 in the 2023 Digital Inclusion Benchmark, which assesses the top 200 technology companies globally. There was no ranking for 2024 due to a change in methodology, with the next results expected in January 2026
- Exceeding its 2025 target of improving 23 million lives under the Edison Alliance's 1 Billion Lives Challenge, Axiata has improved 26.8 million lives by the end of 2024

#### Advancing Green Economy

- Received SBTi approval for Group-wide Scope 1, 2 and 3 emissions targets and adoption of FY2022 as baseline year

#### Advancing Our People & Communities

- Community contributions totalling RM20.2 million, impacting 4.3 million lives overall, including RM6.6 million made through the Axiata Foundation

#### Driving Governance & Risk

- 92.1% of operations assessed for corruption-related risks
- 89.5%<sup>4</sup> & <sup>^</sup> completion of training on anti-bribery and anti-corruption
- 85.1%<sup>^</sup> proportion of spending on local suppliers Group-wide

### FTSE4Good

- Constituent of the FTSE4Good Bursa Malaysia Index and FTSE4Good Bursa Malaysia Shariah Index with 3-star ESG Grading Band (under Bursa Malaysia's ESG Ratings of PLCs assessed by FTSE Russell)
- FTSE Russell ESG Rating score of 3.4

### CDP

CDP Score D (Disclosure) in 2024

### S&P Global

Maintained a score of 39/100 in the 2024 S&P Global Corporate Sustainability Assessment (CSA score as of 10 December 2024)

### MSCI ESG

Maintained AA (Leader) rating

### Axiata Cyber Fusion

**Centre won Cyber Security Innovation Award** for its AI-powered threat attribution platform HELIOS

Notes: <sup>1</sup> Excludes EDOTCO Myanmar

<sup>2</sup> Headline KPIs exclude EDOTCO Myanmar

<sup>3</sup> Headline KPIs exclude impairment of assets

<sup>4</sup> Includes active employees as of 31 December 2024

<sup>^</sup> The percentage of employees who have received training on anti-corruption (by employee category) and proportion of spending on local suppliers were subjected to external independent limited assurance. Refer to the Independent Limited Assurance Statement on pages 149 to 150



## OUR VALUE CREATION MODEL

### OUR SIX CAPITAL INPUTS

#### Financial Capital

- Market capitalisation at **RM22.9 billion**
- Gross Debt/EBITDA ratio of **3.2x<sup>1</sup>**
- Net Debt/EBITDA ratio of **2.7x<sup>1</sup>**
- Debt/Equity ratio of **1.2**
- Capital expenditure of **RM3.9 billion<sup>1</sup>**

FC

#### Human Capital

- ~10,500** employees from **37** nationalities
- 218,179<sup>\*</sup>** training hours logged in 2024

HC

#### Intellectual Capital

- Data privacy, cyber security and information security initiatives
- Investment in digitisation and modernisation initiatives

IC

#### Social & Relationship Capital

- 2024 Net Promoter Score:
  - #1** Dialog, Robi and Smart
  - #2** XL Axiata

SRC

#### Manufactured Capital

- 34,961** towers owned by EDOTCO
- 23,642** towers managed by EDOTCO
- Group-wide Base Transceiver Stations (BTS) Infrastructure
- Group Plant, Property and Equipment (PPE) value of **RM25.5 billion**

MC


#### Natural Capital

- Direct energy consumption of **0.37 million GJ**
- Indirect energy consumption of **6.27 million GJ**

NC

#### Material Matters

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

 **IAR**, Considering What Matters on page 16

### BUSINESS ACTIVITIES

Our Purpose  
**ADVANCING ASIA**

Our Vision  
**The Next Generation Digital Champion**

Our Aspiration  
**Axiata as a Sustainable Dividend Company**

#### TRIPLE CORE BUSINESS



#### 5 VECTORS OF VALUE CREATION

- V1** Synergies Delivery in CelcomDigi
- V2** Structural Transformation in Indonesia
- V3** Business Resilience in Frontier Markets
- V4** Sustainable Value Creation for InfraCo
- V5** Value Illumination of Digital Businesses

#### Strategic Priorities

- SP1** Operational Excellence
  - Drive focused initiatives to improve operating and capital efficiencies
  - Investment in digitisation and modernisation initiatives
- SP2** Telco-TechCo Journey
  - Enhance network cost excellence
  - Foster innovation-led enablers
  - Adopt asset-light approach with strategic partnerships
  - Excel in monetising platforms and solutions
- SP3** Portfolio Optimisation & Value Illumination
  - Prioritise market repair in Indonesia and Bangladesh
  - Enhance financial flexibility through fund raising and de-risking in deteriorating environment
  - Attract new investors to grow environments
  - Opportunistically monetise assets
- S4** New Engagement & Operating Model
  - Enhance governance and restructure HoldCo for improved efficiency
- SP5** Winning Culture
  - Embed core values and key behaviours of the Axiata Way, a unique employee culture, to drive the Axiata 5\*5 Strategy

#### In Alignment with Axiata Sustainability Framework

Advancing Digital Societies

Advancing Green Economy

Advancing Our People & Communities

Driving Governance & Risk

Notes: <sup>1</sup> Excludes EDOTCO Myanmar

<sup>\*</sup> The total training hours (by employee category) was subjected to external independent limited assurance. Refer to the Independent Limited Assurance Statement on pages 149 to 150



## OUR VALUE CREATION MODEL



### TRADE-OFFS

Reshaping our portfolio through the Dialog-Airtel merger, upcoming XL-Smartfren merger and Link Net's carve-out in 2024 reflects Axiata's strategic focus on enhancing operational synergies and economies of scale. These corporate exercises are expected to strengthen our Manufactured, Intellectual and Human Capitals, driving long-term efficiencies and innovation.

As we advance towards a Telco-TechCo, we are making significant infrastructure enhancements, including the integration of AI, analytics and digital platforms into our operations. Investment in talent development is key to equipping our workforce with the capabilities needed to drive this transformation. These initiatives directly strengthen our Manufactured, Intellectual and Human Capitals, but also place short-term pressure on Financial Capital due to the investment required. However, they are essential for long-term value creation, innovation and competitiveness.

Building a Winning Culture at the workplace is essential to supporting Axiata's growth, requiring investments in training and development, health and wellbeing programmes. These initiatives strengthen our Human Capital by fostering a thriving work environment that prioritises diversity, equity and inclusion, career progression and overall wellbeing. While these efforts require Financial Capital, they ensure we have the right talent in place to drive long-term growth and execute our strategies effectively.

In fostering digital and financial inclusion, investments in infrastructure and greater digital access such as EDOTCO's expansion and Boost Bank Berhad's steady progress directly contribute to Intellectual, Manufactured and Social & Relationship Capitals, as do digital services enhancements, including cyber security and information security initiatives. While they impact Financial Capital in the short term, these efforts are necessary to enable digitally safe and connected societies, which contributes to socio-economic development. We will exercise careful resource allocation to support sustainable value creation.

Our stakeholder engagement activities foster Social & Relationship Capital but they can limit investments in other capitals such as Intellectual, Manufactured and Natural capitals. However, Axiata believes that strong stakeholder relationships through consistent engagement and open dialogue builds long-term trust, which outweighs the short-term pressure on financial resources.

We are committed to our long-term climate goals and are proactively implementing measures to achieve net zero carbon emissions by 2050. Investments in green technologies and low-carbon solutions such as the deployment of solar power at our base stations impact Financial Capital but will strengthen Natural Capital and deliver positive, long-term environmental outcomes.

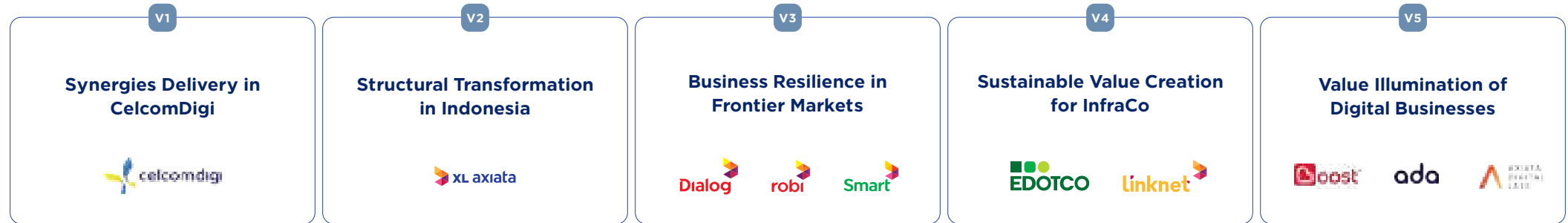
➔ **IAR.** Our performance and progress are detailed in the Axiata In Action on pages 37 to 44 and Sustainability At Core on pages 46 to 93



## 5 VECTORS OF VALUE CREATION

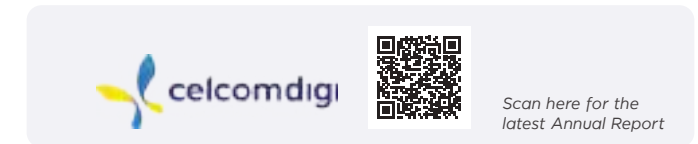
Axiata's 5 Vectors of Value Creation power the strategic execution of the Axiata 5\*5 Strategy. These vectors optimise synergies, enhance market positioning and unlock new opportunities across its core businesses, digital ventures and infrastructure assets.

By leveraging innovation, structural efficiencies and market consolidation, Axiata strengthens its competitive edge while navigating evolving industry landscapes. Focused on financial discipline and value realisation, the strategy positions Axiata as a leading Converged Connectivity Group committed to delivering sustainable dividends and long-term value creation.



### V1 Synergies Delivery in CelcomDigi

Synergy targets on track from successful integration and transformation efforts across various areas of business. Optimise cost efficiencies and capitalise on market consolidation benefits to strengthen market structure and reinforce leadership position.



#### Our Progress

##### Activities and Processes to Create Value

- Build on the benefits of market consolidation with an improved market structure and market leadership position
- Accelerate and complete network integration and modernisation, realise synergies and operational excellence
- Sustain market leadership with growth across the company's Consumer, Home & Fibre and Enterprise core segments

##### Highlights

- Progressed ahead of plan in integration and transformation programmes across network, IT, retail, customer experience, and other operating model changes
- Completed approximately 75% of its network integration and modernisation programme
- Concluded the first phase of harmonising the billing and customer relationship management system
- Refreshed product portfolio across all consumer and enterprise segments, going to market as a single CelcomDigi brand
- Roll out of 48 new retail stores now delivering improved sales productivity and enhanced customer and digital experiences

#### Outcome

- Normalised EBIT and PAT registered a respectable 3.6% growth to RM2.8 billion, and 11.7% to RM1.7 billion
- Realised RM1.6 billion in net synergy savings driven from disciplined cost management and capex avoidance from integration programmes
- On track to deliver annual cost savings of RM700-800 million post-2027
- Closed 2024 with approximately 20.4 million subscribers



## 5 VECTORS OF VALUE CREATION

### V2 Structural Transformation in Indonesia

**Optimise market structure by merging mobile operations to strengthen competitiveness, challenge industry leaders and drive cost efficiencies. This approach enables greater investment in advanced digital infrastructure while unlocking broadband opportunities across both consumer and infrastructure segments.**



Scan for the latest Annual Report

#### Our Progress

##### Activities and Processes to Create Value

- Implement organic initiatives to strengthen Axiata's Indonesian portfolio
- Upcoming XL-Smartfren merger to strengthen market structure by creating a 3-player market
- Carve out ServeCo to XL and restructure Link Net into a streamlined FibreCo

##### Highlights

- Focused on increasing ARPU, expanding direct distribution and growing revenue share from digital channels
- The upcoming XL-Smartfren merged company, XLSMART will emerge as a more competitive mobile operator with greater scale with an estimated 25% customer market share
- Establishing Link Net as a lean fibre infrastructure company while enabling build-to-suit FTTH deployment for XL

#### Outcome

- Improved site profitability and enhanced overall financial performance
- Unlocking significant synergies, with projected USD300-400 million pre-tax annual cost savings post-integration
- Enhancing operational efficiency, optimising resource allocation and strengthening fibre broadband capabilities

### V3 Business Resilience in Frontier Markets

**Improve imbalances with market repair, manage forex-denominated debt, address rising costs from inflation, optimise opex and capex, and explore market consolidation.**



Scan for the latest Annual Report/  
Sustainability Report

#### Our Progress

##### Activities and Processes to Create Value

- Address structural challenges through price hardening, market consolidation and network collaboration
- Manage gearing, reduce exposure to forex-denominated debt, address rising costs from inflation and optimise opex and capex

##### Highlights

- Reduced exposure to USD debt in Frontier Market OpCos
- Completed acquisition of Airtel Lanka by Dialog on 26 June 2024, with integration progressing ahead of schedule, with initial benefits (synergies) being realised in 2024. The full positive impact of this acquisition is expected to be seen in 2025

#### Outcome

- Robi's USD borrowings declined from USD76.0 million to USD10.2 million, while its net debt to EBITDA ratio improved from 1.2x to 0.9x
- Smart remains in a net cash position



## 5 VECTORS OF VALUE CREATION

### V4 Sustainable Value Creation for InfraCo

Manage gearing and forex-denominated debt while optimising costs and improving segmental efficiency to maximise value from tower acquisitions. Enhance asset utilisation, capture growing 5G demand and drive colocations and tower consolidation. Strengthen financial resilience by refining cost structures, deleveraging the balance sheet through external fundraising and creating additional value through analytics and digitalisation.

#### Our Progress

##### Activities and Processes to Create Value

- Expand telecommunications infrastructure across Asia with a strong emphasis on 5G deployment
- Complete delayering strategy and transfer of customers from Link Net to XL
- Rationalise footprint by exiting non-core and high-risk markets while prioritising investments in core markets

##### Highlights

- EDOTCO Group recorded its highest tenancy ratio since its inception, reaching 1.68x in 2024. This achievement was driven by the net addition of 1,071 newly built towers and 2,042 colocations tenancies. Meanwhile EDOTCO Malaysia set a new milestone, achieving a 2.40x tenancy ratio in 2024. This was accomplished through the deployment of 248 build-to-suit (B2S) towers and securing 745 colocation tenancies
- Firmly established Link Net as a FibreCo to focus on scaling, agility and value creation
- Focus on scaling operations through strategic market consolidation to enhance efficiency and competitiveness

#### Outcome

- Strengthened regional network capacity, increased asset utilisation and reinforced market leadership in tower infrastructure
- Enhanced financial resilience through optimised gearing and forex management, capex and opex efficiencies and increased value from higher tenancy, asset utilisation, analytics and digitalisation






Scan for the latest Annual Report

### V5 Value Illumination of Digital Businesses

Expand digital and analytics capabilities by leveraging data transformation and AI-driven opportunities in developed markets. Strengthen digital banking operations through financial discipline, optimised spending and focus on building a sustainable, cash-positive ecosystem. Scale digital platforms and enterprise solutions by driving external revenue growth, optimising resources and commercialising key technologies to serve a broader client base.

#### Our Progress

##### Activities to Create Value

- Launch Boost Bank Berhad and expand its digital banking presence in Malaysia
- Strengthen ADA's presence in developed markets by leveraging data transformation, AI and analytics solutions
- Monetise the Digital Telco Enabler (DTE)/Axonect Enterprise Enabler (AEE) and Axonect API Manager platforms to unlock new revenue opportunities for ADL

##### Highlights

- Boost Bank Berhad secured RM700 million in deposits within six months and launched SME financing solutions to help underserved businesses
- ADA expanded market opportunities, enhanced Data and AI capabilities and sustained revenue growth
- ADL expanded external revenue streams by driving platform adoption while improving resource efficiency

#### Outcome

- Boost Bank Berhad scaling digital banking operations, reducing cash burn, rolling out products and enhancing its embedded ecosystem propositions
- ADA achieved a 10.6% increase in revenue, driven by strong performance in Customer Engagement, Data & AI, CDP and e-Commerce solutions
- Strengthened monetisation strategy, increased revenue diversification and enhanced operational efficiency for ADL








Scan to visit the corporate website





# SHAPING THE BUSINESS LANDSCAPE OF TOMORROW, TODAY

Accelerating businesses into a future of possibilities with cutting-edge technologies and transformative solutions.

**AXIATA IN ACTION**





## OPERATIONAL EXCELLENCE

“Axiata’s relentless focus on operational excellence translates to tangible results. By optimising costs, enhancing governance and integrating digital tools, we are creating a leaner, more agile organisation. This focus, alongside disciplined capital management, strengthens our financial resilience and enables strategic investments, ultimately driving sustainable value for our stakeholders.”

**Vivek Sood**

Group Chief Executive Officer and Managing Director



Axiata’s commitment to operational excellence, a key pillar of its 5\*5 strategy, has driven strong financial performance and enhanced efficiency. Axiata’s pursuit of operational excellence is a continuous journey of refinement and improvement. As a key pillar of our 5\*5 strategy, it has directly fuelled our strong financial performance and enhanced efficiency. In FY2024, disciplined execution of this strategy led to an over 100% increase in profits, and a robust cash flow of RM2.3 billion. We systematically optimise capital allocation, enhance cost efficiency through improved capex and

opex productivity, and leverage digital tools and governance to reduce HoldCo costs. This focus on process and efficiency extends to our balance sheet, where effective treasury management and financial guardrails ensure long-term resilience. By relentlessly driving operational excellence and practicing disciplined capital management, we are building a leaner, more agile Axiata, poised to deliver sustainable value to our stakeholders.

### Value Created Through Operational Excellence

Focus Areas	Approach	2024 Performance	Value Created
<b>Capital Allocation</b>	Strategic capital allocation, guided by Axiata’s Capital Allocation Framework 2.0	<ul style="list-style-type: none"> <li>Return on Invested Capital (ROIC) at 5.6%<sup>1</sup></li> <li>Gearing down from 3.4x<sup>1</sup> to 2.7x<sup>1</sup></li> <li>RM2.3 billion<sup>1</sup> cash flow</li> <li>Deployed IT system for Value-based capex Planning across all Axiata mobile operators to enhance return on investment (ROI) and customer satisfaction</li> </ul>	Ensured strategic optimisation of capital structure and gearing to secure financial stability and enable sustained long-term growth.
<b>Cost Excellence (capex and opex)</b>	Cost efficiency in OpCos and HoldCo through optimised capex and opex management, treasury management to manage capital structure, gearing, working capital and cash	<ul style="list-style-type: none"> <li>Achieved approximately RM2.0 billion in capex optimisations through a disciplined focus on ROI</li> <li>Achieved approximately RM1.0 billion in opex savings across HoldCo and OpCos, improving Earnings Before Interest and Taxes<sup>1</sup> (EBIT) margin by ~ 4 percentage points</li> <li>Achieved 14% reduction in cost through network automation</li> <li>Reduced electricity consumption and operational costs by about RM20 million through the implementation of energy-saving features across network operations</li> <li>Digital telcos achieved significant reductions in subscriber acquisition costs through targeted strategies, for example, Smart and Dialog shifted acquisition focus from volume to quality, while XL optimised distribution strategies to drive 15% YoY reduction in sales and marketing expenses</li> <li>Digital telcos are reducing network maintenance costs with increased fibre roll outs and site fiberisation</li> <li>ADL achieved a 15-20% cost reduction against 2023 through resource rationalisation, foreign exchange adjustments and zero-based budgeting, while managing attrition</li> </ul>	Generated sustainable cost efficiencies through disciplined expenditure, automation initiatives, and network infrastructure optimisation.
<b>HoldCo Cost Reduction</b>	Reduce HoldCo cost with implementation of a new governance and operating model	<ul style="list-style-type: none"> <li>Established a Capital Management Board and dedicated management committees to implement structured oversight, ensuring optimal capital utilisation, liquidity management and enhanced shareholder returns               <ul style="list-style-type: none"> <li>- Axiata Board Investment Committee (ABIC)</li> <li>- Capital Allocation Council (CAC)</li> <li>- OpCo Board Investment Committee (OBIC)</li> </ul> </li> <li>These run alongside previously established committees               <ul style="list-style-type: none"> <li>- Mergers &amp; Acquisitions Committee (MAC)</li> <li>- Axiata Board Audit Committee (BAC)</li> <li>- Axiata Treasury Management Committee (ATMC)</li> </ul> </li> <li>Reduced HoldCo borrowings to RM9.5 billion (net reduction of RM1.6 billion of borrowings)</li> </ul>	Created leaner and more agile operations by streamlining governance and reducing overhead costs.

Note: <sup>1</sup> Exclude EDOTCO Myanmar



## OPERATIONAL EXCELLENCE

Focus Areas	Approach	2024 Performance	Value Created
<b>Treasury Management (capital structure, gearing, working capital, cash)</b>	Strict financial guardrails for OpCos aligned with Axiata's capital structure policy and commitment to retain credit rating	<ul style="list-style-type: none"> <li>Group borrowings achieved net reduction of RM1.7 billion YoY mainly attributable to:               <ul style="list-style-type: none"> <li>HoldCo debt of RM1.6 billion through the partial early redemption of Euro Medium Term Notes (EMTN) and prepayments</li> <li>OpCo debt of RM598 million (in local currency), with reductions primarily at Robi, EDOTCO and Link Net</li> </ul> </li> <li>Maintained credit ratings of Moody's Baa2 and S&amp;P's BBB</li> </ul>	Strengthened working capital and cash flow management to maintain a resilient balance sheet.

### Optimising Network Economics and Driving Cost-Effective Technology Transformation

Focus Areas	Approach	Initiatives	Value Created
<b>5G and Cloudification</b>	Scale 5G roll out and expand cloud-based infrastructure	<ul style="list-style-type: none"> <li>Developed comprehensive 5G roll out strategy, with a request for proposal for future-proof open systems to ensure cost-effective deployment and long-term scalability (completion in 2025)</li> <li>Expanded cloud-based network functions to reduce reliance on physical infrastructure, lower IT costs and improve network agility to support growing data demands</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened network scalability and readiness for future growth, supporting increasing data consumption trends</li> <li>Improved cost efficiency by reducing infrastructure dependency and optimising IT investments</li> </ul>
<b>AI and Autonomous Networks</b>	Embed AI and automation across networks	<ul style="list-style-type: none"> <li>Harmonised Axiata Autonomous AI (A3) Network Architecture blueprint across all Digital Telcos for a unified and scalable network</li> <li>Deployed A3 Network Architecture to enable self-optimising, self-healing and self-defending networks, minimising human intervention and reducing maintenance costs</li> <li>Leveraged AI, Machine Learning and cloud-native architecture to advance towards full autonomy of OpCos' networks for predictive maintenance and traffic management, improving service reliability while lowering opex</li> <li>Enhanced service performance through network optimisation and selective investments, leading to Dialog and Smart achieving service quality leadership in Sri Lanka and Cambodia (Opensignal)</li> </ul>	<ul style="list-style-type: none"> <li>Increased operational efficiency with reduced manual interventions, driving significant cost savings</li> <li>Improved network performance and uptime through real-time predictive maintenance</li> <li>Enhanced customer satisfaction through optimised network experiences and faster issue resolution</li> </ul>
<b>Open Systems</b>	Enable flexible integration through open, interoperable network architecture	<ul style="list-style-type: none"> <li>Progressed the transition to open-source and vendor-agnostic network solutions, enhancing interoperability and reducing licensing costs</li> </ul>	<ul style="list-style-type: none"> <li>Lowered dependency on proprietary technologies, reducing long-term operational expenses</li> </ul>
<b>Legacy Cost Optimisation</b>	Streamline legacy assets through value-based planning	<ul style="list-style-type: none"> <li>Introduced Value-based capex Planning across affiliates, enabling just-in-time resource allocation based on traffic, quality and customer data, driving higher ROI and customer satisfaction</li> <li>Rationalised legacy network assets to eliminate inefficiencies and optimise cost structures, ensuring sustainable network economics</li> <li>Implemented core network hardware optimisation, delivering significant cost saving, extending asset lifespan and reducing unnecessary capex</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened financial sustainability by cutting unnecessary expenditures while maintaining network reliability</li> <li>Reduced operational redundancies and maximise resource utilisation</li> </ul>



## TELCO-TECHCO JOURNEY

“The shift from a traditional telco to a full-fledged Telco-TechCo is a strategic priority, reflected by our effort to evolve by integrating AI, analytics and digital platforms into our operations. Through strategic investments in Fintech, MarTech and enterprise solutions, we are expanding our digital capabilities to enhance customer engagement and unlock new revenue streams. With a strong focus on scaling the use of AI in everything we do, we are shaping a business that is more agile, scalable and positioned for long-term growth in an increasingly digital economy.”

**Thomas Hundt**

Group Chief Strategy & Technology Officer



Axiata is accelerating its Telco-TechCo shift by integrating AI-powered capabilities, intelligent digital assets and data-driven solutions to enhance efficiency and innovation. Through network cost excellence and AI-driven automation, the Group optimises infrastructure while improving service quality. By fostering strategic enablers, asset-light partnerships and platform monetisation, Axiata is evolving beyond traditional telco services into a digital technology powerhouse.

### Optimising Digital, AI Governance and Talent for Agility, Efficiency and Scalable Growth

Focus Areas	Approach	2024 Performance	Value Created
<b>Digital and Infrastructure Transformation</b>	Delaying for operational efficiency and business model transformation	<ul style="list-style-type: none"> <li>Delayed Link Net by carving out ServeCo to XL and transformed Link Net into FibreCo to enable build-to-suit FTTH deployment for XL</li> </ul>	Enabled OpCos to unlock value and focus on core competencies, increasing agility and speedy decision-making.
	Platforming for a unified interface for accessing multiple services	<ul style="list-style-type: none"> <li>Implemented Digital Telco Enabler (DTE) across OpCos to improve software development processes</li> <li>Expanded Open API integrations under the ODA framework to enable faster collaboration, seamless partner onboarding and accelerated service deployment</li> </ul>	Reduced development costs, simplified service delivery and enhanced customer experience by driving operational efficiencies and speed-to-market, and boost innovation.
	Softwarisation replaces hardware-based network functions with software-driven solutions, enhancing flexibility, scalability and agility in network management	<ul style="list-style-type: none"> <li>Expanded virtualisation and AI-driven automation in network management, replacing hardware-based infrastructure with software-defined solutions for improved flexibility, scalability and efficiency</li> <li>Launched proprietary Telco Fabric, DTE at scale across all OpCos to accelerate Telco-TechCo transformation, improving development and partner collaboration</li> <li>Established an AI Factory to accelerate the development and deployment of AI solutions to leverage AI for network optimisation, customer experience enhancement and operational efficiency</li> </ul>	Enabled faster deployment of new services and applications, improved operational efficiency and drove revenue growth by optimising network capabilities.
	Cloudification migrates network functions and IT infrastructure to the cloud, providing scalable and cost-effective resources	<ul style="list-style-type: none"> <li>Migrated network and IT functions to the cloud to improve agility, scalability and cost efficiency and expanded data processing capabilities</li> <li>OpCos deployed cloud-native architectures to improve agility, scalability and cost efficiency, involving containerisation, microservices and orchestration platforms such as Kubernetes</li> </ul>	Expanded service offerings, enabled entry into new markets and supported growing data demands with greater agility and efficiency.
	Zero-Touch Smart Partnering automates partner management, leveraging Open APIs to streamline collaboration and reduce administrative overhead	<ul style="list-style-type: none"> <li>Deployed Open APIs for automated partner onboarding</li> <li>Enhanced integration capabilities across Communications Platform as a Service (cPaaS) implementations</li> <li>OpCos transformed network capabilities through APIs, enabling validated third-party developers to create innovative applications and services leveraging Axiata's infrastructure, with successful adoption at XL, Dialog and Smart</li> </ul>	Accelerated time-to-market for new services, improved operational efficiency and streamlined ecosystem integration by reducing administrative overhead in partner management.
<b>AI Council and Data &amp; AI Governance</b>	Establish Group-wide alignment for responsible, scalable AI use	<ul style="list-style-type: none"> <li>Formed the AI Council as the governing body for classical and Generative AI initiatives</li> <li>Developing a comprehensive Group-wide Data &amp; AI Governance policy</li> </ul>	Built trust, ensured accountability and drove consistent, responsible innovation.
<b>Future-Ready Data Architecture</b>	Upgrade data infrastructure to support Group-wide AI scalability and resilience	<ul style="list-style-type: none"> <li>Elevated Big Data Lake into a future-proof architecture blueprint</li> <li>Several OpCos progressed in implementation</li> </ul>	Enabled scalable AI-driven solutions and strengthened digital readiness across the organisation.



## TELCO-TECHCO JOURNEY

Focus Areas	Approach	2024 Performance	Value Created
<b>AI Use Case Deployment</b>	Drive adoption of AI solutions across core business functions	<ul style="list-style-type: none"> <li>Expanded classical AI implementations and successfully piloted multiple Generative AI use cases across the Group</li> </ul>	Enhanced productivity, unlocked new business opportunities and reinforced Axiata's position in AI innovation.
<b>AI Talent and Leadership Enablement</b>	Equip employees with essential skills and foster top-down transformation	<ul style="list-style-type: none"> <li>Delivered training, hackathons and executive-level sessions across the Group</li> </ul>	Strengthened in-house expertise and cultivated an innovation-driven culture.

### Enhancing Cost Efficiency and Agility Through AI, Cloud and Digital Innovation

Focus Areas	Approach	2024 Performance	Value Created
<b>Innovation-led Enablers for Cost Efficiency on New Developments and Total Cost of Ownership (TCO)</b>	Driving Group-wide operational efficiency in capex and opex	<ul style="list-style-type: none"> <li>Maintained IT capex and opex intensity despite major transformation initiatives, significantly outperforming industry standards</li> </ul>	Increased cost efficiency while sustaining investments in digital transformation.
	Take Back Control	<ul style="list-style-type: none"> <li>Achieved noticeable efficiency through Convergent Billing System Managed Services transformation</li> </ul>	Strengthened operational control and optimised managed services costs.
	Digital Stack Cost Reduction	<ul style="list-style-type: none"> <li>Realised cost reduction in addressable IT spend through strategic initiatives</li> </ul>	Lowered TCO and improved financial sustainability.
	Cloud FinOps Optimisation	<ul style="list-style-type: none"> <li>Optimised cloud spend across OpCos, achieving significant savings through FinOps</li> </ul>	Reduced cloud infrastructure costs and improved resource allocation.
	Scale up of AI Factory	<ul style="list-style-type: none"> <li>Significantly increased AI use case deployment in AI Factory</li> </ul>	Enhanced AI-driven automation and decision-making, improving efficiency and cost savings.
	API Ecosystem Expansion	<ul style="list-style-type: none"> <li>Exponential increase in APIs implemented, with enhanced integration across cPaaS and pilot onboarding of Network APIs to DTE</li> </ul>	Accelerated service innovation, strengthened digital ecosystem partnerships and enabled seamless third-party integrations.
	Software Reuse and Continuous Integration and Continuous Delivery (CI/CD) @ Scale	<ul style="list-style-type: none"> <li>Achieved substantial software asset reuse compared to the previous year</li> </ul>	Reduced software development costs and improved speed-to-market for new solutions.
	Cloud Velocity	<ul style="list-style-type: none"> <li>Strengthened development operations with improved velocity metrics</li> </ul>	Increased agility and efficiency in cloud-native application deployment.
	Developer Change Management Programme	<ul style="list-style-type: none"> <li>Adoption of GenAI in coding, solutioning and testing with gamification of efficiency and optimisation</li> </ul>	Improved software development productivity and fostered innovation culture among developers.

### Axiata Enterprise Strengthening ICT Growth and Digital Expansion

Focus Areas	Approach	2024 Performance	Value Created
<b>Cloud projects with ADL and OpCos</b>	Enhance Cloud offerings by integrating diverse capabilities within Axiata Group	<ul style="list-style-type: none"> <li>Launched Managed Cloud Services in Indonesia, Cambodia and Sri Lanka, focusing on oil &amp; gas, property, retail and media sectors</li> </ul>	Supported Enterprise customers transformation with cloud solutions.
<b>Monetisation &amp; GTM of Cyber Security Services</b>	Commercialise advanced cyber security solutions	<ul style="list-style-type: none"> <li>Launched Managed Cyber Security solutions to external clients in Malaysia and Cambodia, serving clients across System Integrator and Financial Services Industry (FSI) verticals, by leveraging internal capabilities and capacity built over the last five years of protecting the AGB entities</li> </ul>	Positioned Axiata as a key cyber security provider in the region.
<b>ICT business revenue growth</b>	Strengthen enterprise focus on ICT value contribution	<ul style="list-style-type: none"> <li>Increased ICT revenue contribution to 30% of total enterprise revenues</li> </ul>	Strengthened Axiata's position as a digital solutions provider.
<b>Smart Services GTM with strategic partners</b>	Drive services adoption through co-developed, sector-focused enterprise solutions	<ul style="list-style-type: none"> <li>Implemented several customer projects in Indonesia, including services for manufacturing Fleet Management, Smart Mining and Smart Surveillance</li> </ul>	Increased reach and adoption of Smart Services for regional Enterprise clients.
<b>AEIB Council knowledge-sharing platform</b>	Leverage Group-wide collaboration to build ICT capabilities	<ul style="list-style-type: none"> <li>Enhanced OpCos' understanding of ICT solutions in the areas of International Business, Connectivity, Cloud &amp; Hyperscalers, 5G/ private network and cyber security, together with SME GTM strategies through knowledge and best practice sharing sessions</li> </ul>	Uplifted Group-wide capabilities in growing focus areas and strengthened enterprise positioning.



## TELCO-TECHCO JOURNEY

### Driving Enterprise Growth Through Strategic Acquisitions and Partnerships

We are expanding enterprise solutions by integrating new capabilities through targeted acquisitions, partnerships and collaborations. Strengthening enterprise connectivity, cyber security and cloud services are strategic moves to enhance our digital transformation efforts and improve service delivery. Axiata sharpens its competitive edge in the evolving ICT landscape by leveraging global expertise and technology.

Initiative	Approach	2024 Performance	Value Created
<b>H One Expansion</b>	Refocus service portfolio toward high-margin offerings and expansion into regional markets	<ul style="list-style-type: none"> <li>Shifted focus to higher-margin services and expanded into markets outside of Sri Lanka, focusing on Group footprint</li> <li>Successfully completed one of the largest migrations to Microsoft Sentinel in Asia-Pacific for the Axiata Cyber Fusion Centre (ACFC)</li> </ul>	Increased profitability and strengthened regional market presence.
<b>Hypernet Expansion</b>	Enhance ICT portfolio and unlock synergies in Indonesia	<ul style="list-style-type: none"> <li>Significant growth in managed connectivity solutions</li> <li>Developed a cyber security roadmap</li> <li>XL and Hypernet GTM collaboration on several projects providing Managed Service and ICT Infrastructure to the Government and Public sectors</li> </ul>	Accelerated synergies between companies in Indonesia market.
<b>Partnerships and Collaborations</b>	Increase ICT revenue by partnering with regional and global players	<ul style="list-style-type: none"> <li>AxEnTec increased Enterprise revenues in Bangladesh through combining core business with ICT solutions. Expanding ICT portfolio by partnering with industry leaders for Smart Services, Cloud and cyber security solutions</li> <li>CapGemini worked with AxEnTec in Bangladesh to launch Private 5G &amp; Smart Services in the country</li> <li>Leveraged existing partnerships with Global &amp; Regional partners such as Google, Microsoft, Amazon Web Services (AWS) and Huawei to ramp up ICT revenues</li> <li>Collaborated with Vodafone to support MNCs in our footprint in the area of international connectivity business</li> </ul>	Diversified revenue streams, expanded ICT service offerings and broadened cross-border enterprise solutions.
<b>Strategic Tech Partnerships via ADA</b>	Scale AI-led customer experience and marketing solutions	<ul style="list-style-type: none"> <li>Strengthened ecosystem through collaborations with Databricks, Snowflake, Meta, Braze and Fivetran to build vertical AI solutions and automate data flows</li> </ul>	Accelerated AI deployment and enriched Next-Gen customer experience (CX), solutions deepened ADA's industry leadership in enterprise AI and marketing tech solutions, enhancing scalability and time-to-insight.

### ADA Delivering AI at Scale for Enterprises

ADA, Axiata's data and AI company, strengthens the Group's Telco-TechCo strategy by delivering enterprise-AI transformation and data solutions across Fintech, Retail, eCommerce and other strategic sectors. ADA helps businesses unlock data-driven outcomes and accelerate growth in new and existing markets through deep vertical expertise, intelligent platforms and strong technology partnerships.

Initiative	2024 Performance	Value Created
<b>Enterprise Data Foundations and Deep AI Expertise</b>	<ul style="list-style-type: none"> <li>Supported organisations in building robust data foundations, while applying vertical-specific AI expertise</li> </ul>	Delivered scalable, tailored solutions that drive sustainable growth and measurable outcomes.
<b>Intelligent Commerce and AI Copilot for eCommerce</b>	<ul style="list-style-type: none"> <li>Deployed AI Copilot to deliver real-time insights and AI-driven predictive and prescriptive actions to optimise inventory, pricing, product mix and personalised marketing</li> </ul>	Enabled agile decision-making, boosted sales and improved customer experience.
<b>Data Accelerators for Optimised Data Engineering</b>	<ul style="list-style-type: none"> <li>Rolled out pre-built frameworks and toolkits to streamline and speed up data ingestion, processing and integration</li> </ul>	Reduced complexity and cost of data engineering, accelerating AI implementation.
<b>Conversational AI Copilot</b>	<ul style="list-style-type: none"> <li>Launched Conversational AI across chat, voice and messaging platforms to automate customer engagement</li> </ul>	Improved response accuracy and availability, freeing up agents for high-value tasks.
<b>Fintech and Martech Solutions</b>	<ul style="list-style-type: none"> <li>Expanded verticalised offerings for Fintech (onboarding, compliance, fraud detection) and Martech (Next-Gen CX, Customer Data Platforms, segmentation)</li> </ul>	Improved customer acquisition, retention and personalisation across digital journeys.



## PORTFOLIO OPTIMISATION & VALUE ILLUMINATION

“As we continue to refine our portfolio and strengthen our core businesses, our focus remains on scaling efficiently, driving cost discipline and unlocking new growth opportunities. We are building a more resilient Axiata through strategic consolidation, value illumination and infrastructure expansion, one that is well-positioned for sustainable long-term value creation.”

**Nik Rizal Kamil Nik Ibrahim Kamil**  
Group Chief Financial Officer



Axiata continues to refine its portfolio strategy to drive long-term value and resilience. By exploring market consolidation and strategic partnerships, the Group enhances scale and competitiveness across its OpCos. Efforts to unlock value within OpCos support an improved Sum-of-the-Parts

(SOTP) valuation while attracting external partners to accelerate growth in its infrastructure and digital businesses. Asset monetisation further strengthens the balance sheet, improving HoldCo gearing and enabling reinvestment into future growth opportunities.

### Strengthening Scale, Efficiency and Financial Resilience

Focus Areas	Approach	2024 Performance	Value Created
<b>Market Consolidation &amp; Strategic Partnerships</b>	Explore market consolidation or strategic partnerships to achieve scale and resilience	<ul style="list-style-type: none"> <li>Completed Dialog-Airtel Lanka merger, achieving 2.6x planned synergies</li> <li>Signed XL Axiata-Smartfren merger agreement, with completion expected in 2Q25, pre-tax cost synergies of USD300-400 million annually upon full integration</li> </ul>	<ul style="list-style-type: none"> <li>Enhance economies of scale and operational synergies</li> <li>Strengthen market positioning in Sri Lanka and Indonesia</li> <li>Optimise network efficiency and cost savings</li> </ul>
<b>Value Illumination</b>	Enhance OpCos' value to improve Axiata's Sum-of-the-Parts (SOTP) valuation	<ul style="list-style-type: none"> <li>Progressed structural transformation in Indonesia by transferring 750,000 Link Net retail customers to XL, firmly establishing Link Net as a FibreCo and XL as a ServeCo, enabling both entities to scale and accelerate their organisational agility, thereby maximising value</li> <li>Achieved segmental efficiency through separation of MediaCo and EnterpriseCo revenue streams and P&amp;L from Link Net FibreCo</li> <li>Structural transformation in Indonesia to position XL as the second largest converged operator in the country</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened valuation for future monetisation</li> <li>Improved service offerings for enterprise clients</li> </ul>
<b>External Fundraising &amp; Growth Acceleration of Digital Business</b>	Attract external funds into Infra and Digital businesses to drive expansion	<ul style="list-style-type: none"> <li>Monetise 10.6% effective stake in ADA for USD58 million at USD550 million valuation</li> <li>Boost launched its digital bank, Boost Bank Berhad in June 2024</li> <li>Launched a Tier IV-standard data centre in February 2024 to strengthen AxEnTec's position as a full-suite ICT and connectivity solutions provider, supported by RedDot's expertise in IT and software development</li> </ul>	<ul style="list-style-type: none"> <li>Increased financial flexibility to scale digital and fintech services</li> <li>Strengthened market position in high-growth digital segments</li> </ul>



## NEW ENGAGEMENT & OPERATING MODEL

“Axiata’s new engagement and operating model is designed for operational excellence. By empowering OpCo Boards to drive key decisions while maintaining strategic alignment and robust governance at the Group level, we foster agility and accountability. This, coupled with optimised capital allocation, enhanced risk oversight, and streamlined decision-making, ensures greater efficiency, improved returns, and sustainable long-term value for all stakeholders.”

**Vivek Sood**

Group Chief Executive Officer and Managing Director



Axiata is driving transformative operational excellence through its new engagement and operating model. We have significantly strengthened governance, optimised capital allocation and enhanced our strategic influence over subsidiaries and our joint-control entity. This model, with the Axiata Corporate Centre (ACC) as a proactive portfolio manager and capital allocator, empowers OpCo Boards to make decisive moves within clear guardrails, maximising efficiency and performance. The resulting leaner HoldCo structure delivers tangible improvements in returns, a testament to our commitment to operational excellence.

### Evolving the Operating Model for Stronger OpCo Performance Management

To maintain strong strategic control and oversight while fostering OpCo agility, Axiata has streamlined Group-OpCo engagements, transitioned to Board-led processes and strengthened risk governance. These changes empower OpCos to operate autonomously and adapt rapidly to market shifts.

The implemented new ways of working are to optimise governance, empowering OpCo BODs with greater accountability and effective performance management

#### Axiata has transitioned to a Board-led management model for its OpCos...

Each OpCo is now steered by its respective Board

ACC maintains oversight through monitoring key financial performance, people and capital management metrics, while minimising direct operational involvement

Axiata Group Board (AGB) representatives on OpCo Boards drive effective value delivery, and those on OpCo subcommittees provide specialised functional expertise

OpCo Investment Committees monitor, review and provide oversight of all investment activities

#### ... to create long-term Group-wide benefits...

Long-term protection of shareholder interest and related compliance

Performance-focused governance of all OpCos via well-equipped Boards and subcommittees

#### ... while requiring evolution of the current Operating Model

Set clear top-down priorities and expected outcome

Enforce right actions through board mechanism to drive OpCo accountability

Focus on strategic and performance-oriented discussions between AGB management and OpCo management

Shift in ACC focus from supporting OpCo-specific initiatives to equipping AGB reps on OpCo BODs/ subcommittees

By refocusing ACC on robust oversight and future readiness, OpCos will achieve significantly increased operational agility.

#### Axiata Corporate Centre - 4 Key Focus Areas

- Strategy
- Governance
- Oversight
- Reporting

### Value Created Through New Engagement & Operating Model

By refining its operating model, Axiata ensures its OpCos operate with **greater autonomy, efficiency and accountability**, reinforcing **its long-term resilience and competitiveness**.

Focus Areas	Approach	Value Created
<b>Stronger Governance &amp; Oversight</b>	Align decision-making across Group and OpCos	Achieved greater strategic alignment through Board-led decision-making and well-defined guardrails for OpCo autonomy.
<b>Optimised Capital Allocation</b>	Manage capital strategically to maximise returns	Positioned Corporate Centre as a portfolio manager and capital allocator, ensuring investments are directed towards high-value opportunities.
<b>Increased Operational Efficiency</b>	Streamline structures and processes	Adopted a leaner HoldCo structure to reduce redundancies, lower costs and improve overall resource efficiency.
<b>Enhanced Risk &amp; Compliance Control</b>	Apply consistent governance frameworks	Standardised risk governance structures (RCMC & BRCC) to strengthen oversight, mitigating operational and financial risks.
<b>Greater Market Responsiveness</b>	Delegate authority to OpCos	Empowered OpCo Boards and subcommittees enable faster decision-making and adaptability to market dynamics.



## WINNING CULTURE

“We are committed to building a high-performance, values-driven culture that unites our people across all OpCos. By embedding our core values of Passion for Collaboration, Obsession for Customers and Courage for Change, we strengthen our organisational identity and align culture with business strategy. Through leadership alignment, employee engagement and talent development initiatives, we foster an environment where innovation thrives, employees are empowered and long-term success is sustained.”

**Anuradha Katyal**  
Group Chief People Officer



Axiata is strengthening its Winning Culture by embedding a unified set of core values and key behaviours across the Group. With uncompromising integrity as a foundational principle, the introduction of three new core values reinforces a high-performance mindset. By integrating these values across both HoldCo and OpCos, Axiata is building a cohesive organisational identity aligned with its business strategies and long-term aspirations.

### Winning Culture Framework



### Value Created Through Winning Culture

Focus Areas	Approach	2024 Performance	Value Created
<b>Embedding Core Values</b>	Integrated Passion for Collaboration, Obsession for Customers and Courage for Change across HoldCo and OpCos	<p>Conducted a Winning Culture survey to evaluate the adoption and impact of core values: Passion for Collaboration, Obsession for Customers and Courage for Change, and the additional core value specific to OpCo and HoldCo.</p> <p><b>Survey findings:</b></p> <ul style="list-style-type: none"> <li>Passion for Collaboration continues to be a cultural strength, with strong overall scores, while new joiners report a highly positive onboarding experience—indicating the refreshed culture is resonating early</li> <li>Opportunities remain to deepen change readiness and strengthen Courage for Change, particularly among mid-tenure employees and senior management</li> </ul>	Gained actionable insights to refine engagement strategies and targeted initiatives, ensuring stronger cultural alignment across all employee segments.
<b>Employee Engagement &amp; Alignment</b>	Conducted leadership alignment sessions, change management workshops, employee engagement forums, and functional training to institutionalise the new Winning Culture across HoldCo and OpCos, ensuring widespread adoption and alignment	<ul style="list-style-type: none"> <li>Aligned Senior Leadership Team (SLT) on cultural transformation, conducted Managing Change sessions for Head of Departments (HODs) and employees, and held 'Priming the Brain for Change' talks to drive awareness</li> <li>Conducted Axiata Winning Culture Functional Sessions by division and hosted the Regional People &amp; Culture Forum to align OpCos on cultural adoption</li> <li>Strengthened corporate values, ethics and compliance frameworks to build trust, accountability and governance excellence</li> </ul>	Enabled greater employee buy-in and consistency in cultural adoption.
<b>Building a Talent Factory</b>	Developed a Talent Factory for high-potential employees to nurture leadership and business capabilities	<ul style="list-style-type: none"> <li>Continuous pipeline of talent prepared for leadership roles</li> <li>Implemented AGB Senior Leadership: Executive Coaching Programme and engaged senior leaders in Leaders Solving for Tomorrow to enhance strategic thinking</li> <li>Revamped the Group Talent Management framework and processes to ensure we are future proofing our talent landscape and govern the succession of critical leadership positions across Group and OpCos</li> </ul>	Strengthened succession planning and workforce retention.





# ELEVATING LIVELIHOODS THROUGH SUSTAINABLE INNOVATIONS

Building a sustainable future for all,  
where no one is left behind.

**SUSTAINABILITY AT CORE**





## OUR APPROACH TO SUSTAINABILITY

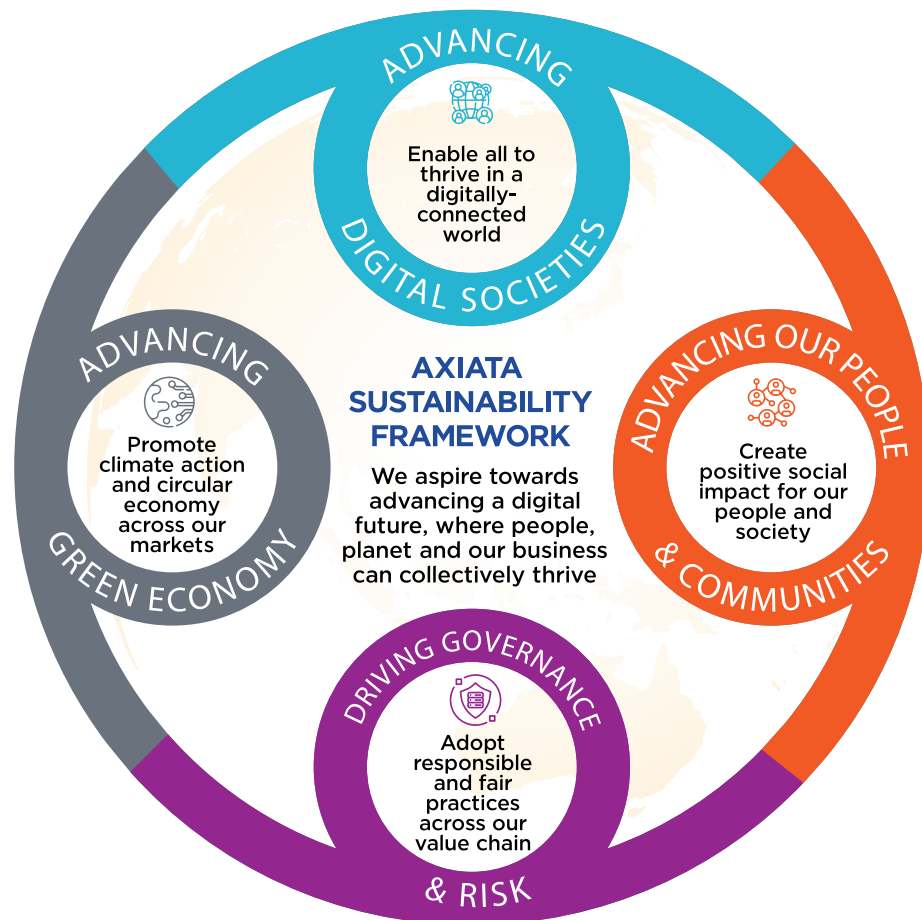
Axiata's Sustainability Framework underpins our commitment to sustainable and responsible business practices. It prioritises key ESG issues and acknowledges the evolving nature of sustainability across the Group. This framework ensures that our efforts align with global standards and stakeholder expectations to generate a positive impact on our business, the environment and society.

“Our Sustainability Framework provides the foundation for Axiata's long-term success and directly supports our mission of Advancing Asia. It empowers us to create value, foster innovation and contribute to a more sustainable and inclusive future for the communities we serve.”

**Vivek Sood**

Group Chief Executive Officer and Managing Director

### Our Sustainability Framework



#### 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.



#### Advancing Our People & Communities

Create positive social impact on our people (talent) and society. Internally, this links to our agenda for Fair, Diverse and Inclusive Employment.



#### Driving Governance & Risk

Adopt responsible and fair practices across our value chain to build long-term digital trust and enhance cyber security and data protection.



#### Advancing Green Economy

Promote climate action and circular economy across our markets. This links to our target to become net-zero no later than 2050.



#### Prioritised UN SDGs





## MEMBERSHIPS & ASSOCIATIONS

We stay ahead of industry trends by participating in memberships and associations that help us build valuable connections and exchange knowledge. Through engagement with leading industry bodies, we stay informed on regulatory developments and gain access to valuable resources, tools and specialised expertise. These platforms also foster peer engagement, enabling knowledge exchange and collaborative problem-solving that help strengthen the industry.

### GSMA

As a Board member of the GSMA, **GSMA**<sup>™</sup> a global organisation dedicated to driving innovation in the mobile ecosystem for positive societal impact, we collaborate with industry players on regional initiatives to promote social and digital inclusivity through the following main initiatives:

#### Humanitarian Connectivity Charter

Improving humanitarian access and response during crises. 160 Mobile Network Operators across 112 countries, including Axiata, have pledged to minimise the impact of crises and save lives by enhancing access to communication and information.

Refer to website [here](#)

#### Climate Action Taskforce

Achieving net-zero carbon emissions by 2050 with over 75 operator groups worldwide. The Taskforce advocates for climate policy frameworks, shares best practices and conducts research on how mobile tech can mitigate and adapt to climate change.

Refer to website [here](#)

#### Connected Women Commitment Initiative

Closing the gender gap in mobile internet and mobile financing services to provide more opportunities for women. Mobile operators, with support from the Connected Women team, are working to increase female participation in their mobile internet and/or mobile money service customer base. Dialog and Robi have committed to this initiative.

Refer to website [here](#)

### TM Forum

Since 2010, the Group has been a member of TM Forum, a collaborative alliance comprising over 850 global enterprises dedicated to dismantling technological and cultural barriers among digital service providers, technology suppliers, consultancies and systems integrators. In 2019, we affirmed our commitment to the Open API & Open Digital Architecture Manifesto.

Refer to website [here](#)

### The CEO Action Network (CAN)

CAN is a closed-door peer-to-peer informal network of CEOs and board members focused on sustainability advocacy, capacity building, action and performance. With a dedicated Working Group, workstreams and active members driving tailored initiatives, CAN aims to catalyse its members toward shaping future-ready and ESG-integrated business models and ecosystems.

Axiata is one of the 75 members of CAN. We have also confirmed our active participation in its Policy Advocacy workstream.

Refer to website [here](#)

### 30% Club

The 30% Club Malaysian Chapter, of which Axiata, ADA, EDOTCO, and Boost are members, has successfully contributed to achieving 33% female representation on boards of the top 100 public-listed companies and 27.6% across all PLCs in Malaysia, as of 1 January 2025. Launched in 2015, this global campaign promotes diversity, equity, and inclusion (DEI), with a primary focus on gender parity at board and C-suite levels. It achieves this by mobilising Chairs and CEOs, engaging stakeholders, and fostering a pipeline of women leaders, supported by 74 Corporate Advocates.

Refer to website [here](#)

### UN WEP

In 2022 we became a signatory to the United Nations Women's Empowerment Principles (WEP). We are committed to fostering an inclusive workplace environment that celebrates diversity, promotes gender equality and empowers women in the workplace, ensuring all employees have equal opportunities for growth and development.

Refer to website [here](#)

### Business Integrity Alliance

As a member, we are actively engaged in collaborative efforts aimed at combatting corruption and promoting business integrity. We contribute to the Alliance's activities by hosting and participating in best practice sharing sessions, fostering connections among industry practitioners and advocating the use of data analysis and automation of compliance to ensure efficiency and accuracy of data. We also support various events focused on reducing the costs and risks associated with corruption in business.

Refer to website [here](#)

### FIRST (Forum of Incident Response and Security Teams)

Axiata Group Berhad strengthens its incident response and cyber security resilience by becoming a member of FIRST in 2019. As a member, we benefit from knowledge sharing, global collaboration, timely threat alerts and connecting with incident response teams worldwide, fostering diverse perspectives and exposure to cyber security insights.

Refer to website [here](#)

### CREST

We became a member of CREST and attained CREST accreditation in 2023. CREST is an international not-for-profit membership body representing the global cyber security industry. CREST accreditation represents companies that are recognised as offering the highest quality and most professional cyber security services. As a member, we have access to independent and verifiable quality assurance and the opportunities to influence governments and regulators through CREST engagements and policy inputs globally. We also benefit from regular networking and roundtable events.

Refer to website [here](#)

### United Nations Global Compact

Axiata Group Berhad engaged with the UN Global Compact Network Malaysia & Brunei (UNGCMYB) in 2024 through the Sustainability & Reporting Suite Forum, where UNGC experts shared insights on SDG reporting and best practices. The Group also participated in the UNGC Climate Ambition Accelerator Programme, sharing its experience in obtaining Science-Based Targets initiative (SBTi) validation. UNGCMYB also facilitated OpCo introductions to Global Compact country networks. At the Sustainability Celebration Night 2024, Axiata was recognised as an SBTi Validator for successfully having its targets validated by SBTi.

Refer to website [here](#)



## ADVANCING DIGITAL SOCIETIES

### What This Means to Us

We see digitisation as a powerful force for progress, ensuring more people can connect, engage and thrive in the digital world. By expanding access to education, healthcare, commerce and entertainment, we empower more than 175<sup>1</sup> million customers across Asia to unlock new opportunities and improve their daily lives.

### Material Matters

2 5 6 7 8

### Prioritised UN SDGs



### SUSTAINABLE BUSINESS GROWTH

#### Why Is This Important

Axiata's sustainable business growth is key to driving long-term value creation and resilience in an evolving digital and economic landscape. By embedding sustainability into our strategic investment decisions, we optimise our portfolio to generate both direct and indirect value while staying agile amid global economic uncertainties. This approach strengthens shareholder returns, enhances operational performance and ensures we continue delivering meaningful and lasting impact to our stakeholders.

#### Our Approach

Drive transformation with clear targets to enhance performance, accelerate value creation and strengthen long-term shareholder value. This includes reshaping our portfolio to unlock growth opportunities and build resilient, future-ready businesses. Guided by the Axiata 5\*5 Strategy, we focus on five portfolio vectors that provide a structured approach to sustainable value creation.

#### Moving Forward

We remain committed to financial resilience by reducing debt, improving cash flow and strengthening our balance sheet for sustainable dividends. In prioritising core assets, we will focus on connectivity and convergence while selectively monetising assets to unlock value. The upcoming XL Axiata-Smartfren merger enhances scale and synergy, supporting long-term growth. We will also explore adjacent opportunities aligned with our core business.

➔ IAR, Creating Value In 2024 on page 5, In Conversation With Our GCEO on pages 8 to 12, Our Strategy on page 22 and Our Investor Proposition on page 30

### Our Progress

#### 2024 Financial Achievements

~ RM1 billion in opex optimisation driven by operational excellence across HoldCo and OpCos, lifting EBIT<sup>2</sup> margin by approximately 4 percentage points.

~ RM2 billion in capex optimisation through a new governance model with Board Investment Committee, ensuring a disciplined focus on ROI.

RM0.9 billion PATAMI, driven by strong EBIT<sup>3</sup> & <sup>4</sup> growth of 39.3% at constant currency, exceeding FY2024 Headline KPI

RM2.6 billion net debt reduction, strengthening the balance sheet as net debt/EBITDA improves to 2.7x<sup>2</sup> from 3.4x<sup>2</sup> in 2023.

~ RM1.3 billion in OpCo and key associate dividends, reinforcing dividend sustainability, with Axiata declaring a 10 sen DPS for 2024.

Notes: <sup>1</sup> Includes digital telcos and digital businesses in footprint countries

<sup>2</sup> Exclude EDOTCO Myanmar

<sup>3</sup> Headline KPIs exclude EDOTCO Myanmar

<sup>4</sup> Headline KPIs exclude impairment of assets



## ADVANCING DIGITAL SOCIETIES

### NETWORK QUALITY & CONNECTIVITY

#### Why Is This Important

Reliable network quality and connectivity are central to Axiata's customer-centric growth strategy. Expanding coverage in rural and underserved areas, with advancements in 5G and IoT, ensures we meet evolving digital needs while driving economic growth. Optimising our network also improves cost structures, enhances energy efficiency, and reduces CO<sub>2</sub> emissions, supporting our net-zero ambitions. By continuously strengthening our network, we deliver exceptional customer experiences, build trust, and maintain competitiveness in a fast-evolving market.

#### Our Approach

Axiata prioritises network enhancements to deliver reliable, affordable, and resilient connectivity. Through our Network Transformation Programme, we drive 5G adoption, cloud core infrastructure, fibre expansion, and rural connectivity. We also leverage synergies from strategic mergers, while focusing on simplification, cost optimisation, and open network architectures to strengthen service quality. Our in-house talent plays a key role in developing advanced automation tools and supporting our Telco-TechCo journey.

#### Moving Forward

Axiata will continue implementing the A3 architecture, initially focusing on automated CI/CD/CT for cloudified network functions, network Digital Twin, RAN abstraction layer for automation, and AI-powered network operations. Expected benefits include opex reduction through automation, minimised capex via stable orchestration and an open ecosystem, vendor-inclusive innovation, faster time-to-market for 5G services.

### Our Progress

Axiata made significant progress in enhancing network quality and connectivity through strategic initiatives focused on cost-efficient transformation, technological innovation, and improved service performance. Key efforts included optimising capital allocation, leveraging AI and automation, and improving network economics to drive better connectivity across its markets.

#### 5G and Cloudification

- Cloud-native 5G Core (5GC) deployed to improve network scalability and flexibility
- 5G Commercial Models developed to enhance monetisation and market readiness
- Network Edge Monetisation initiatives introduced to optimise network's edge infrastructure for faster response time and new service offerings

#### AI and Autonomous Networks (A3 Strategy)

- Automation implemented to improve network operations and efficiency
- AI in Telecoms integrated for predictive maintenance, optimisation, and smarter network management
- Orchestration and Automation Framework developed to execute complex workflows

#### Open Systems

- Explored Open RAN deployment to increase vendor flexibility and improve interoperability
- Getting Back Control – introducing open automation framework to enhance network autonomy and reduce dependency on third-party systems

#### Legacy Sweat (Cost Optimisation)

- Value-Based Planning (VBP) implemented across affiliates to optimise capital allocation based on traffic, quality, and customer demand
- Huawei Core Network Hardware Optimisation (HUA CN HW opt.) executed to improve and assure network efficiency and performance
- Energy Savings Initiatives deployed, leading to measurable reductions in energy consumption
- RAN Quality & Optimisation efforts improved network performance and efficiency
- Transport/IPv6/SRv6 initiatives implemented to modernise network infrastructure
- Cost Reduction introduced to improve financial sustainability while maintaining service quality

Note: <sup>1</sup> Includes digital telcos and digital businesses in footprint countries



## ADVANCING DIGITAL SOCIETIES

### Our Progress (cont'd)

The following shows our network coverage across our operating markets:

#### 1 XL axiata

**Country**  
Indonesia

**No. of BTS**  
4G : 110,995

**Nature of Business**  
Mobile, Home

**Customers**  
59.8<sup>1</sup> million

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



Scan the QR code to visit XL's website

#### 2 Dialog

**Country**  
Sri Lanka

**Nature of Business**  
Communication Services, Telecommunications Infrastructure Services, Media and Digital Services including Financial Services, Dialog Enterprise

**Customers**  
21.7<sup>2</sup> million

**Technology Deployed**  
Mobile : GSM/EDGE, LTE/LTE-A, 5G/5G-A Pilot, MCPTT, IOT, eSIM  
Fixed Network : LTE, WIFI, DOCSIS, FTTx, Wibas. Cambium  
Media : IPTV, DTH (Satellite TV), ViU mini (Android Stick), ViU Hub 2.0 (Android TV, ViU APP for Android and IOS)



Scan the QR code to visit Dialog's website

**No. of BTS**  
2G : 5,283  
4G Mobile Broadband: 5,462  
4G Home Broadband: 2,566

**Network Coverage**  
(by population coverage)  
2G : 98.9%  
4G Mobile Broadband: 97.4%  
4G Home Broadband: 71.9% (Outdoor Coverage)

#### EDOTCO

**Nature of Business**  
Telecommunications Infrastructure & Services Towers Owned/Towers Managed/Tenancies

- 36,105<sup>3</sup> towers owned by EDOTCO
- 22,860<sup>3</sup> towers managed by EDOTCO



Scan the QR code to visit EDOTCO's website

#### 3 linknet

**Country**  
Indonesia

**Nature of Business**  
Internet Service Provider, Carrier Service Provider

**Technology Deployed**  
Fixed-line Fibre Broadband

**Network Coverage**  
(by population coverage)  
~ 4 million home passes



Scan the QR code to visit Link Net's website

#### 4 Smart

**Country**  
Cambodia

**Nature of Business**  
Mobile

**Customers**  
7.5 million

**Technology Deployed**  
Mobile : GSM/EDGE, LTE/LTE-A, e-SIM

**No. of BTS**  
2G : 3,934  
4G : 3,990

**Network Coverage**  
(by population coverage)  
2G : 99.5%  
4G : 93.1%



Scan the QR code to visit Smart's website

#### 5 robi

**Customers**  
56.7 million

**No. of BTS**  
2G BTS : 17,848  
4G BTS : 18,148

**Technology Deployed**  
Mobile: GSM/EDGE, LTE/LTE-A, VoLTE, e-SIM

**Network Coverage**  
(by population coverage)  
2G : 99.83%  
4G : 98.96%



Scan the QR code to visit Robi's website

#### 6 celcomdig **Key Associate Company**

**Country**  
Malaysia

**Nature of Business**  
Mobile, Home

**Customers**  
20.4<sup>1</sup> million

**Technology Deployed**  
Mobile : GSM/GPRS/EDGE, LTE/LTE-A/VoLTE/VoWiFi, 5G





**Network Coverage**  
(by population coverage)  
4G LTE : 97.5%  
4G LTE+ : 94.4%

Notes: <sup>1</sup> Includes mobile and home customers  
<sup>2</sup> Includes mobile, home and TV customers  
<sup>3</sup> Include EDOTCO Myanmar operations



## ADVANCING DIGITAL SOCIETIES

### Our Progress (cont'd)

OpCos	Connecting People & Enterprises Through Smart Innovation	Network Convergence, Digitisation and Automation	Network Resilience and Reliability
	<ul style="list-style-type: none"> <li>The Dialog-Airtel merger enhanced connectivity, optimised costs, and improved user experience through better throughput, higher data traffic volume, and improved voice quality</li> <li>Provided advanced ICT services for Enterprises</li> <li>H One supported and enabled Enterprises' transformation journey to the cloud</li> </ul>	<ul style="list-style-type: none"> <li>In-house Self-Organising Network (SON) reduced manual intervention in network management, enhancing network performance, improving customer experience, and lowering costs</li> <li>Developed in-house Radio Network Optimisation Tool, which improved spectral efficiency, expanded coverage, and provided greater visibility into network performance</li> </ul>	<ul style="list-style-type: none"> <li>Developed in-house Anomaly Detection Solution, which enables automated identification of network anomalies, promptly addressing issues to minimise disruptions and enhance customer experience</li> <li>Implemented the India-Asia Expressway (IAX) submarine cable, strengthening network redundancy and resilience, improving international connectivity, reducing costs, and enhancing customer experience</li> </ul>
	<ul style="list-style-type: none"> <li>Smart successfully commissioned an additional 475 Base Transceiver Stations, pushing the total to 3,990 sites country-wide, enhancing the quality and reach of mobile connectivity for millions of Cambodians</li> </ul>	<ul style="list-style-type: none"> <li>Digitised the acquisition journey for fixed and home consumers, including automating service provider selection for fibre, reducing connection request processing time from manual over a day to instant</li> </ul>	<ul style="list-style-type: none"> <li>Ensured 99.50% network availability through proactive field operations, minimising downtime and maintaining service reliability</li> <li>Improved energy resilience by transitioning 99% of off-grid sites to solar and backup power, reducing dependency on external grids and ensuring uninterrupted service. Demonstrating its commitment to sustainability, approximately 40% of Smart Axiata's 4G base stations are equipped with solar energy as a complementary energy source to reduce their carbon footprint, aligning with Cambodia's climate goals for net-zero emissions by 2050</li> </ul>
	<ul style="list-style-type: none"> <li>Facilitated infrastructure sharing as an independent tower company, reducing the physical and carbon footprint of tower sites while optimising space and minimising environmental disruption</li> <li>Expanded digital connectivity in Malaysia by supporting the government in achieving 82% 5G and more than 97% 4G coverage of populated areas (CoPA), enabling approximately 33.1 million people to access high-speed networks and bridging the digital divide</li> </ul>		
	<ul style="list-style-type: none"> <li>Strengthened infrastructure business and customer excellence by expanding network penetration through built-to-suit solutions and open access, ensuring greater connectivity and service reach</li> </ul>	<ul style="list-style-type: none"> <li>Upgraded broadband infrastructure by converting Hybrid Fibre-Coaxial (HFC) home-passed areas to Fibre to the Home (FTTH) and implementing a nationwide home funnel, improving service quality and expanding network visibility for better penetration</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened network redundancy and resilience by integrating the JAYABAYA Submarine Cable into the JAVA BACKBONE Inland, reducing single points of failure and ensuring uninterrupted connectivity</li> <li>Enhanced service reliability with a 40% reduction in network outage risks through geographically distributed IP Core nodes, achieving 99.99% uptime for enterprise and residential users</li> <li>Expanded Java's backbone capacity by 20 Tbps, reducing latency by 30% for ISPs and hyperscalers</li> </ul>

Within Axiata's operations, XL, Dialog, Robi, EDOTCO Bangladesh and Link Net have achieved ISO 9001:2015 Quality Management System certification, demonstrating their commitment to high service quality. This internationally recognised standard ensures our product and service distribution networks meet global quality benchmarks, reinforcing Axiata's focus on operational excellence and customer satisfaction.



## ADVANCING DIGITAL SOCIETIES

### CUSTOMER EXPERIENCE

#### Why Is This Important

With more than 175<sup>1</sup> million users across our markets, delivering a seamless and rewarding customer experience is essential to meet diverse consumer needs. A strong customer experience drives business value, directly influencing financial performance. By continuously enhancing service quality and responsiveness, we maximise economic value creation while reducing the risk of revenue loss.

#### Our Approach

We have a comprehensive Customer Experience (CX) framework that integrates digital and traditional touchpoints to deliver seamless, personalised experiences. Our Customer Charter ensures we capture valuable feedback through surveys at key interaction points, using metrics such as Relative Net Promoter Score (NPS), Customer Effort Score, Net Trust Score, and Customer Satisfaction Score to measure effectiveness. A robust CX governance model ensures consistency across OpCos. We continuously invest in AI-driven solutions, data analytics, and digital innovations to enhance responsiveness, security, and overall customer satisfaction.

#### Moving Forward

The future of customer experience will be AI-driven, proactive, and self-sustaining, reducing effort and enhancing real-time engagement. We will adopt an end-to-end approach to ensure seamless interactions across the entire customer journey. By adopting autonomous and predictive solutions, we anticipate needs, minimise friction, and enhance satisfaction. We aim to stay competitive through workforce transformation, AI-driven insights, and skill development. This holistic approach will enable us to strengthen market leadership, foster long-term loyalty, and drive sustainable growth in a digital-first economy.

#### Customer Experience

Voice of Customer, Customer Insight &amp; Understanding

Customer Experience Strategy

Customer-Centric Culture

Organisational Adoption &amp; Accountability

Metric, Measurement &amp; Return on Investment

Experience Design, Improvement &amp; Innovation

### The Six Pillars of Great Customer Experience



#### Personalisation

Using individualised attention to drive emotional connection



#### Resolution

Turning a poor experience into a great one



#### Integrity

Being trustworthy and engendering trust



#### Time & Effort

Minimising customer effort and creating frictionless processes



#### Expectations

Managing, meeting and exceeding customer expectations



#### Empathy

Achieving an understanding of the customer's circumstances to drive deep rapport

To provide a distinctive experience for customers, an organisation must unite around the goal of meeting their true needs. Done well, the effort can power a vast amount of innovation

#### Aspiration

Achieve & maintain  
#1 position in CEx

DCEx Maturity L5

App Rating 4.5

Chatbot Maturity L4

The Six Core Competencies of Customer Experience, CXPA

Note: <sup>1</sup> Includes digital telcos and digital businesses in footprint countries



## ADVANCING DIGITAL SOCIETIES

### Our Progress

#### Customer Satisfaction

We continuously track customer satisfaction scores and KPIs across our operating companies to ensure we meet consumer needs. Annual CX benchmarks align with industry standards, with quarterly performance reviews driving improvements. By leveraging our networks, platforms, and services, many of our operating companies lead in customer experience metrics. We remain committed to sustaining this leadership and ensuring high customer satisfaction.

#### Measuring and Communicating Our Value

##### Net Promoter Score 2024

#1

Dialog robi Smart

#2

XL axiata

2023

#1

Dialog robi Smart

#2

XL axiata

#### Customer Satisfaction Performance (Digital Business)



Boost introduced Boba, an in-app AI chatbot for Boost eWallet, supporting English, Malay, and Chinese to handle common customer inquiries. Additionally, a self-service helpdesk for Boost PayFlex was launched to assist users, alongside customer experience training for the Customer Experience team. While Boba manages most eWallet and Boost Business queries, data on the PayFlex helpdesk is still limited due to its recent launch.



ADA's Conversational AI and NextGen CX platforms enabled real-time, data-driven interactions that improved satisfaction, engagement and brand loyalty.



ADL supported all Axiata OpCos with Axonect product portfolio, advanced skills, complex projects/ transformation executions, etc., which assisted OpCos to increase their customer experience. ADL achieved an average customer experience of 4.3 out of 5 in FY2024 for these strategic project engagements.

### Enhancing Customer Experience

We remain committed to enhancing customer experience across all touchpoints. Hosting International Customer Experience Day for the second consecutive year enabled the cross-sharing of insights and best practices, further strengthening our dedication to customer-centric excellence.

OpCos	Efforts and Initiatives
	<ul style="list-style-type: none"> <li>Implemented Service Interaction Assistant (SIA) across customer interaction centres and retail service points to enhance service quality, efficiency, and cost-effectiveness, with 20 customer journeys integrated and 15 more in progress</li> <li>Enhanced Dialog Club Vision by forming strategic partnerships with top corporates and merchants across travel, leisure, banking, and finance, enriching the loyalty programme for high-net-worth customers</li> <li>Upon acquisition, integrated Airtel Lanka's operations into Dialog Axiata's customer experience channels across retail, app, and chatbot platforms, ensuring a unified customer experience</li> <li>Achieved 99% customer interactions through Ecare, with a 10% increase in digital care engagement, driven by improvements in the MyDialog App, web platform, and DIA chatbot</li> <li>Introduced Sri Lanka's first AI-powered greeting cards, leveraging Star Points to offer customers a futuristic experience, and reached over 6 million users</li> </ul>
	<ul style="list-style-type: none"> <li>Expanded 60 MHz of 2600 band spectrum to strengthen service quality, with deployment in high-traffic areas of Robi and Airtel</li> <li>Established 100 Robi Sales and Service Points (RSSPs) to bring services closer to customers through both digital and physical touchpoints</li> <li>Achieved 52% YoY improvement in voice service experience</li> <li>Strengthened partnership with mobile financial service (MFS) players that led to greater convenience for customers and fostered digital financial inclusion</li> <li>Continued to lead the industry in data services with 16% faster data speeds compared to 2023 and enhanced video-streaming performance</li> </ul>



## ADVANCING DIGITAL SOCIETIES

### OpCos

#### Efforts and Initiatives



- Launched the Smart DakLuy service, allowing prepaid customers to request top-ups from friends and family, ensuring continuous connectivity even when unable to top up their own account immediately
- Implemented eKYC across self-care channels, leveraging Facial Recognition technology, AI, and Machine Learning to enable secure and remote identity verification. These advanced technologies prevent identity theft and enhance accuracy in document verification while reducing in-person visits, improving accessibility, and ensuring regulatory compliance
- Opened 23 new Smart Express Shops ensuring Smart's presence across 21 provinces in Cambodia, thereby expanding service accessibility beyond major cities
- Enhanced flexibility for Smart eSIM by allowing customers to set up their eSIM using one QR code across different devices, giving a hassle-free experience for users who switch phones
- Launched a new Smart Axiata website with improved navigation, faster loading, and mobile optimisation, ensuring a seamless and user-friendly experience for customers
- The SmartNas app was upgraded with a simplified top-up process, gamification for better engagement, and eKYC integration for seamless onboarding and verification
- Automated retail operations with connected queue machines in Smart shops, enhancing service efficiency, customer experience, and reducing environmental impact
- Opened > 300 Shop-in-Shop locations across Cambodia, expanding service points through authorised dealers to offer key services like SIM changes, with future enhancements planned
- Introduced Customer Day, a quarterly initiative where employees engage directly with customers across Smart Shops and call centre, gathering insights to enhance service delivery and customer satisfaction
- Redesigned the customer self-service system with proactive announcements, segmented support for enterprises, home internet, and mobile users, and direct access to customer support for high-value customers

#### Customer Feedback and Complaints

Real-time customer feedback is captured at various OpCo touchpoints to improve interactions between users and digital platforms through a human-centric approach. Complaints, feedback, and requests are logged via self-care and assisted care channels, categorised by priority, and addressed within set Service Level Agreements (SLAs) to enhance customer experience. Certain OpCos, such as Dialog and Robi, allow customers to track complaint resolutions.

#### Addressing Customer Concerns

Providing safe, accessible, and user-friendly services is a commitment our OpCos take seriously. By actively listening to customers and identifying areas for improvement, we address potential gaps in product and service delivery. We continuously strive to resolve issues and enhance customer satisfaction. Below are key concerns raised by customers and the actions taken to address them.

### OpCos

#### Customer-Centric Initiatives & Improvements



- Ensured timely resolution of service issues by establishing a complaint centre with a quick response system, internal escalation process, and compensation for inconvenience
- Strengthened data security and compliance through regular evaluations, confirming no non-compliance or customer data privacy infringements in 2024
- Enhanced customer communication and transparency by expanding service channels, including a call centre, Customer Experience & Service Operation Centre, and regular updates



- Improved complaint resolution transparency by integrating all customer touchpoints into a centralised system, enabling real-time tracking via the MyDialog App
- Enhanced service alignment with customer needs by leveraging sentiment analysis, Customer Social Profiling, and AI-driven analytics to track behaviour and engagement for proactive improvements



- Achieved the top Customer Service Net Promoter Score in Q4 2024 and highest Digital Reputation Score within the industry
- Increased composite and digital touchpoints Customer Satisfaction Score



## ADVANCING DIGITAL SOCIETIES



### DIGITAL INCLUSION

#### Why Is This Important

As the digital landscape expands, many individuals remain excluded due to barriers in access, affordability, and digital readiness. Operating in Southeast and South Asia emerging markets, we are committed to bridging this digital divide by enhancing connectivity, the foundation of digital inclusion, and empowering communities with the tools to participate in the digital economy. As AI continues to transform industries, ensuring inclusive digital access, especially for underserved and marginalised communities, is key to unlocking economic opportunities and building a more equitable and connected future for all.

#### Our Approach

Through collaboration with governments, partners, and stakeholders, we enable individuals to participate in the digital economy. Our approach is anchored on four key pillars: expanding inclusive access, equipping communities with digital skills, fostering innovation for social impact, and ensuring the safe and responsible use of technology, as outlined in the table below.

Inclusive Access 	Training for Digital skills 	Innovation & Inclusive Services 	Safe & Responsible Use of Technology 
<p>Ensuring everyone has access to broadband communication in urban and rural areas, especially schools, as well as access to learning content and healthcare.</p> <ul style="list-style-type: none"> <li>Connectivity</li> <li>Access to Vital Services</li> </ul> 	<p>Providing the basis for digital literacy, intermediate skills on the use of productivity and digital marketing tools to advance employable skills for future professions.</p> <ul style="list-style-type: none"> <li>Digital Skills</li> </ul> 	<p>Powering innovation in local ecosystems through our digital innovation funds, digital financial inclusion and digital services for business, and improving the lives of marginalised communities through technology, especially women and girls.</p> <ul style="list-style-type: none"> <li>Innovation for Social Impact</li> <li>Digital Financial Inclusion</li> <li>Digital Services for Business</li> <li>Empowering Marginalised Communities</li> </ul> 	<p>Mitigating harm by protecting users and promoting the responsible use of technology.</p> <ul style="list-style-type: none"> <li>Mitigating Harm &amp; Responsible Use</li> </ul> 

**Target Segments:** Segments targeted include Lower Income Groups, Women and Girls, Seniors Individuals, Rural Communities, Individuals with Disabilities and Individuals with Lower Levels of Education.

#### Moving Forward

The outlook for improving digital accessibility and inclusion amid AI advancements is promising but demands sustained effort. By 2025, increased investments in digital infrastructure will focus on expanding broadband connectivity and mobile networks, particularly in underserved and rural areas, enabling broader access to AI-driven services. AI's potential to enhance productivity, automate tasks, and improve decision-making will drive growth in key sectors such as healthcare, agriculture, and finance. However, access to these technologies remains a challenge, making workforce upskilling and reskilling critical to ensuring AI benefits all, including marginalised communities. Ethical AI development, grounded in fairness, accountability, and transparency, will be essential in shaping inclusive and responsible AI adoption.

### Our Progress

#### Digital Inclusion Benchmark

The Digital Inclusion Benchmark (DIB), conducted by the World Benchmarking Alliance (WBA), evaluates the top 200 technology and communications companies worldwide on their role in fostering a more inclusive digital ecosystem and advancing the Sustainable Development Goals (SDGs). In 2023, we maintained our position in the top quartile for the fourth consecutive year, ranking 22<sup>nd</sup> out of 200 companies—a reflection of our sustained commitment to digital accessibility and inclusion.



In 2024, the WBA paused the DIB assessment to refine its methodology, with evaluations set to resume in 2025. Going forward, companies will be assessed biennially across six key areas: access, skills, use, innovation, sustainable value creation, and social impact. As we move ahead, we remain committed to strengthening our digital inclusion efforts and driving meaningful impact in the communities we serve.

#### EDISON Alliance

Through the EDISON Alliance's 1 Billion Lives Challenge, we are committed to improving 23 million lives across Asia between 2022 and 2025, focusing on healthcare, education, and financial inclusion, including digital skills. Our initiatives, implemented through XL, Dialog, Smart, Robi, and Boost, have made a tangible impact, reaching nearly 26.8 million people as of the end of 2024.



**6.7 million**  
people benefitted  
from Education  
initiatives



**19.2 million**  
people benefitted  
from Healthcare  
initiatives




**~ 880,000 people**  
benefitted from  
Financial Services  
initiatives





## ADVANCING DIGITAL SOCIETIES

### Our Progress (cont'd)


-  **Sisternet (Women SME)** - Sisternet empowers Indonesian women-led MSMEs to grow and thrive. With new features and integration into XL product apps, Sisternet will continue supporting over 1 million women in 2025, making access and benefits more seamless
- Gerakan Donasi Kota (Quota Donation Movement)** - Enables customers to donate internet data for educational institutions and supports digital skills training for schools and students
- Laut Nusantara (Fishermen)** - Provides fishermen with a digital app for fish location tracking and digital marketing tools to enhance sales of marine products

 **IAR**, Empowering Marginalised Communities on page 60

-  **Nenasa Site & App, e-Thaksalawa, and Learn Platform (University Students)** - Data-free access to educational and edutainment materials provided by the Ministry of Education
- Nenasa TV (School Students)** - Free satellite TV channels offering educational and edutainment content
- Nenasa Smart School (Teachers)** - Capacity-building initiative providing digital tools and training to educators to drive digital adoption in education

-  **Health Plus Service** - Robi-branded 360-degree healthcare solution offering telehealth consultations, disease advisory and appointment bookings for customers

-  **Digital Literacy Programme** - In-person workshops for high school students and supporting digital literacy guidebooks (print and digital), developed in partnership with key ministries and TikTok
- Mekong Farm App** - A platform connecting farmers across the region to share experiences, access tailored content, and enhance collaboration in agriculture

-  **Boost Merchant accounts (SME)** - Expanding digital financial services to underserved MSMEs, including retail businesses in the B40 segment and below
- Boost Wallet accounts (B40)** - Integrating unbanked B40 communities into Digital Financial Services and facilitating aid distribution

### Inclusive Access

We work with our Digital Telcos to expand network infrastructure, ensuring broadband access for rural communities and educational institutions. By leveraging digital tools and technology, we enhance access to healthcare and education, benefiting students, remote areas, and the wider population.

### Connectivity

Our efforts in connectivity ensure that underserved communities, including those in rural areas, have reliable access to digital infrastructure, enabling them to participate in the digital economy and essential services.



### Gerakan Donasi Kuota

This initiative enhances connectivity in Indonesia by crowdsourcing internet donations for underserved schools and strengthening digital literacy.

#### Impact in 2024

Connected **214** schools

Provided ~ **250 TB** of data

Benefited **67,371** students and teachers

Users contributed 23.7 TB via 101,116 transactions on myXL and AXISNET, while XL added 227.8 TB and distributed 214 internet packages. Offline events in Cimahi, Bekasi and Belitung further supported schools through literacy training sessions.



### DeafTawk

Provides accessibility for hearing-impaired individuals in Sri Lanka by offering real-time sign language interpretation services through a mobile application. The platform connects users with qualified interpreters via video calls and is available at Dialog Customer Care Centres, enabling deaf customers to interact with service representatives efficiently. Supporting Sinhala, Tamil, and English sign languages, the app offers a trilingual experience for greater inclusivity.

#### Impact in 2024

**1,000** users connected with DeafTawk

Ensuring accessibility for deaf customers across all Dialog Customer Care Centers with DeafTawk

Launched a B2B model enabling organisations to make their services accessible to all deaf customers

### Access to Vital Services

We enhance access to education and healthcare through digital tools and platforms. Digital advancements expand the reach of essential services, including telemedicine and digital healthcare solutions, improving accessibility beyond traditional methods.



### Expanding Digital Access to Vital Healthcare Services

Collaborated with Alita Praya Mitra to launch JAGATARA (Jiwa Raga Sehat Sejahtera) to enhance digital healthcare access and support early stroke detection. This initiative integrates smart wearable technology with real-time health monitoring, allowing users to track blood pressure, heart rate, oxygen levels, and physical activity via smartwatches connected to the JAGATARA mobile app. By providing at-risk patients with immediate health insights and linking them to essential healthcare services, JAGATARA improves public health accessibility.

#### Impact in 2024

**450** units deployed at Jati Padang Regional Hospital, South Jakarta



## ADVANCING DIGITAL SOCIETIES

### Our Progress (cont'd)



#### Expanding Digital Access to Education in Sri Lanka

Broadening digital education access through Nenasa TV, a dedicated educational channel aligned with the Sri Lankan national curriculum, offering subject-specific lessons, interactive content, and teacher-led demonstrations. Through its television platform and online resources, Dialog provides students with high-quality learning materials while also training educators to enhance digital literacy and teaching skills. The Nenasa Smart Schools initiative further strengthens digital learning by equipping schools with essential infrastructure and resources, ensuring wider access to quality education.

##### Impact in 2024

Nenasa TV reached **1.7 million** households

#### Providing Scholarships to Empower Students

Dialog supports high-achieving students through the Merit Scholarship Programme, offering financial assistance for those excelling in G.C.E. Ordinary Level and Advanced Level examinations to pursue higher education.

##### Impact in 2024

**103** students received Merit Scholarship

#### Transforming Healthcare Access with Digital Health Solutions

Dialog's subsidiary, Digital Health, enhances healthcare accessibility in Sri Lanka with innovative digital solutions. Its flagship platform, Doc990, connects users with > 5,000 doctors, enabling doctor appointments, virtual consultations, and access to pharmacies and laboratories. The platform also offers AI-powered health scans, allowing users to monitor vital indicators such as blood pressure, heart rate, and stress levels via smartphones. The Wellness Marketplace provides medical packages, including health check-ups, home care, and cosmetic treatments from leading hospitals.

##### Impact in 2024

**3 million** users were connected across **260 hospitals** which is a 8% growth YoY

**10,000** users used vital healthcare indicators to monitor their health



#### Promoting Digital Education through Products and Services

We promote digital learning by offering affordable, tailored products and services that enhance access to educational content. Through the SmartNas app, students can subscribe to study plans on the Educational Broadcasting Cambodia (EBC) and Onesala platforms at a 60% discount to standard packages via the app's Digital Learning Add-Ons feature.

Meanwhile, the Smart Laor! Rean Monthly plan offers unlimited access to EBC's platform, removing concerns over data usage. In 2024, our partnership with EBC further expanded access by providing Smart Laor! users with 1GB of free daily data and introducing cost-effective bundles such as Digital Learning Add-Ons. These initiatives harness Smart's infrastructure to help close the education gap, enabling students to access online learning anytime, anywhere.

##### Impact in 2024

Launched at Hun Sen Serey Pheap High School to benefit **5,000** students

1GB free daily internet for students registered on the EBC website, accessible through SmartNas, utilised by average of **1,508** students daily

**> 12,000** subscribers are utilising Digital Learning Add-Ons and Smart Laor! Rean Monthly

#### Training for Digital Skills



As technology evolves, Axiata equips local communities, students, and MSMEs with the digital skills needed to thrive in a digital economy. Our training and capacity-building initiatives focus on bridging the skills gap, with a strong commitment to empowering women and rural populations facing literacy challenges.



#### Ideamart

Ideamart equips developers with the skills and tools needed to create innovative applications. Developer training programmes provide hands-on experience with the Ideamart platform and APIs. Workshops and seminars raise awareness of digital technologies, while hackathons and competitions offer developers a platform to showcase skills and collaborate. These initiatives drive digital innovation and entrepreneurship across our markets.

##### Impact in 2024

Developer training programme benefitted **150** participants

**12** events, including workshops and seminars, conducted

**12** partnerships forged to run Hackathons and competitions



#### Strengthened University Engagements

bdapps deepened collaboration with the academic sector by signing Memorandum of Understanding (MoUs) with leading institutions to foster innovation and industry-academic knowledge exchange. These partnerships enabled curated workshops, sessions, and student engagement programmes focused on mobile app development and digital entrepreneurship.

##### Impact in 2024

MoUs signed with CUET and BRAC University Computer Club (BUCC)

Enabled university-level workshops and engagement sessions

Strengthened industry-academic collaboration in digital innovation



## ADVANCING DIGITAL SOCIETIES

### Our Progress (cont'd)



#### Expanding Education Access Through BEEP

The Basic Education Equivalency Programme (BEEP), led by UNESCO in collaboration with Cambodia's Ministry of Education, Youth and Sport (MoEYS) and Ministry of Labour and Vocational Training (MLVT), provides alternative education and skills training for out-of-school youth. Through 32 learning centres across 17 provinces, BEEP offers internet connectivity and digital devices, ensuring flexible learning pathways and access to technical and vocational education and training (TVET). Since 2019, the programme has benefited 3,338 learners, with 1,017 enrolled in 2024 and 482 graduates. Out of 482 graduates, 138 of them have enrolled in formal TVET, and 96 continued to obtain formal employment.

With a total investment of USD256,110 since inception, BEEP remains a key driver of digital education access in Cambodia, supporting the government's goal of enrolling 300,000 youth annually in TVET programmes.

##### Impact in 2024

200 smartphones and 50 tablets provided to learners	Internet services supplied to 10 BEEP centres	Data access for 141 learners	1,017 learners benefitted through BEEP
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#### Empowering Cambodia's Youth Through Digital Literacy

Smart collaborated with Cambodia's Ministry of Education, Youth and Sports, the Ministry of Post and Telecommunications, and TikTok, to advance digital literacy among high school students in four key provinces. The initiative, aligned with Cambodia's Digital and Society Policy Framework 2021-2035, equipped students with essential digital skills, responsible online behaviour, and video editing knowledge. Under the Train-the-Trainer programme volunteer students and Smart employees were trained as facilitators, with select participants from target provinces chosen to lead workshops to extend the programme's reach.

##### Impact in 2024

1,129 students equipped with fundamental digital skills	51 trainers, including Smart employees and volunteer students, trained under the Train-the-Trainer programme
12 students selected from target provinces to lead workshops	85 short educational videos created

#### BarCamp Battambang 2024

Smart, in partnership with the Cambodia Academy of Digital Technology (CADT), supported BarCamp Battambang 2024 to provide youth in Battambang and surrounding provinces with greater access to technology and entrepreneurship education. The event connected students with industry leaders, fostering digital literacy, career exploration, and innovation in rural communities.

##### Impact in 2024

2,000 students from 11 schools and universities participated	37 expert speakers shared insights on technology and entrepreneurship	15 exhibitors showcased digital innovations and opportunities
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#### Virtual AI Event: Strategic AI Implementation

Organised a Strategic AI Implementation event for 25 middle and top management employees, focusing on AI integration and strategic decision-making. This session provided insights into leveraging AI for business growth, enhancing digital capabilities across the organisation.



#### Innovation and Inclusive Services

Axiata provides funding and support to local startups and entrepreneurs, helping to scale innovative solutions that drive economic and social progress. Through strategic investments and training, we empower businesses to develop impactful technologies that address key challenges. In parallel, we focus on innovation for social impact, creating digital solutions that foster financial inclusion, enhance agricultural productivity, and improve accessibility. Our efforts aim to bridge the digital divide, empower women, and ensure that technology benefits all, driving sustainable growth and positive change across communities.

#### Digital Innovation Funds

	Digital Funds	2024 Highlights
	<b>Axiata Digital Innovation Fund (ADIF)</b> Total Investees: 17 (5 exits)	Provided 1,372 jobs and served 1.5 million SMEs, aligning with SDG 8 which aims to promote decent work and economic growth. 29% of ADIF investees are founded by women, with 5 companies led by women, which is in line with SDG 5: Gender Equality. Also, 53% of these companies are Bumiputera companies.
	<b>Dialog Innovation Fund (DADIF)</b> Total Investees: 8	Exploring options to exit from mature investments and invested in a cyber security company.
	<b>r-ventures</b> Total Investees: 15	Maintained its BDT132 million investment in 15 Bangladeshi start-ups with no new investments in 2024.
	<b>Smart Axiata Digital Innovation Fund (SADIF)</b> Total Investees: 4	SADIF exited one of its investments through a merger with a regional tech firm, while its remaining investees continue to expand access to clean, affordable energy and improve financial inclusion in underserved areas.



## ADVANCING DIGITAL SOCIETIES

### Our Progress (cont'd)

#### Innovation for Social Impact



##### Mekong Farm App

Supporting the Mekong Farm App, a digital platform that equips Cambodian farmers with expert farming content, an interactive community forum, and weather forecasts to enhance productivity and resilience. In 2024, Smart collaborated with Greenovator to expand the app's reach by deploying SMS alerts and guiding farmers on its usage.

##### Impact in 2024

<b>1,034</b> registered users	<b>328</b> discussions engaged in the Q&A section	<b>1,461</b> views on farming guidelines
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#### Digital Financial Inclusion

Axiata's digital financial services bridge the digital divide by expanding financial inclusion, equipping communities with the tools to participate in the digital economy and enhance their livelihoods.



##### Ideamart for Women

Ideamart for Women conducted workshops and seminars to raise awareness about digital technologies and financial inclusion, providing participants with essential knowledge and follow-up support. These sessions empowered individuals with the skills needed to navigate digital financial services and explore opportunities in the digital economy.

##### Impact in 2024

<b>100</b> participants engaged	<b>6</b> events conducted
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##### Robishop Device Financing

Introduced Bangladesh's first telco-led 'Buy Now Pay Later' (BNPL) facility in partnership with bKash, allowing unbanked mobile financial service users to finance smartphone purchases via Robishop.

##### Impact in 2024

First telco in Bangladesh to launch BNPL via MFS	Enabled access to devices for unbanked users
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#### Digital Services for Businesses and Entrepreneurs

Axiata provides tailored digital solutions for businesses and entrepreneurs, equipping them with the tools and platforms needed to enhance operations, drive innovation, and expand their digital capabilities in their businesses.

##### For Businesses



##### API Platform

Ideamart offers a robust API platform that allows businesses to integrate digital services such as SMS messaging, payment gateways, and location-based services into their operations.

In 2024, Ideamart strengthened its API ecosystem by onboarding CAMARA standards for enhanced interoperability



##### Enterprise Solutions

Enterprise Marketplace offers customised digital solutions for businesses and micro SMEs in Sri Lanka, facilitating their digital transformation in the most efficient and cost-effective way.

In 2024, **over 7,000** Enterprises and SMEs have been offered and onboarded with new digital tools

##### For Individuals and Entrepreneurs

##### Low-Code/No-Code Platforms

Platforms like AppMaker empower individuals with limited or no coding experience to create mobile applications, making digital entrepreneurship more accessible.

<b>5,200</b> service providers	<b>743</b> published apps	<b>2</b> training sessions
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##### Monetisation Opportunities

Ideamart enables developers and entrepreneurs to generate revenue from their digital products by offering monetisation tools within its platform.

Total **743** monetised applications launched in 2024

##### Training and Capacity Building

Through workshops, hackathons and training programmes, Ideamart equips individuals with the necessary digital skills to succeed in the digital economy.

<b>150</b> participants in developer training programmes	<b>12</b> workshops and seminars	<b>12</b> partnerships in hackathons and competitions
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##### Empowerment through bdapps

Strengthened digital empowerment through bdapps by engaging youth and underrepresented communities in mobile app development to broaden inclusion and income opportunities.

bdapps Campus Ambassador and She Squad initiatives continued	bdapps She Squad mentored <b>1,750 female developers</b> through 65 leaders, driving high-impact, revenue-generating projects
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##### bdapps Connect 2024

Organised annual bdapps Connect: Engage & Innovate event, which brought together the top developer community for an energising day of collaboration, games, and idea generation.

Engaged with <b>top 50 developers</b>	Innovation challenges and networking activities conducted
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## ADVANCING DIGITAL SOCIETIES

### Our Progress (cont'd)



#### Developing the eSports and Entertainment Ecosystem

##### Mobile Mania 2024

Airtel (Robi) organised Bangladesh's largest mobile e-sports event with a significant prize pool, a live audience, and a fusion of gaming, music, and digital community engagement.

**> 1,700** participants and **> 3,000** live audience | BDT30 lakh prize pool

##### Hotath – Pop-up Concert Series

Introduced 'Hotath', a surprise-format concert series held at youth hangout spots across Dhaka, strengthening cultural connection with the urban youth.

Pop-up concerts held at public locations | **Over 20,000** attendees reached



#### Supporting Businesses with Digital Services

On top of the connectivity solutions Smart offers, digital solutions help businesses enhance efficiency, improve security, and adapt to evolving technological demands. By offering ICT services tailored to both large enterprises and SMEs, Smart enables businesses to optimise their operations and better manage resources.

##### Cyber Security & Mobile Device Management (MDM)

With increasing cyber threats, securing business data is critical. Smart supports enterprises with cyber security and mobile device management solutions that protect digital assets, customer data, and business performance insights, reducing security risks.

##### Analytics for Business Insights

Access to data-driven insights helps businesses refine their strategies. Smart provides analytics tools that assist enterprises in identifying the right market demographics and optimising resource allocation for better decision-making.

##### Smart CheckinMe for Workforce Management

Managing workforce productivity is essential for SMEs. Smart CheckinMe enables business owners to track employee attendance and performance remotely, streamlining operations and improving reporting processes.

#### Empowering Marginalised Communities

Our inclusive digital initiatives empower women and differently-abled individuals across diverse backgrounds to enhance their digital skills and presence online.

##### Indigenous Communities



##### Collaboration with Indigenous Community of North Bengal

bdapps extended its outreach to indigenous youth through a dedicated workshop held at Saint Paul's High School in Naogaon. With support from Chandpukur Mission, the event introduced participants from the Santal, Oraon, and other communities to mobile app development and freelancing opportunities via the bdapps platform.

##### Impact in 2024

Workshop held in Naogaon with support from Chandpukur Mission	<b>30 participants</b> from Santal, Oraon, and other indigenous communities	Exposed youth to app development and digital income opportunities
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#### Women and Girls

##### Sisternet

Sisternet provides an inclusive digital ecosystem that enhances women's digital skills, entrepreneurship, and leadership through initiatives such as Shelnspire, Female Future Leader, and Sister e-Learning. By collaborating with 40+ strategic partners, the programme equips women with the tools to scale their businesses, improve financial literacy, and expand digital marketing reach, contributing to sustainable economic growth.

##### Impact in 2024

<b>1,029,139</b> women benefited	<b>&gt; 177,890 hours</b> of educational sessions conducted	<b>&gt; 4,000 womenpreneurs</b> received direct business support	<b>13% increase</b> in business revenue
<b>75% expansion</b> in digital marketing reach	<b>30% Boost</b> product production	Internationally recognised by G20, W20, and UN Women for impact in closing the gender gap	



##### Project Nisa

bdapps launched Project Nisa in 2024 to bridge the digital divide for female madrasa students by equipping them with essential digital and entrepreneurial skills, enabling them to take their first steps toward financial independence.

##### Impact in 2024

<b>&gt; 80</b> female madrasa students trained	Skills covered Microsoft Office, digital literacy and app monetisation	Light apps developed and launched on bdapps platform
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##### Technovation Girls Cambodia 2024

Provided female students from 12 provinces with hands-on training in coding, entrepreneurship, and artificial intelligence through a 12-week programme. The initiative encouraged young women to develop innovative tech solutions, successfully submitting their projects on the global stage. The programme culminated in a National Event where finalists presented their projects.

##### Impact in 2024

<b>622</b> female students trained in technology and entrepreneurship	<b>57</b> teams (237 students) submitted projects globally
<b>4</b> winners recognised across key categories (one winning team awarded a study trip to Singapore)	<b>12</b> finalist teams showcased their work at the National Event



## ADVANCING DIGITAL SOCIETIES

### Our Progress (cont'd)

#### People with Disabilities

##### Digital Competency Training

Provided digital skills training that enhances job readiness and confidence in using digital platforms. The programme equips participants with self-assessment, digital workspace management, audiovisual documentation, and social media publishing skills, ensuring equal access to professional growth opportunities.

##### Impact in 2024

**20** participants attended two-day training in Surabaya

Disability Internship Programme supported **19** deaf and speech-impaired interns at XL's headquarters and regional offices in Medan, Surabaya, and Bandung.

Strengthened employability through hands-on corporate experience

Promoted inclusive digital literacy aligned with Diversity, Equity, and Inclusivity (DEI) principles



##### Enhancing Inclusion for Persons with Disabilities (PWD)

- Introduced inclusive services, assistive technologies, and employment initiatives for PWDs
- Fully implemented disability design standards across its corporate website, application and training materials since December 2023, providing seamless experience for visually impaired and differently-abled users
- Implemented PWD employment disclosures since October 2023, reinforcing workplace inclusivity



##### Batik Beyond Sight

In partnership with Yayasan Cinta Anak Bangsa (YCAB), Batik Beyond Sight provides training and mentorship for 12 visually impaired participants over a 12-month period. Supported by Link Net's Empowerment Fund, the initiative also funds the renewal and repair of Batik tools at Rumah Belajar Batik Bojong Bata, ensuring a more effective learning environment for participants.

##### Impact in 2024

**~ IDR100 million** allocated for training and mentorship

**12** visually impaired participants trained in Batik craftsmanship

#### Safe and Responsible Use of Technology

Axiata actively promotes a secure and responsible digital environment by advocating for the safe use of technology. Through proactive measures, we work to protect users from cyber risks, including Child Sexual Abuse Material (CSAM), cyberbullying, and other online threats, ensuring a safer digital space for all.

##### Axiata Cyber Fusion Centre

Launched the Axiata Cyber Fusion Centre (ACFC) to help businesses protect their technology and customer data from cyber threats. The service provides threat penetration testing, vulnerability assessments, and network monitoring, ensuring robust security measures for organisations of all sizes and industries. ACFC also adheres to ISO 27001 data security standards.

##### MoU on Child Online Protection with APLE Cambodia

Partnered with Action Pour Les Enfants (APLE) to strengthen child online protection. This initiative includes establishing a reporting link on Smart's website and equipping children with the knowledge and tools to navigate the internet safely.

##### Promoting Digital Safety and Child Protection

Equipped parents and caregivers with the knowledge to safeguard children from online threats through targeted awareness campaigns. These initiatives highlight the prohibition of explicit content, promote responsible digital behaviour and reinforce the legal and ethical responsibilities of all online users. We advocate for child rights and labour law protections, ensuring children are shielded from digital exploitation and supported in their education and development. In partnership with the Telecommunication Regulator of Cambodia (TRC), this initiative has reached 91.3 million users, including children, parents and educators.



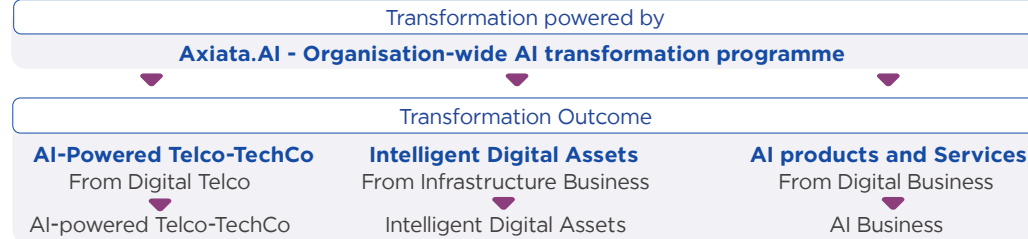
## ADVANCING DIGITAL SOCIETIES

### DIGITISATION AND INNOVATION

#### Why Is This Important

The rapid advancement of cloud technology, AI, IoT, 5G, and Edge Computing is transforming industries, enhancing efficiency, and reshaping customer experiences. As we strive to become a converged connectivity player, we prioritise digitisation, innovation, and analytics to drive operational excellence and maintain a competitive edge. These technologies enable automation, data-driven decision-making, and seamless connectivity, benefiting businesses and society by advancing smart cities, healthcare, and digital inclusion. At the same time, evolving cyber threats require proactive security measures to safeguard digital transformation efforts.

#### Our Approach



We are advancing our transformation into a Telco-TechCo, integrating AI, digital services, and enhanced connectivity to solidify its position as an Emerging Asian connectivity leader. Our approach includes implementing 5G Fixed Wireless Access (FWA) for expanded connectivity, Open Gateway APIs to drive digital integration, and the commercialisation of the Cyberfusion Centre to strengthen cyber security.

#### Moving Forward

Cloud computing, AI, IoT, and edge computing will continue to reshape industries, enhancing efficiency, automation, and connectivity. Businesses must adopt these technologies to stay competitive while addressing data security, regulation, and digital inclusion. Collaboration across sectors will be crucial to ensuring equitable access, unlocking economic opportunities, and driving smarter, more connected experiences.

### Our Progress

#### IT Transformation



- Upgraded the EasyLoad recharge solution with virtualised architecture and open databases for better scalability and cost-effectiveness
- Launched RobiWiFi Fixed Wireless Access (FWA), offering multiple speed options and free OTT subscriptions
- Launched GenAI chatbots on websites and communication platforms for Robi and Airtel, enabling human-like interactions across various digital channels.



Modernising outdated platforms with containerised architecture and new features to enhance efficiency. Key upgrades include a digital CRM with IoT, SME, Multi-SIM, and machine learning, an enterprise CRM with self-service, and eKYC integration across all touchpoints. IVR/USSD platforms are being upgraded for full redundancy. The campaign platform is improving for real-time marketing and Vector DB is being introduced for face search and fraud detection.

#### Talent Factory



##### Group Risk & Compliance Awareness (GRCA) Training

The GRCA Training is part of Axiata Mandatory Compliance Training (AMCT), covering data privacy, cyber security, risk management, ethics, and whistleblowing to ensure adherence to compliance standards. In 2024, the training was standardised across the Group and rolled out to all employees.



##### Smart Digital Internship Programme

The Smart Digital Internship Programme provides students with hands-on experience and digital skills development through 5 cohorts with around 90 participants. Designed to align with academic studies, interns gain real-world exposure, work on industry-relevant projects, and collaborate in team activities. Several participants have since joined Smart, contributing to digital communities and strengthening Cambodia's digital workforce.



##### Leadership Academy

The Link Net Leadership Academy is a six-month AI-powered leadership development programme designed to equip employees with the skills needed to lead effectively. It offers structured learning across three levels: Effective Stewardship (Non-Executive to Executive), Leadership Development (Junior Management), and Managerial Development (Middle Management). In 2024, 71 employees participated, completing 3,018 learning hours, with tailored training to enhance leadership capabilities and drive organisational growth.



##### Building Technical Excellence in Data and AI

ADA invests in deepening technical AI skills through targeted certifications in data analytics, ML and AI. Employees undergo rigorous training via strategic partnerships with leading platforms such as Databricks, Snowflake, and AWS to ensure mastery of industry-standard tools. This is complemented by business and sales-focused accreditations that strengthen cross-functional expertise and support data-driven client delivery.



## ADVANCING DIGITAL SOCIETIES

### Our Progress (cont'd)

#### Enterprise Solutions for Sustainable Development

The Group's continuous digitisation initiative includes enhancing enterprise solutions to support digital transformation for clients across various industry verticals. Our OpCo enterprise teams, together with Axiata Enterprise, aim to empower businesses into embracing technological advancements in the areas of cloud migration, security services, managed connectivity and SME-based solutions.

Contributing to Nation Building Process	Empowering Business Through Digitisation	Supporting Our Communities
<b>Digital SME</b> Strengthening the SME sector with digital adoption and allowing SMEs to grow their businesses vertically and horizontally. Multi-mode connectivity solutions and hosted pay as you grow payments schemes accelerates the adaptation. SME productivity tools enhances business productivity, leading to an overall increase in GDP.	Empowering businesses through digitisation by providing seamless connectivity, robust infrastructure, and end-to-end technology solutions. We integrate advanced communication networks, cloud services, and cyber security frameworks to enhance operational efficiency and customer experience. By streamlining IT systems and automating processes, we enable businesses to scale, innovate, and adapt quickly to market changes. Our expertise bridges legacy systems with modern technologies like IoT, AI, fostering agility and data-driven decision-making. Ultimately, we act as strategic partners in the digital transformation journey of our customers, helping organisations unlock new revenue streams, improve productivity and efficiency to stay competitive in an increasingly digital world.	Supporting communities by enhancing digital access, enabling remote education and healthcare, fostering local innovation, creating jobs, and developing capability within communities. Through smart infrastructure and inclusive connectivity, we drive social development, bridge the digital divide, and empower communities to thrive in a connected, digital-first world.
<b>Secure Connectivity</b> Secures national connectivity infrastructure by enabling reliable multi-site access, integrating secure public and private network to support critical government and industrial operations. Building cyber security resilience across sectors.	Enables agile, cost-effective, and secure connectivity for digital transformation enabling safe online platforms for business operation. Ensures high-speed, low-latency connectivity for industrial sites, enabling real-time communication, automation, and remote operations	Expands digital access to underserved areas, supporting workforce inclusion and community connectivity. Facilitates remote work, e-learning, and telemedicine for underserved areas while protecting community data and digital platforms from cyber threats.
<b>Enhancing IoT adoption</b> NB-IoT networks helped industries to expand their digital transformation and smart manufacturing. Fleet management system improves logistics and fleet oversight for public agencies and state-owned enterprises, supporting efficient resource allocation. Air quality & flood monitoring enables early warning systems and real-time environmental data for government agencies.	Fully fledged tracking management solutions provide operational control through real time tracking, to facilitate vehicle maintenance, driver performance monitoring, worker safety, asset tracking, and crew scheduling in industrial operations.  Air quality and flood monitoring will minimise operational disruptions by proactively managing environmental risks.	Empowering Smart Manufacturing and Fleet Management System drives high level of energy efficiency reducing GHG.  Air quality and flood monitoring improves public health and safety by enabling proactive measures against pollution and natural hazards.
<b>Physical Security Services</b> Enhancing national security and infrastructure resilience through intelligent surveillance solutions	Enabling businesses with real-time video intelligence, local private cloud-based storage, monitoring, management and analytics for smarter decision-making.	Supporting public safety, community wellbeing, and disaster response with scalable and reliable video surveillance services.
<b>Cloud and Data Centre</b> Data Centre contributes to nation-building by providing secure, reliable digital infrastructure that enhances economic growth, governance, and social development.	Provides scalable, cost-effective cloud solutions that boost collaboration, data security, and innovation. Paired with Data Center's colocation services, which enhance energy efficiency and reduce operational costs, businesses achieve greater efficiency and sustainability, while supporting renewable energy integration.	Cloud computing eliminates the need for businesses to invest in expensive physical infrastructure, enabling them to scale resources as needed while reducing maintenance costs. Specially on banking, education, government, and healthcare. These solutions are scalable and drive digital transformation.
<b>Big Data Services</b> Provides insight to support government identify high-impact locations for infrastructure and public services.	Support businesses, including SMEs to identify strategic locations for better market positioning.	Enable SMEs to target the right business location, contributing to economic growth and job creation.

#### Advancing Cyber Resilience for the Digital Age

**HELIOS:** A next-generation AI powered threat attribution platform developed to address the growing complexity and sophistication of modern cyber threats across critical industries, including finance, energy, manufacturing, telecommunications, and healthcare.

As part of Axiata's cyber security strategy, HELIOS mitigates business risks, reduces operational costs through automation, and strengthens digital trust by ensuring compliance with regulatory and data

privacy requirements. HELIOS reinforces Axiata's leadership in cyber security transformation with its patent-pending status in Malaysia and multiple 2024 innovation awards.

Looking ahead, Axiata aims to scale HELIOS across ASEAN and beyond, integrate it with next-generation cloud-native security frameworks, and drive global recognition through additional patents and industry partnerships.



## ADVANCING GREEN ECONOMY

### What This Means to Us

We recognise that Asia's progress depends on balancing digital advancement with environmental sustainability. Sustainable development is essential for both our planet and the growth of technology. Through collaboration and partnerships, Axiata drives decarbonisation efforts to secure a sustainable future for Asia and beyond.

### Material Matters

9 16

### Prioritised UN SDGs



### CLIMATE CHANGE

#### Why Is This Important

Integrating climate action into our broader sustainability agenda is essential in response to clear climate science and the urgent call for action. Setting clear climate targets strengthens operational resilience, drives innovation, enhances market leadership, and improves long-term efficiency. These efforts are critical to align with sustainability goals and reinforcing our commitment to responsible and future-ready growth.

#### Our Approach

Our approach to climate action is driven by clear targets aligned with the Science Based Targets initiative (SBTi) Business Ambition for 1.5°C. We commit to achieving net-zero emissions by 2050, ensuring our long-term resilience and responsibility to future generations. This commitment shapes our Net-Zero Carbon Roadmap, guiding our strategy to reduce emissions across our operations. To strengthen our approach, we adopt the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, enhancing our ability to assess climate risks, integrate sustainability into decision-making, and drive meaningful progress.

#### Moving Forward

Axiata has made significant progress, receiving SBTi approval for our near-term as well as long-term targets based on a 2022 baseline, and is the first telecommunications company in Malaysia to have achieved this. We remain optimistic about new technologies, regulatory shifts, and national-level actions accelerating the transition to a low-carbon economy. By forging transformative partnerships and prioritising investments in energy efficiency and renewable energy, we are dedicated to navigating evolving regulations and climate policies to effectively mitigate climate impacts and drive the shift to a sustainable future.

### Our Progress

#### Advancing Net-Zero Carbon Pathway

Axiata's Net-Zero Carbon Roadmap outlines three strategic objectives to drive collective action and pave the Group's path towards achieving net-zero carbon emissions by no later than 2050:

##### Decarbonise Network Operations

Near-term target to reduce absolute scope 1 and scope 2 GHG emissions by 42% by 2030 and 90% by 2050 from a 2022 base year.

##### Transform Our Value Chain

Long-term target to reduce absolute scope 3 GHG emissions by 25% by 2030 and 90% by 2050 from a 2022 base year.

##### Deliver An Inclusive Climate Agenda

Contribute to positive climate action through carbon removal and by enabling avoidance through technology and digitisation.

#### SBTi Approves Axiata Group's Science-based Targets

As one of Asia's largest telecommunications groups with more than 175<sup>1</sup> million users across eight countries, Axiata is taking responsibility for its direct and indirect emissions. Committed to climate action, the Group has set credible reduction targets and aligned them with the SBTi to establish a clear pathway towards a 1.5°C-aligned climate plan.

In June 2024, Axiata received approval from the SBTi for its near-term and net-zero targets based on a 2022 baseline. Axiata is the first telecommunications company in Malaysia to have its carbon reduction targets approved by the SBTi. These targets include reducing absolute Scope 1 and Scope 2 GHG emissions by 42% by 2030 and 90% by 2050, as well as reducing absolute Scope 3 GHG emissions by 25% by 2030 and 90% by 2050. With this endorsement, Axiata confirms that its decarbonisation pathway is scientifically aligned.

Note: <sup>1</sup> Includes digital telcos and digital businesses in footprint countries







## ADVANCING GREEN ECONOMY

### Our Progress (cont'd)

#### Strengthening Our Net-Zero Efforts

We continue to advance on our net-zero carbon pathway with SBTi-approved targets, integrating climate action across our operations to reduce emissions as well as emissions intensity and ensure long-term sustainability.

#### Objective 1 Accelerate Decarbonisations of Network Operations

Initiatives	2024 Group Progress	2024 Initiatives
<b>Developing Scope 1 and Scope 2 Decarbonisation Strategy</b> Work at Group-level to analyse emissions, prioritise energy efficiency measures, expand renewable energy adoption, and explore policy engagement to accelerate carbon reduction across our operations.	Ongoing development of a strategic roadmap for Scope 1 and Scope 2 emissions reduction, focusing on energy efficiency in network infrastructure, expanding on-site renewable energy generation, and continuously assessing Renewable Energy Certificate (REC) and Power Purchase Agreement (PPA) procurement in high-emission markets for our OpCos. XL purchased 1,000 RECs in 2024 as part of this effort.	 Convened the Axiata Sustainability & Reporting Suite Forum in Jakarta, co-hosted by XL and Link Net to align OpCos with net-zero and TCFD action plans, strengthen Sustainability Framework implementation, and standardise reporting. Key discussions included Scope 1, 2, and 3 emissions management, waste strategy development, and best practices in digital inclusion and UN SDG reporting, with insights from global peers, external consultants and professional bodies.
<b>Enhance Energy Efficiency</b> Improving energy efficiency is a key priority in our journey to net-zero by 2050. We optimise infrastructure by upgrading power systems, transitioning legacy indoor sites to outdoor sites to eliminate cooling needs, and deploying solar panels across thousands of sites for hybrid power supply. We continue to explore network modernisation and collaborate with partners to drive further energy efficiency improvements.	Achieved approximately 11% reduction in network fuel energy consumption and a 29% reduction YoY in facility electricity energy consumption through continued optimisation efforts.	<div>  <ul style="list-style-type: none"> <li>Implemented Features Saving, Simplification, and Fuel Reduction from Descoping, reducing electricity and fuel consumption at network sites</li> <li>Saved approximately 93 million kWh of electricity and 112 litres of fuel in 2024 through XL's energy efficiency initiatives, equivalent to avoiding 70,298 tCO<sub>2</sub>e emissions</li> </ul> </div> <div>  <ul style="list-style-type: none"> <li>Converted 603 indoor base station sites to outdoor setups in 2024, improving energy efficiency and reducing cooling needs</li> <li>Identified and addressed high Power Usage Effectiveness (PUE) sites, implementing solutions to optimise energy consumption</li> <li>Conducted metre calibrations and detected illegal power tapping, rectifying inefficiencies through PUE analysis</li> <li>Reduced energy consumption through network modernisation, legacy system shutdowns and the closures of six sites to conserve energy</li> </ul> </div> <div>  <ul style="list-style-type: none"> <li>Installed new batteries at 495 Robi-owned sites, reducing reliance on petrol and diesel powered genset, leading to 265 tCO<sub>2</sub>e reduction</li> <li>Deployed Express Line in 4 core sites (99.99% uptime), minimising diesel-powered genset dependency and avoiding 76 tCO<sub>2</sub>e emissions</li> <li>Implemented energy efficiency measures, including reorganising high-fuel-consuming generators, shutting down power for offloaded service nodes (TX), implementing containment for cooling optimisation, and modernising and shutting down Core Power Control Unit (PCU) and Computer-Aided Cooling (CAC), which resulted in a total reduction of 550 tCO<sub>2</sub>e</li> <li>Upgraded rectifiers at 1,047 sites, improving AC to DC conversion efficiency, electricity use, and reducing 622 tCO<sub>2</sub>e</li> </ul> </div>



## ADVANCING GREEN ECONOMY

## Our Progress (cont'd)

## Objective 1 Accelerate Decarbonisations of Network Operations (cont'd)

## Initiatives

## 2024 Group Progress

## 2024 Initiatives

Increase  
Adoption

## Renewable

## Energy

Given the carbon-intensive energy mix in our markets, we are actively integrating renewable energy into our operations to reduce emissions. We have deployed solar power at base stations, cutting reliance on grid electricity and generator fuel. OpCos have also replaced generators with lithium batteries and implemented hybrid charging systems for remote Base Transceiver Stations (BTS), reducing diesel consumption. We are also leveraging solar and hybrid renewable solutions to power our telco towers, further advancing our decarbonisation efforts.

Established over 7,178 solar sites by the end of 2024, an increase of 2% (+150 sites) from 2023 through collective efforts.



- Deployed solar panels and purchased 1,000 RECs
- Operated four new Supernode Solar Panels in Sukasari, Cianjur, Mangkang, and Solo, alongside existing smaller solar installations across Indonesia



- Implemented solar energy solutions at new and existing access sites, adding nearly 50 kW of solar capacity in 2024 through one new site and capacity enhancements at three existing sites



- Implemented DC Energy Leasing to provide cost-effective power solutions in energy-critical markets to optimise network energy consumption and reduce operational costs
- Deployed Remote Monitoring System (RMS) for real-time monitoring and seamless integration with site equipment to improve energy efficiency and enable proactive maintenance



- Upgraded HFC to FTTH, completing the transition for 750,000 homes passed out of 4 million targeted, improving energy efficiency and network performance



- Expanded renewable energy initiatives by deploying 150 new solar sites in 2024, bringing the total to 1,674 sites, further supporting ongoing energy optimisation efforts



- Converted genset sites to solar hybrid sites, integrating solar Photovoltaic (PV) panels with diesel generators to ensure reliable power for off-grid locations. Deployed at 10 sites in Pakistan and 1 site in the Philippines, contributing to lower carbon emissions and improved energy efficiency



## ADVANCING GREEN ECONOMY

### Our Progress (cont'd)

#### Objective 2 Accelerate Transformation of Our Value Chain

##### Initiatives

##### Strengthen Value Chain Collaboration

We are driving supply chain decarbonisation by identifying emission sources and establishing a Scope 3 baseline. Using a globally recognised methodology from Global System for Mobile Communications Association (GSMA), Global Enabling Sustainability Initiative (GeSI) and International Telecommunication Union (ITU), we enhance supplier engagement to improve climate management and reduce emissions across our value chain.

##### 2024 Group Progress



- Hosted Sustainability Month 2024, engaging employees, suppliers, and stakeholders in sustainability initiatives to advance Axiata's net-zero commitment
- Held a Supplier Forum addressing net-zero transformation, emissions management, and decarbonising the supply chain through partnerships
- Challenged employees to reduce paper and electricity usage while encouraging suppliers to enhance transparency in emissions reporting
- Upheld Axiata's Supplier Code of Conduct, requiring suppliers to operate responsibly, comply with environmental regulations, and meet contractual sustainability requirements

##### 2024 Initiatives



- Recognised partners' sustainability efforts through the XL Axiata ESG Warrior Awards, to encourage ESG initiatives across the value chain



- Selected vendors, representing 11% of the 2023 total spend, were audited in 2024, with a waste evaluation tool integrated into these audits to enhance carbon performance and raise operational awareness



- Engaged top suppliers to raise awareness of environmental challenges, best practices, and collaborative efforts to starting reducing their carbon footprint



- Launched the Vendor Development Programme (VDP) 2024, focusing on empowering key suppliers to strengthen ESG, Occupational Health & Safety (OHS), risk management, and anti-bribery practices across the supply chain
- Conducted Supplier ESG Assessments while also mapping gaps for further improvement through future engagements
- Conducted inaugural ESG Telecommunication & Technology Roundtable entitled "Decarbonisation of the Telco Industry and its Challenges" brought together 18 participants representing eight organisations, including our customers, vendors, industry peers and a government agency, examined industry readiness for carbon reduction targets and supply chain decarbonisation challenges

#### Objective 3 Deliver an Inclusive Climate Agenda

##### Initiatives

##### Developing Carbon Removal Pathways

Neutralised residual emissions through natural and technological solutions in owned and supported projects, aligning with SBTi standards that prioritise value chain emissions reductions before removals and Beyond Value Chain Mitigation (BVCM).

##### 2024 Group Progress

Continue monitoring SBTi guidance on neutralisation and BVCM to integrate into our net-zero strategy.

##### 2024 Initiatives



- Launched a tech-driven conservation platform to track carbon absorption, tree growth, and biodiversity impact
- Enabled B2B and B2C models to drive conservation efforts



- Infrastructure improvements, including the installation of advanced cooling systems and in-row cooling to recycle waste heat, were implemented, which focused on specific heat-producing zones, leading to energy savings and lower operational costs
- Relocated equipment from the data centre to containment areas, optimising energy use and cooling efficiency



## ADVANCING GREEN ECONOMY

### Our Progress (cont'd)

#### Objective 3 Deliver an Inclusive Climate Agenda (cont'd)

##### Initiatives

##### Enable Carbon Avoidance

We drive decarbonisation by providing products and services that help society, businesses, and SMEs reduce emissions. Mobile and digital technology can cut emissions by 40% in power and energy, transport, buildings, and manufacturing, which are sectors that account for 80% of global emissions.

##### 2024 Group Progress

Enable industries in our markets to reduce environmental impact through Enterprise solutions, leveraging digitalisation and innovation to drive resource optimisation and lower energy consumption.

##### 2024 Initiatives



- Converted 23 sites from off-grid to grid connections in 2024 (30 sites in 2023), ensuring a reliable power supply, reducing diesel consumption, and lowering operational costs



- Converted 11 genset sites to Solar Hybrid Sites, integrating solar PV with diesel generators to enhance energy reliability, reduce fuel consumption, and lower carbon emissions
- Deployed DC Energy Leasing solutions, providing cost-effective power options in energy-critical markets

#### Task Force on Climate-related Financial Disclosures (TCFD)

We are committed to strengthening our climate-related disclosures by aligning with Axiata's TCFD three-year roadmap (2022-2024) and progressively closing any gaps. Recognising that TCFD recommendations are now integrated into the IFRS S2 Climate-related Disclosures issued by the ISSB, we ensure our reporting remains consistent with its 4 core pillars and 11 recommended disclosures. Since embarking on our TCFD journey, we have continuously refined our data, methodologies, and climate practices. As we advance, we will update and enhance our approach to align with the latest reporting standards and frameworks.

##### Scope of TCFD

##### Digital Telco



##### Infrastructure



##### Digital Business



#### Governance

The Axiata Board holds ultimate responsibility for the Group's sustainability agenda, with the Board Sustainability Committee (BSC) overseeing climate-related matters and ensuring ESG integration into corporate strategy. Regular updates, including periodic BSC sessions as well as quarterly sustainability steering committee sessions, strengthen the board's oversight.

At the management level, the Group CEO and SLTs are accountable for sustainability-related KPIs, including climate change measures, which are linked to our net-zero commitment. Sustainability performance, with net-zero commitments, is integrated into remuneration-linked KPIs.

The Axiata Sustainability Steering Committee, chaired by the Group CEO & MD, ensures ESG collaboration and alignment across the Group, while OpCo CEOs and Boards integrate sustainability into decision-making and governance.

##### Progress in 2024

- Reviewed progress updates on Axiata's Net-Zero Carbon Roadmap roll out, including Scope 1, 2, and 3 emissions
- Reviewed Axiata's sustainability performance and activities based on Axiata's Sustainability Framework, ensuring alignment with the Group's climate-related targets and strategy
- Reviewed and approved the Sustainability Reporting Manual (SRM) for all Bursa's Common Indicators (BCIs), as well as overall ESG indicators' reporting, thereby strengthening climate-related disclosures in sustainability reporting
- Reviewed communication plan for the Group and OpCos, as well as sustainability initiatives and ESG KPI reporting with the Board Risk and Compliance Committee (BRCC)

##### Priorities for 2025

- Monitor the roll out of IFRS S1 and S2 sustainability disclosure standards, as per the National Sustainability Reporting Framework (NSRF) released in September 2024
- Review and oversee Axiata's sustainability performance and activities based on Axiata's Sustainability Framework and ESG KPI reporting
- Review progress updates on Axiata's Net-Zero Carbon Roadmap roll out for Scope 1, 2 and 3 emissions
- Review and monitor metrics and targets pertaining to key sustainability matters, by incorporating relevant metrics and targets into OpCos' CEO annual KPIs
- Monitor progress on ESG data automation to streamline processes across OpCos while ensuring a smoother assurance process in future years



## ADVANCING GREEN ECONOMY

### Our Progress (cont'd)

#### Strategy

Sustainability is embedded in our corporate strategy, and we are committed to achieving net-zero emissions by 2050. Recognising the connection between climate change and social inequality, we leverage our Telco-to-TechCo journey to drive both climate action and economic growth across the markets we serve.

We have strengthened our climate agenda through our SBTi-approved science-based targets and the implementation of our Net-Zero Carbon Roadmap. Our strategy remains aligned with TCFD recommendations, ensuring that climate risk assessments, scenario analysis, and decarbonisation efforts are integrated into business resilience and long-term value creation. As sustainability reporting standards evolve, we continue monitoring IFRS S1 & S2 implementation to ensure our practices remain aligned with future requirements.

#### Risk Management

We strengthen our climate risk management by identifying, assessing, and integrating climate-related risks and opportunities into our Enterprise Risk Management (ERM) Framework. This approach enhances business resilience and decision-making by embedding climate considerations into strategic planning.

In the future, we plan to further integrate climate-related risks into relevant planning and/or decision-making processes to align with the evolving disclosure requirements of IFRS S1 and S2, which will apply from 2025. This will enhance transparency, support risk-informed decision and strengthen our climate resilience strategy.

#### Risk Assessment

We conduct ongoing climate risk assessments to anticipate potential impacts, support informed decision-making, and strengthen long-term sustainability efforts.

#### Systematic Climate Risk Assessments

Conducted evaluation on physical and transition risks to ensure alignment with evolving regulatory and market expectations.

#### Integration into ERM Framework

Embedded climate risks into policies, procedures, risk appetite, tolerance, and mitigation strategies to strengthen oversight and response measures.

#### Expansion of Risk Monitoring

Implemented monitoring mechanisms to track climate-related risks across all OpCos, with regular reviews conducted by the BRCC.

#### Capability Maturity Model Integration (CMMI) Matrix Implementation

Leveraged the CMMI matrix to measure and monitor our ability to mitigate climate-related risks.

#### Climate-Related Risks

We continuously evaluate transition and physical climate-related risks to stay ahead of emerging challenges in 2024.

Risk Category	Potential Risks	Potential Impact (non-exhaustive)
<b>Transition Risks</b>		
<b>Policy &amp; Legal</b> Implementing government policies addressing climate change	<ul style="list-style-type: none"> <li>Increased pricing of GHG emissions (carbon pricing mechanism)</li> <li>Evolving regulatory mandates on existing &amp; future products and services</li> </ul>	<ul style="list-style-type: none"> <li>Customer loss due to higher product and service prices from carbon taxes</li> <li>Increased compliance costs and regulatory requirements</li> <li>Stranded assets, such as copper networks and inefficient building systems</li> </ul>
<b>Technology</b> Write-offs for obsolete technologies and investments in new ones while transitioning to low-carbon technology	<ul style="list-style-type: none"> <li>Increased cost of investments in resilient infrastructure and low-carbon technologies to meet climate goals</li> </ul>	<ul style="list-style-type: none"> <li>Increased investment in climate-resilient, low-carbon infrastructure</li> <li>Higher spending on workforce upskilling, research and development (R&amp;D), and innovation</li> <li>Budget allocation plan for minimising impacts from costs required to invest in low-carbon solutions</li> </ul>
<b>Market &amp; Economic</b> Shifts in supply and demand for commodities, products, and services	<ul style="list-style-type: none"> <li>Shifting customer behaviour and investor expectations towards digital solutions, along with environmental and social considerations</li> </ul>	<ul style="list-style-type: none"> <li>Untapped opportunities from evolving stakeholder demands</li> <li>Risk of capital loss due to low valuation and unmet climate expectations from finance providers</li> <li>Reduced funding for mitigation and adaptation amid global economic challenges</li> <li>Absence of services/ solutions/ programmes that contribute to emission reduction</li> </ul>
<b>Reputational Risks</b> Brand damage and stakeholder trust erosion	<ul style="list-style-type: none"> <li>Heightened stakeholder concerns or negative feedback</li> </ul>	<ul style="list-style-type: none"> <li>Failure to meet emerging and evolving stakeholder perceptions on responsiveness towards climate resilience. This may lead to adversarial impact on customer as well as employee retention</li> </ul>
<b>Physical Risks</b>		
<b>Acute Physical Risks</b> Greater exposure to frequent and severe extreme weather events	<ul style="list-style-type: none"> <li>Increased severity of extreme weather events, such as floods, tropical cyclones, water scarcity / stress, droughts, and heatwaves</li> </ul>	<ul style="list-style-type: none"> <li>Higher costs for infrastructure repairs and maintenance due to weather damage and lack of contingency and climate adaptive measures</li> <li>More frequent network and customer service disruptions</li> </ul>
<b>Chronic Physical Risks</b> Exposure to long-term and incremental shifts in climate patterns	<ul style="list-style-type: none"> <li>Changes in precipitation patterns and extreme variability in weather patterns</li> <li>Rising mean temperatures</li> <li>Rising sea levels</li> </ul>	<ul style="list-style-type: none"> <li>Asset devaluation or early retirement in high-risk areas (e.g., flood-prone zones)</li> <li>Reduced service quality from lower productivity</li> <li>Higher insurance costs or limited coverage for high-risk assets</li> </ul>



## ADVANCING GREEN ECONOMY

### Our Progress (cont'd)

#### Opportunity Assessment

We assess climate-related opportunities to maximise benefits from low-carbon solutions, enhance competitiveness, and align with shifting consumer and investor expectations. OpCo assessments show that renewable energy adoption has improved reputation and market positioning, reinforcing its long-term economic benefits. These insights, combined with climate scenario analysis, inform our strategic approach to climate adaptation and business growth.

Opportunity Category	Potential Opportunities	Potential Impacts (non-exhaustive)
<b>Resource Efficiency</b> Optimising energy, water, waste and material use through efficient processes and equipment	<ul style="list-style-type: none"> <li>Improve production and distribution processes to enhance efficiencies</li> <li>Source from environmentally responsible suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Lower utility bills, carbon costs and procurement expenses through deployment of resources more efficiently</li> <li>Increased asset value from energy-efficient infrastructure</li> <li>Strategic partnerships to reduce capital needs and maximise impact</li> </ul>
<b>Energy Source</b> Utilise renewable energy and explore carbon trading platforms	<ul style="list-style-type: none"> <li>Use lower-emission energy sources</li> <li>Engage in carbon markets</li> <li>Participate early in renewable energy programmes</li> </ul>	<ul style="list-style-type: none"> <li>Avoid penalties, legal risks and reputational damage from non-compliance with climate regulations</li> <li>Enhance reputation by responding to consumer and investor demand</li> <li>Achieve long-term cost savings through on-site renewable energy</li> <li>Explore new revenue streams, while mobilising capital to emissions reduction projects</li> </ul>
<b>Products and Services</b> Develop low-emission solutions and climate adaptation measures	<ul style="list-style-type: none"> <li>Shift to low-emission products and services, to improve competitive positioning</li> <li>Collaborate with external partners for climate-resilient solutions to reduce start-up costs and improve supply chain resilience</li> </ul>	<ul style="list-style-type: none"> <li>Generate revenue from new low-carbon products and services – promoting additional customer segments</li> <li>Improve product quality through upskilled employees in low-carbon solutions</li> <li>Strengthen supply chains by adopting circular business models</li> </ul>
<b>Market</b> Expand into new markets and access lower financing costs for low-carbon solutions	<ul style="list-style-type: none"> <li>Tap into new markets with climate-conscious consumers*</li> <li>Enhance reputation by aligning with evolving consumer and investor expectations</li> <li>Leverage public and private incentives for emission reduction projects</li> </ul>	<ul style="list-style-type: none"> <li>Expand customer reach in new markets</li> <li>Gain access to sustainable and climate financing for low-carbon innovation</li> <li>Strengthen competitive position, attracting more customers and talent</li> <li>Improve market valuation and capital access through enhanced ESG and climate performance.</li> </ul>
<b>Resilience</b> Strengthen adaptive capacity to address climate change	<ul style="list-style-type: none"> <li>Engage in renewable energy programmes and adopt energy efficiency measures</li> <li>Attain sustainability certifications and energy labels for efficient products and services</li> <li>Enhance climate resilience of operations, infrastructure and workforce (e.g. implementing physical measures and monitoring systems for mitigation, establishing backup infrastructure and setting up alternative working sites)</li> <li>Enhance community and consumer resilience</li> </ul>	<ul style="list-style-type: none"> <li>Generate additional revenue from renewable energy programmes</li> <li>Increase asset value through improved energy performance</li> <li>Reduce service downtime by enhancing workforce health, safety and supply chain reliability</li> </ul>

Note: \* Overlaps in opportunities

We will continue refining our climate risk & opportunity framework by incorporating insights from IFRS S2 climate-related disclosures, strengthening data-driven scenario analysis, and improving risk mitigation strategies. As we prepare the 2025 update, we will assess new developments, emerging risks and evolving business impacts to ensure a comprehensive and future-ready approach.

#### Priorities for 2025

- We are currently evaluating the financial implications of key climate risks and opportunities
- We will initiate the process of assessing and integrating IFRS S1 and S2 requirements into our disclosures while keeping abreast of these sustainability standards. In line with the NSRF, we will also evaluate the alignment of our reporting with these evolving global standards

#### Metrics and Targets

Our operations rely predominantly on non-renewable energy, which contributes to carbon emissions and climate change. To manage our carbon footprint, we prioritise energy consumption management through continuous monitoring, identifying emission sources and exploring reduction opportunities. By tracking data accurately, we enhance transparency, strengthen stakeholder trust and align with TCFD disclosure and risk management principles.

#### Carbon Emissions Across the Group and Boundary Adjustments

We track and refine our carbon emissions data across Scope 1, 2 and 3 of which categories 6 & 7 have been reported as part of Bursa Common Indicators, ensuring accuracy amid evolving emission factors, operational changes and corporate exercises. In 2024, we adopted the latest IEA 2023 Emissions Factors, which were incorporated into our GHG emissions (Scope 1 and 2) assurance process by an external assurer. We will continue monitoring the impact of future updates, including the upcoming IEA 2024 factors, on our emissions reporting.

Our emissions boundary setting has also been updated to reflect the recent corporate exercises undertaken. This includes Dialog's acquisition of Airtel Lanka, and Link Net's transfer of fixed broadband customers to XL in 2024, which led to adjustments in ESG indicators. Additionally, we have included Reddot's emission data into the Robi Group emission boundary to improve data quality.



## ADVANCING GREEN ECONOMY

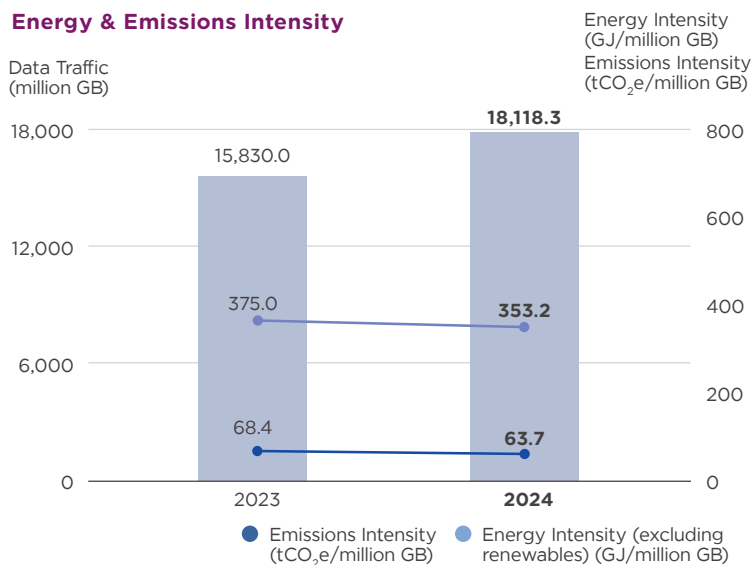
### Our Progress (cont'd)

#### Climate Action Targets and Performance

The table below outlines Axiata's climate commitments to reduce its emissions:

Focus Areas	Metrics	Targets	2024 Performance (from 2023)	Time Horizon
Emissions Reduction	GHG Emissions	Reduce absolute Scope 1 & 2 emissions by 42% by 2030 and 90% by 2050 (from 2022 baseline)  Reduce absolute Scope 3 emissions by 25% by 2030 and 90% by 2050 (from 2022 baseline)	Scope 1 emissions reduced by 7%  Scope 2 emissions increased by 7% due to business growth, mainly attributed to the rise in the number of sites, additional equipment, and efforts to enhance network quality and efficiency	2030/2050  2030/2050
Emissions Intensity	Emissions Intensity	Reduce emissions intensity YoY	7% reduction YoY in 2024	Annual
Energy Intensity	Energy Intensity	Improve energy efficiency YoY	6% reduction YoY in 2024	Annual

#### Energy & Emissions Intensity

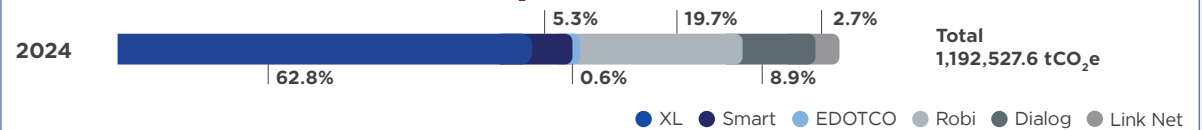


We revised our Scope 1 and 2 emissions baseline from 2020 to 2022, for setting SBTi targets using the most recent inventory. Our updated 2022 baseline totals 1,039,646.60 tCO<sub>2</sub>e for both Scope 1 & 2. Please refer to SNCR 2023 for a detailed breakdown by OpCos. We also calculated our 2024 Scope 3 emissions for Category 6 (Business Travel) and Category 7 (Employee Commuting), reported in the Bursa Malaysia Performance Data section.

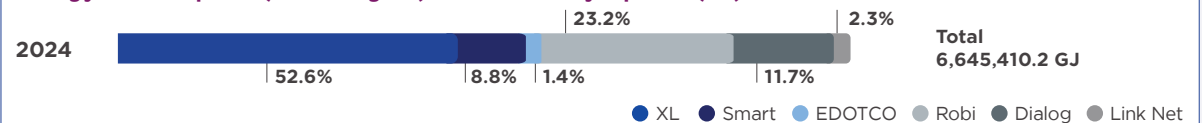
#### Overall Group-wide Scope 1 & 2 Emissions (tCO<sub>2</sub>e)



#### Total Scope 1 & 2 Emissions by OpCos<sup>^</sup> (tCO<sub>2</sub>e)

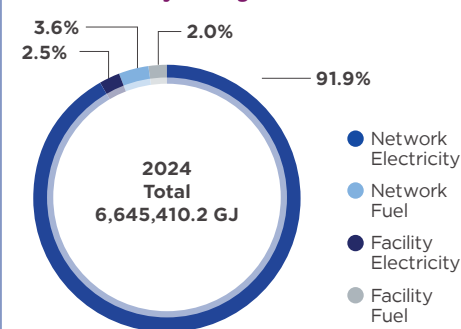


#### Energy Consumption (excluding RE) Breakdown by OpCos<sup>^</sup> (GJ)

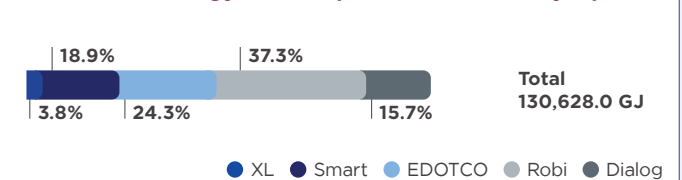


Close to 92% of energy consumed across the operations in 2024 was used to power the network. Overall, total energy usage increased by approximately 7% as compared to 2023. The abovementioned energy consumption does not include energy generated from renewables and it is reported separately below:

#### Energy Consumption (excluding RE) Breakdown by Categories<sup>^</sup>



#### Renewable Energy Consumption Breakdown by OpCos



Our renewable energy initiatives are driven by a combination of solar PV systems and purchased certified RECs from local energy suppliers. This approach ensures a cleaner electricity supply while aligning with GRI 302 reporting standards on energy consumption and sustainability.

Notes: <sup>^</sup> This data was subjected to external independent limited assurance. Refer to the independent assurance report on pages 149 to 150. The Scope 1 and Scope 2 GHG emissions of Axiata are reported based on the GHG Protocol's Corporate Accounting and Reporting Standard issued by the World Resource Institute and World Business Council for Sustainable Development. Axiata applies the operational control approach in accounting for emissions from those sources over which Axiata has full authority to introduce and implement its operating policies, which includes Axiata and its subsidiaries. Axiata reporting boundary excludes Corporate Centre, 26 entities within the Digital Business (e.g., Boost, ADA and ADL) as well as 9 entities within the Digital Telcos under XL, Link Net and Dialog which are deemed immaterial to Axiata Group Berhad's overall GHG emissions.



## ADVANCING GREEN ECONOMY

### ENVIRONMENTAL MANAGEMENT

#### Why Is This Important

Effective environmental management ensures resource efficiency, risk mitigation, cost savings and regulatory compliance while supporting sustainable development goals. By minimising our environmental footprint, we create long-term value for stakeholders and contribute to a more sustainable future.

#### Our Approach

We integrate environmental sustainability into our operations by minimising our environmental footprint and promoting responsible resource use. Our approach focuses on waste management, water conservation and biodiversity protection, while advancing towards a circular economy to enhance long-term sustainability.

#### Moving Forward

Axiata will strengthen its environmental management efforts across its operations, with a comprehensive focus on waste, water and biodiversity management in 2025. We will enhance the monitoring, tracking and evaluation of our environmental performance, actively seeking innovative solutions to reduce our impact. By prioritising waste management and circularity, we aim to foster sustainable practices and contribute to the preservation of natural resources across our footprint.

### Our Progress

#### Waste Management

Effective waste management is integral to Axiata's net-zero commitment, ensuring responsible resource use and landfill waste reduction across our operations. We prioritise waste reduction, recycling and e-waste management, while also collaborating with our suppliers to minimise waste generation across the procurement process.

In 2024, the Group began monitoring waste management-related metrics, marking its first year of structured data collection across its operations. While full 12-month coverage is not yet available, all OpCos have reported data for at least three months, with some beginning their tracking efforts in the last quarter of 2024.

Most OpCos reported on waste management, though reporting on waste diverted from disposal remains incomplete. To strengthen alignment and consistency in waste data reporting, the Group facilitated discussions through the Sustainability Steering Committee and Board Sustainability Committee meetings in 2024.

Moving forward, we will continue to enhance waste monitoring, tracking and evaluation, while driving innovative solutions to improve waste management and circularity across our operations.

#### Total Waste (Tonnes)



● Waste diverted from disposal ● Waste directed to disposal

#### Water Management

While Axiata operates in a low water-intensive industry, we recognise the importance of efficient water use in our workplaces. We began tracking water consumption in 2023, with data currently covering OpCo headquarters for Robi, Smart and EDOTCO, while Link Net reports water usage at network sites.

In 2024, we expanded water consumption reporting coverage. New scopes and boundaries now include all OpCos, excluding ADA, while Boost reports on its Malaysia office. We plan to expand reporting to include all OpCos and their subsidiaries in the future. Communication regarding water consumption reporting has been conducted through the Sustainability Steering Committee and the Board Sustainability Committee meetings during the year.

To optimise water utilisation and efficiency, we are committed to implementing strategic initiatives across the Group.

#### Total Water (Million Litre)



● Volume of water used

Note: <sup>1</sup> The FY2023 value has been restated from 501.6 million litres to 350.8 million litres due to misreporting by one of the OpCos

#### Biodiversity

Our industry can support biodiversity conservation through digital solutions that enhance natural resource management and promote sustainability. Technology enables efficient resource use, conservation efforts and strategies to mitigate biodiversity loss, helping to protect ecosystems and reduce socio-economic vulnerabilities in at-risk communities.

#### OpCos Initiatives 2024 Progress



Protecting Endangered Birds - supporting the coexistence of telco towers and eagle nesting

- Tracked migratory eagles since 2021 using its towers
- Formalised its commitment through the Bird Watch Pledge with the Malaysian Nature Society in 2023
- Enforces policies to protect nests, raise awareness and assess biodiversity before tower construction

- Recorded an increase in the number of eagles residing on EDOTCO's towers, from 21 in 2021 to 52 in 2024
- Collected over 5,255 kg of waste through coastal cleanup efforts in Malaysia, Bangladesh and Indonesia, with more than 240 volunteers contributing a total of 2,176 hours
- Planted 40 mangrove trees and 20 corals in Indonesia as part of our biodiversity conservation initiatives



## ADVANCING GREEN ECONOMY

### Our Progress (cont'd)

#### Strengthening Environmental Management Efforts Across Our OpCos

In 2024, the Group introduced its Health, Safety and Environment (HSE) Policy, reinforcing our commitment to environmental responsibility and a strong health and safety culture. Several OpCos, including Dialog and EDOTCO, have also adopted environmental policies, committing to compliance beyond regulatory requirements, net-zero targets and grievance mechanisms to address non-compliance. We will continue supporting other OpCos in developing policies tailored to their operations while embedding best practices across the Group.

OpCos	Initiatives	2024 Progress
 <b>XL axiata</b>	Organised a Sustainability Week and Waste Management Race, engaging employees in sustainable practices and circular economy principles. Sustainability Week was held twice in 2024, featuring expert talks and interactive activities to promote eco-friendly lifestyles and waste reduction. The Waste Management Race encouraged employees to properly sort waste through a monthly competition.	<ul style="list-style-type: none"> <li>Hosted two Sustainability Weeks in 2024</li> <li>Organised a Waste Management Race, awarding a 'Floor of the Month' for correct waste sorting</li> <li>Expanded the Waste Management Race to 2025, extending participation beyond headquarters to all regions</li> </ul>
 <b>Dialog</b>	Conducted regular workshops and training sessions to educate employees and stakeholders on environmental challenges, sustainability practices and eco-friendly operations.	<ul style="list-style-type: none"> <li>Held 11 awareness sessions on sustainability and environmental best practices</li> </ul>
 <b>robi</b>	Supported ecological recovery in post-flood Feni by aiding affected farmers, planting trees in schools and piloting reforestation at BTS sites.	<ul style="list-style-type: none"> <li>Distributed vegetable seeds and fertilisers to flood-affected farming families</li> <li>Planted 1,000 medicinal and fruit trees in schools with student and teacher involvement</li> <li>Piloted tree planting at Robi-owned BTS sites for site greening, which can contribute to carbon sequestration</li> </ul>
	Embarked on recycling initiative to divert the waste from disposal.	<ul style="list-style-type: none"> <li>Recycled 15.5 tonnes waste, including e-waste</li> </ul>
 <b>Smart</b>	Collaborated with the Ministry of Environment and the Ministry of Education, Youth, and Sports to support the National Eco-School and Eco-Pagoda Guideline Dissemination 2024.	<ul style="list-style-type: none"> <li>Reached over 45,000 individuals nationwide, including teachers, students, and religious leaders from schools, pagodas, churches, and mosques</li> <li>Promoted Eco-School and Eco-Pagoda Guidelines, equipping communities with practical tools for implementing sustainable practices</li> </ul>
	Launched Internal Waste Separation and Plastic Recycling Project and partnered with Gomi Recycle Cambodia to reduce single-use plastic waste and ensure responsible processing.	<ul style="list-style-type: none"> <li>Installed waste separation bins in 4 main offices and 6 high-traffic Smart Shops</li> <li>Increased employee awareness of waste reduction through internal communications and recycled 1.11 tonnes of single-use plastics</li> </ul>
	Partnered with the Ministry of Environment to support Cambodia's national greening efforts, contributing to tree planting, biodiversity conservation, and climate action. Through the Green Sprouts initiative, Smart committed to supporting the government's "1 Million Saplings" initiative for the national tree planting movement.	<ul style="list-style-type: none"> <li>Engaged 35,000 participants in tree-planting efforts to combat deforestation</li> <li>Signed an MoU with the Ministry of Environment to drive Green Sprouts and sustainability initiatives</li> <li>Committed to generating 1 million saplings to support Cambodia's reforestation and biodiversity conservation efforts</li> </ul>
 <b>EDOTCO</b>	Conducted various engagement sessions with stakeholders to promote climate action alignment across its supply chain.	<ul style="list-style-type: none"> <li>Conducted 4 workshops throughout the year for its top 32 suppliers across its NTCs on OHS, Business Continuity Management, integrity, cyber security and sustainability</li> <li>Trained over 150 of EDOTCO's SME vendors in Malaysia in collaboration with the Center for Entrepreneurship Development and Research and the UNGCMYB</li> <li>Conducted inaugural ESG Telecommunication &amp; Technology Roundtable entitled "Decarbonisation of the Telco Industry and its Challenges" brought together 18 participants representing eight organisations, including our customers, vendors, industry peers and a government agency</li> </ul>



## ADVANCING OUR PEOPLE & COMMUNITIES

### What This Means to Us

Our commitment to a Winning Culture is built on the belief that people drive progress, within our organisation, in the marketplace and across communities. We foster an inclusive and dynamic work environment where individuals can grow, contribute and innovate. Beyond the workplace, we harness technology to create meaningful impact through long-term initiatives in education, community development and environmental sustainability. By doing so, we strengthen the communities we serve and empower them for a better future.

### Material Matters

4 11 12 13 15

### Prioritised UN SDGs



### FAIR, DIVERSE & INCLUSIVE EMPLOYMENT

#### Why Is This Important

Fairness, diversity, and inclusion are integral to our Winning Culture, shaping an environment where every individual feels valued and empowered. With a team of approximately 10,500, we believe equitable opportunities drive innovation, strengthen morale and inspire exceptional performance, ensuring our collective success.

#### Our Approach

We are guided by our Winning Culture framework, where Passion for Collaboration drives us to embrace diversity and learn from each other. Our approach is anchored in established policies that govern recruitment, benefits and performance management, ensuring alignment with evolving industry standards.

#### Moving Forward

We will continue strengthening our commitment to fairness, diversity and inclusion by enhancing awareness programmes, and fostering a more inclusive workplace culture. We will track progress through employee feedback and industry benchmarks, ensuring that our initiatives drive meaningful impact and long-term sustainability.

### Our Progress

#### Ensuring Fair and Equitable Opportunities

We uphold fair and inclusive employment through four key pillars that ensure equal opportunities, a supportive work environment, comprehensive benefits and continuous growth for all employees.

##### Recruitment

Ensure fair and non-discriminatory hiring practices that recognise diverse talents, evolving skill requirements and equal opportunities.

##### Working Conditions

Promote a safe and inclusive work environment, reinforced through:

- Employee Code of Conduct
- Diversity, Equity and Inclusion (DEI) Framework

##### Compensation and Benefits

Provide comprehensive benefits that contribute to a fair and supportive workplace culture.

##### Talent Development

Equip employees with the necessary tools and opportunities to grow via continuous learning, right-skilling and cross-functional collaboration to build a future-ready workforce.

In line with our commitment as a UN Global Compact signatory, we uphold the UNGC's Ten Principles, including the elimination of all forms of forced and compulsory labour, the abolition of child labour and the elimination of discrimination in employment and occupation.

#### Employee Code of Conduct

Axiata's Code of Conduct sets clear expectations for ethical and responsible interactions across our value chain, upholds universal human rights and aligns with the International Labour Organization (ILO) Core Labour Standards.

##### 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

To ensure accountability, we provide a grievance mechanism accessible to all stakeholders. Our Speak-Up channel offers a secure and confidential platform for reporting misconduct, illegal activities or unethical behaviour. This mechanism ensures individuals can voice concerns freely, without fear of retaliation or victimisation. We are pleased to report that no incidents related to human rights violations or breaches of labour standards occurred during the reporting period.

IAR, Driving Governance and Risk on pages 84 to 93

#### DEI Our Workforce

DEI are fundamental to building strong leadership and driving business success. We foster an inclusive workplace that embraces differences in age, gender, race, ability, nationality and culture, so that everyone has equal opportunities to grow and excel.

#### Diversity, Equity & Inclusion

#### The Four Pillars

Gender

Generations

Ethnicities

Abilities

#### Capabilities

#### Target

- Aim for 30% women's representation in Axiata Corporate Centre's Senior Management by 2025

#### 2024 Performance

- Achieved 42.5% women's representation in Axiata Corporate Centre's Senior Management



## ADVANCING OUR PEOPLE & COMMUNITIES

### Our Progress (cont'd)

#### Diverse Talent Base

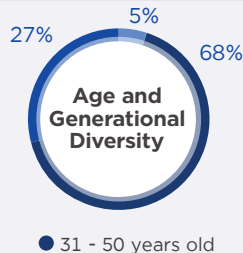
Total number of employees  
~10,500

Nationalities  
37  
employed across our OpCos

#### Gender Diversity

Male : Female  
71% : 29%

● Under 30 years old  
● Above 50 years old



#### Senior Management in Axiata Proportion of Senior Management Hired from the Local Community

2022 71%    2023 65%    **2024 61%**



2024: 30%  
2023: 24%  
2022: 24%

2024: 70%  
2023: 76%  
2022: 76%

● Female ● Male

#### Supporting Women

Since 2022, our adoption of the United Nations Women's Empowerment Principles (UN WEP) Charter has reinforced our commitment to gender equality and plays a crucial role in embedding DEI principles across all levels of the organisation.

#### OpCos Initiatives

- XL axiata** • Women in senior leadership include a female CEO and a female director, supporting gender diversity
- Dialog** • Signed the UN WEPs, aligning with its DEI principles
- robi** • Launched the Women's Inspiring Network (WIN) to empower female employees and promote a more inclusive workplace  
• Implemented the Bloom Maternity Programme to support working mothers with maternity leave, reentry support and wellness resources  
• Maintained 12.5% female representation at the Management Committee, with ongoing efforts to strengthen gender diversity in leadership
- Smart** • Celebrated International Women's Day
- linknet** • Five female employees received the Wanita Tangguh award in 2024
- Axiata** • Continued efforts to support and highlight women, through internal and external communication campaigns  
• Women's day workshop comprising renowned women leaders from the industry

#### Championing Inclusion Through WAMA

The Group and our OpCos share a commitment to building an inclusive culture. The Women of Axiata and Male Allies (WAMA) initiative plays a key role in advancing DEI efforts, driving gender diversity, leadership opportunities and a culture of equality.

#### Advancing Workplace Accessibility for PWD

We strive to build a workplace that values and empowers individuals with disabilities, ensuring equal opportunities for growth and contribution, including Persons with Disabilities (PWD).

#### OpCos Initiatives

- XL axiata** • Launched the Disability Internship Programme (Sept 2024 - Oct 2025), providing 19 individuals with hearing and speech impairments hands-on experience across regional offices and headquarters. Employees volunteer as Buddies, mentoring and supporting interns in their professional journey
- Dialog** • Collaborated with MAS Holdings to run the Dialog MAS Enabler Programme 2024, providing internship exposure to 14 participants with disabilities

#### Building an Inclusive and Supportive Workplace

##### Our Winning Culture Framework



##### Core Values & Key Behaviours

We drive exceptional performance through the following:

##### Obsession for Customers

- Starting with customers in mind with every decision that we make
- Going the extra mile to deliver beyond customers' expectations

##### Courage for Change

- Fearlessly pushing boundaries and trying new things
- Continuously adapting and improving to get better every day

##### Passion for Collaboration

- Building trust in all relationships to work towards common goals
- Embracing diversity and learning from each other while upholding high ethical standards

##### Ways of Working

We leverage on our agility and innovation to deliver exceptional performance without compromising on ethics and integrity

##### Workplace, Marketplace & Communities

We are dedicated to achieving success in our operations, marketplace and communities by fostering a positive, safe and equitable environment that nurtures growth and wellbeing for all

We continued to strengthened our cultural foundation in 2024, and to gauge the adoption and impact, we conducted a Winning Culture Survey to gain valuable insights into our progress.

##### Survey findings:

Passion for Collaboration stood out as a key strength

Strong engagement among young executives and middle management across all 3 core values

High positive scores for Obsession for Customers underpin our drive to becoming a high performing organisation

A 5-point gender gap in Courage for Change highlights the need for targeted initiatives

Employees under three months show strong cultural alignment, reinforcing the impact of early immersion