

**SUSTAINABILITY & NATIONAL
CONTRIBUTION REPORT 2023**



TABLE OF CONTENTS

OUR BUSINESS **pg 2 - 10**

- 02 Basis Of This Report
- 04 This Is Axiata
- 06 Reflections From Our Board
Sustainability Committee
- 07 A Conversation With Our Leadership
- 09 Sustainability Year In Review
- 10 Sustainability Awards & Accolades

OUR SUSTAINABILITY APPROACH **pg 12 - 27**

- 12 Axiata Sustainability Framework
- 14 Sustainability Governance
- 16 Considering What Matters
- 20 Stakeholder Engagement
- 22 Memberships & Associations
- 24 Supporting The UN SDGs
- 26 Our Value Creation Model

ADVANCING DIGITAL SOCIETIES **pg 29 - 53**

- 29 Sustainable Business Growth
- 31 Network Quality & Connectivity
- 36 Customer Experience
- 39 Digital Inclusion
- 49 Digitisation & Innovation

ADVANCING GREEN ECONOMY **pg 55 - 65**

- 55 Climate Change
- 64 Environmental Management

ADVANCING OUR PEOPLE & COMMUNITIES **pg 67 - 88**

- 67 Fair, Diverse & Inclusive Employment
- 71 Talent Development & Attraction
- 75 Employee Health, Safety & Wellbeing
- 78 Community Development
- 85 Emergency & Disaster Response

DRIVING GOVERNANCE & RISK **pg 90 - 103**

- 90 Digital Integrity
- 94 Business Ethics & Governance
- 100 Regulatory & Political Risk
- 102 Sustainable Supply Chain

NATIONAL CONTRIBUTION REPORT **pg 105 - 125**

- 105 Overview
- 106 Malaysia Digital Ecosystem
- 109 Malaysia - CelcomDigi:
Key Associate Company
- 110 Indonesia
- 113 Sri Lanka
- 116 Bangladesh
- 119 Cambodia
- 122 EDOTCO
- 125 NCR Methodology

APPENDICES **pg 127 - 137**

- 127 List Of Abbreviations
- 129 Bursa Data Performance Table
- 133 GRI Content Index
- 136 TCFD Index
- 137 UNGC Principles Index
- 138 Independent Limited Assurance
Report by PricewaterhouseCoopers
PLT, Malaysia



OUR BUSINESS



▶ Basis of This Report - page 02

▶ This Is Axiata - page 04

▶ Reflections From Our Board Sustainability Committee - page 06

▶ A Conversation With Our Leadership - page 07

▶ Sustainability Year In Review - page 09

▶ Sustainability Awards & Accolades - page 10



BASIS OF THIS REPORT

Welcome to Axiata's 12th Sustainability & National Contribution Report (SNCR or Report) 2023

This Report conveys vital sustainability information and performance for Axiata Group Berhad (the Group, Axiata or Axiata Group) and its overall business operations. To understand the value we create for our stakeholders, we recommend reading the Report alongside the Axiata Integrated Annual Report 2023 and the Governance and Audited Financial Statements 2023.

Our Reporting Suite



Integrated Annual Report 2023

-  Printed Version
-  Online Version



Governance & Audited Financial Statements Report 2023

-  Printed Version
-  Online Version



Sustainability & National Contribution Report 2023

-  Online Version

Reporting Period

This Report encompasses the reporting period from 1 January to 31 December 2023, unless specified otherwise. In line with our reporting suites, relevant information may include significant events up to 31 March 2024.

This SNCR is produced annually and was published in April 2024. The last SNCR was published in April 2023.

Scope and Boundary

The Report covers the Group's material sustainability performance across our operating footprint in ASEAN and South Asia and, where possible, our extended value chain. Axiata's business and sustainability presence spans across Malaysia, Indonesia, Sri Lanka, Bangladesh, Cambodia, Pakistan, Myanmar, Laos and the Philippines.

The businesses included are those in which Axiata exercises significant operational control with over 50% ownership ('Operating Companies' or 'OpCos').

These reports do not include reviews of CelcomDigi Berhad, as it became a Key Associate Company on 1 December 2022, and Ncell Axiata, sold on 1 December 2023. The financial review of both companies is provided in the Governance & Audited Financial Statements 2023 (GAFS).

Digital Telco



Infrastructure



Digital Businesses



We acknowledge that the operational contexts of our OpCos may vary across different markets. Nevertheless, we have made best efforts to highlight various accomplishments and milestones relevant to each OpCo throughout the report based on applicable material matters.

In this context, OpCos have developed their sustainability reports, highlighting their robust sustainability agendas. To offer readers a thorough perspective on the sustainability endeavours of Axiata and our OpCos, we have incorporated links to OpCos' reports and websites, where applicable, throughout this report.



Frameworks, Standards and Guidelines

This SNCR and its contents align with these recognised global and local sustainability reporting frameworks, standards and guidelines:

- Bursa Malaysia Main Market Listing Requirements
- Bursa Malaysia Sustainability Reporting Guide (3rd edition)
- Global Reporting Initiative (GRI) Universal Standards 2021
- United Nations Sustainable Development Goals (UN SDGs)
- Task Force on Climate-related Financial Disclosures (TCFD) Recommendations
- Greenhouse Gas (GHG) Protocol
- UN Global Compact's (UNGC) 10 Principles
- GSMA ESG Metrics for Mobile Sector

This Report also contains historical data for comparison purposes, where relevant and available.

As a UNGC signatory committed to the 10 Principles, this Report complements our Communication on Progress (CoP), submitted to the UNGC. It reflects our continuous efforts to align our business practices with the 10 Principles, UN SDGs and the Paris Agreement. We have also joined the Science Based Targets initiative (SBTI) Business Ambition for 1.5°C campaign, which guides us to establish science-based targets and pathways to achieve our net-zero commitments.

Furthermore, we based our disclosures on key performance indicators derived from global ESG ratings and benchmarks, including the Carbon Disclosure Project (CDP) Worldwide, S&P Global Corporate Sustainability Assessment (CSA), FTSE4Good Bursa Malaysia, MSCI and Digital Inclusion Benchmark (DIB).

Reporting Principles

This Report adheres to the GRI Standards Reporting Principles, ensuring quality information and disclosures:

- Accuracy – maintaining precise and detailed information to facilitate impact assessments
- Balance – presenting unbiased information reflecting both negative and positive impacts
- Clarity – ensuring information is accessible and easy to understand



BASIS OF THIS REPORT

- **Comparability** - selecting, compiling and reporting information consistently to analyse how our impacts have changed over time, benchmarked against other organisations
- **Completeness** - providing sufficient information for impact assessment during the reporting period
- **Sustainability Context** - presenting how our impacts fit into the broader context of sustainable development
- **Timeliness** - reporting information promptly for timely decision-making
- **Verifiability** - collecting, recording, compiling and analysing information to facilitate examination and determine its quality

Forward-Looking Statements

Some statements in this SNCR may be forward-looking, discussing our financial and non-financial position, future priorities, strategies and growth opportunities. These are based on reasonable

assumptions and do not guarantee future results. Actual results may differ significantly from the projections in these forward-looking statements as a result of events, risks, uncertainties and other factors.

Statement of Assurance

PricewaterhouseCoopers PLT, Malaysia, was engaged to provide independent limited assurance for the following seven key ESG indicators based on International Standard on Assurance Engagement (ISAE) 3000 (Revised), "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information".

The assured indicators in this Report are related to Digital Telcos, Infrastructure and Corporate Centre, unless stated otherwise. For details on the subject matter and scope of assurance, please refer to the Independent Limited Assurance Report on pages 138 to 139.

ESG Indicator	Bursa Malaysia Common Indicator	GRI Standards
Proportion of senior management hired from the local community		GRI 202-2
Proportion of spending on local suppliers	✓	GRI 204-1
Total energy consumption (excluding renewable energy)		GRI 302-1
Scope 1 emissions	✓	GRI 305-1
Scope 2 emissions	✓	GRI 305-2
Total training hours by employee category	✓	GRI 404-1
Percentage of employees receiving regular performance and career development reviews		GRI 404-3

Board Approval

The Board, represented by the BSC, has reviewed and approved this Report. The BSC oversees Axiata's reporting suite, ensuring credibility by reviewing and approving reporting quality, disclosure levels, structure and design to align with the Group's vision and strategy for stakeholder engagement.

Feedback

Feedback is crucial for enhancing our sustainability and reporting practices. We encourage stakeholders to share their feedback and views on this Report or any aspect of our sustainability performance. All feedback can be addressed to Group Sustainability at sustainability@axiata.com.

NAVIGATION ICONS

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

Cross References:

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

TCFD Throughout the preparation of this Report, we have been guided by the Task Force on Climate-related Financial Disclosures (TCFD), which has set out a framework of recommended disclosures relating to the financial implications of climate change and what this means for governance, strategy, risk and metrics.

Stakeholders

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

Capitals

- FC** Financial Capital
- IC** Intellectual Capital
- HC** Human Capital
- MC** Manufactured Capital
- SRC** Social & Relationship Capital
- NC** Natural Capital

Material Matters

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

5 Strategic Priorities

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



THIS IS AXIATA

Axiata leads in the digital and telecommunications sector, harnessing technology, innovation and connectivity to empower and advance an inclusive digital society.

With operations across nine ASEAN and South Asian countries, we aim to become the Next Generation Digital Champion. Our vision is underpinned by our Triple Core Business, driven by Digital Telco, Infrastructure and Digital Business. Axiata's five portfolio vectors and five business strategies, known as the Axiata 5-by-5 Strategy, guide us towards this goal. This strategic framework prioritises sustainable growth with enhanced shareholder value, positioning us as a Sustainable Dividend Company.

Our Purpose

ADVANCING ASIA

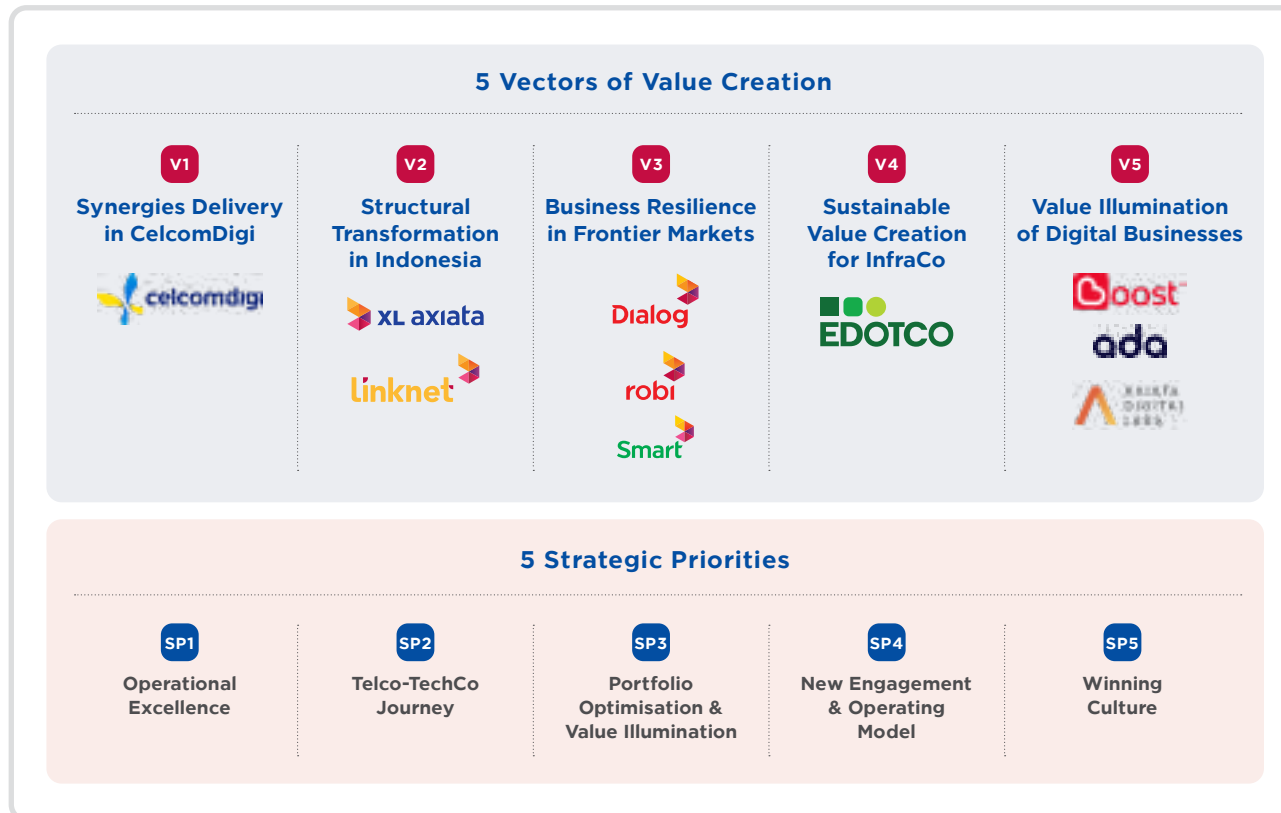
Our Vision

The Next Generation Digital Champion

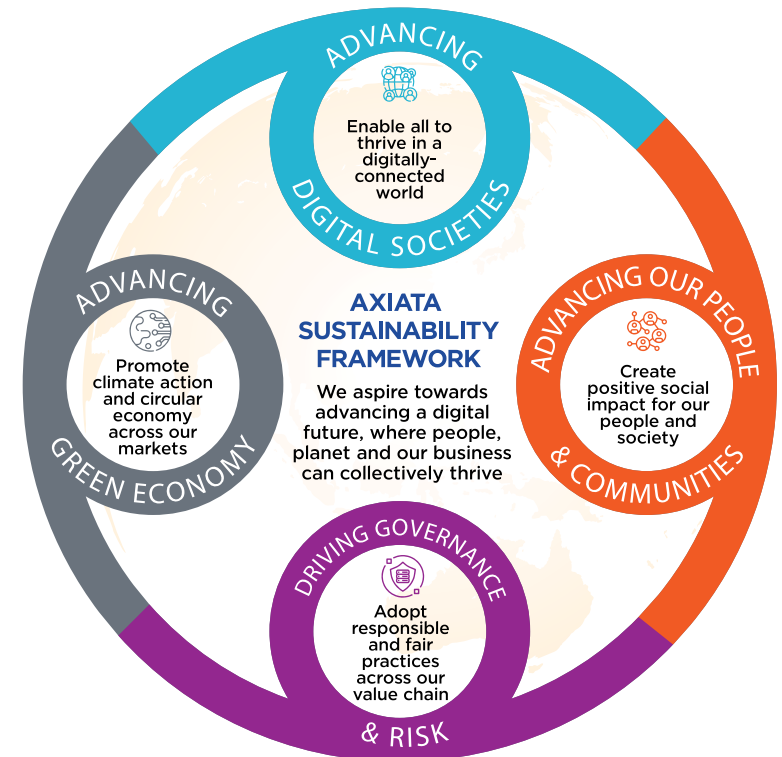
Our Aspiration

Axiata as a Sustainable Dividend Company

AXIATA 5-BY-5 STRATEGY



OUR SUSTAINABILITY FRAMEWORK





THIS IS AXIATA

SHAREHOLDING STRUCTURE

As at 31 March 2024



- **36.72**
Khazanah Nasional Berhad
- **18.34**
Permodalan Nasional Berhad
- **18.13**
Employees Provident Fund Board
- **16.09**
Other Malaysian Shareholders
- **10.72**
Foreign Shareholdings

OUR BUSINESS MODEL AND FOOTPRINT ACROSS ASEAN AND SOUTH ASIA



Digital Telcos

Our Digital Telcos deliver comprehensive mobile, fixed and converged connectivity solutions for Consumer, Home and Enterprise segments. We continue to provide intelligent digital solutions tailored to meet the evolving communication needs of our customers.

IAR, Our Triple Core Business on pages 62 to 69 and 80



Infrastructure

Our infrastructure business drives sustainable value by providing the backbone for thriving digital ecosystems through its end-to-end integrated telecommunications infrastructure solutions and services, covering tower leasing, co-locations, custom-built sites, as well as energy, transmission, and operations and maintenance (O&M) services. EDOTCO, the world's sixth-largest Tower Company (TowerCo), oversees more than 58,000 towers across South and Southeast Asia. Following the strategic realignment of its broadband services to XL Axiata as announced in late 2023, Link Net is refocusing its strategy on its core competencies in network development, progressively scaling its fibre wholesale access service for Fibre to-the-Home (FTTH) in Indonesia.

IAR, Our Triple Core Business on pages 70 to 73



Digital Businesses

Our Digital Businesses harness intelligence, innovation and data to drive digital financial services and digital and data transformation. A regional fintech leader, Boost secured regulatory approval to commence digital bank operations and is set to launch Boost Bank by Axiata and RHB (Boost Bank) to broaden financial inclusion and serve the underbanked and unbanked segments in Malaysia. As one of the pioneers in data and analytics, ADA helps clients navigate the digital landscape, transforming decision-making, and driving growth across Asia by turning data into a strategic asset. Axiata Digital Labs (ADL), recognised as an innovative software service and solutions provider, guides businesses in navigating the digital era with its wide range of services to enhance operational efficiency and innovation.

IAR, Our Triple Core Business on pages 74 to 79



Malaysia



Indonesia



Sri Lanka



Bangladesh



Cambodia



Pakistan



Myanmar



Laos



Philippines



REFLECTIONS FROM OUR BOARD SUSTAINABILITY COMMITTEE

“
The Group continues to bring to life Axiata’s purpose of Advancing Asia through its sustainability agenda despite shifting operating landscapes and rising ESG demands. It demonstrated efforts towards advancing a digital future where people, planet and the business can collectively thrive.”



From left to right:
 Thayaparan S Sangarapillai (Chairman) (INED),
 Vivek Sood (GCEO & MD), Eysa Zulkifli (Non-INED),
 Khoo Gaik Bee (INED)

As the Board Sustainability Committee (BSC), we provide enhanced oversight and deliberation on matters relating to sustainability management as a Group-wide agenda, including climate-related matters and the preparation of the Group’s Integrated Annual Report (IAR). The BSC Chairman provides regular updates to the Axiata Board of Directors, ultimately responsible for the Group’s sustainability agenda, ensuring that the Board is kept abreast of the latest developments. In 2023, sustainability matters were raised five times for discussion and deliberation by the Board.

Our roles include advising and guiding the Group in the implementation of Axiata’s ESG framework to support its long-term goals, while directing the Group on organisation and strategic alignment.

In addition, we guide the Group in the implementation of Axiata’s Net-Zero Carbon Roadmap to achieve its commitment to net-zero no later than 2050, and in delivering intermediate targets, consistent with the science-based approach. In 2023, we received progress updates on Axiata’s net-zero rollout, Scope 1, 2 and 3 emission and Axiata’s science-based targets that were submitted for validation to SBTi.

A key priority for us in 2023 was to promote accountability and to ensure strategic alignment throughout the OpCos by leveraging the Board Risk and Compliance Committee (BRCC) of each OpCo. The terms of reference of the Group and the OpCos’ BRCCs have been expanded to determine that robust processes are in place for identifying, assessing and monitoring ESG risks, enabling sound governance.

On behalf of the Board of Directors, we continue to uphold the quality of reporting, the level of disclosure, and the design and structure of the IAR suite, which reflects Axiata’s vision and strategy for engaging with its stakeholders. Our responsibilities include reviewing and approving the IAR suite, ensuring that Axiata’s disclosures comply with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and other recognised ESG frameworks. This complements the need to ensure Axiata’s regular communication with external stakeholders on the Group’s sustainability approach, priorities and performance as we continue to promote transparency to build trust and enable Axiata’s stakeholders to make informed decisions.

Overall, Axiata has made good progress on its sustainability agenda and is advancing key practices. As the sustainability landscape continues to transform, we will maintain our role of overseeing and guiding the Management, ensuring that Axiata’s path is clear towards Advancing Asia and creating long-term value for people, planet and the business.

Refer to the roles and responsibilities of the BSC [here](#)

Priorities for 2024

The BSC will maintain its oversight of Axiata’s sustainability performance and activities in 2024. This entails monitoring Axiata and its OpCos’ progress towards meeting our near-term net-zero targets through the decarbonisation strategy rolled out within Axiata’s Net-Zero Carbon Roadmap to reduce carbon emissions (Scope 1, 2 and 3) alongside the adoption of TCFD recommendations. An additional priority in 2024 will include monitoring ESG KPIs across the Group (including Bursa Malaysia’s Common Indicators) and ensuring Axiata is prepared for regulatory developments and ESG reporting requirements. These include IFRS S1 and IFRS S2, which are aligned with the TCFD framework that we have adopted.

Activities in 2023

- The BSC met 10 times in 2023 and carried out the following:
- Approved the IAR suite for FY2022, Axiata’s SBTi targets for validation and FY2023’s material sustainability matters
 - Reviewed Axiata’s sustainability performance and activities, communication plans used to appraise Group and OpCos’ BRCC on sustainability initiatives, FY2023 sustainability assurance plan and progress on meeting TCFD recommendations
 - Received updates and provided guidance for the post-campaign report of the IAR and SNCR for FY2022, the outcomes from FY2022 sustainability assurance, progress on ESG KPI reporting and on the Group’s net-zero agenda

IAR, BSC Report on page 99



A CONVERSATION WITH OUR LEADERSHIP

The new normal has seen Axiata Group Berhad (Axiata) asserting its role of providing connectivity and digitalisation to empower societies, address stakeholders’ needs and respond to the planet’s needs more urgently. The Group has responded with enhancing its Environmental, Social and Governance (ESG) practices.



Tan Sri Shahril Ridza
Ridzuan
Chairman

Vivek Sood
Group Chief Executive Officer
and Managing Director

Q1 How did Axiata continue to drive its sustainability agenda despite the challenging year given the macroeconomic and geopolitical volatility/headwinds?

Amidst the challenges posed by macroeconomic and geopolitical volatility, Axiata remained resolute in advancing its sustainability agenda. We are committed to embedding sustainability into our strategic Telco-TechCo transformation journey. This entails advancing sustainability and corporate responsibility, guided by our Sustainability Framework. Our efforts are supported by the principles of Winning Culture, which have evolved from Uncompromising Integrity and Exceptional Performance. This framework accentuates three core values: Obsession for Customers, Courage for Change and Passion for Collaboration.

To adapt to market volatility and evolving ESG landscapes, we enhanced our sustainability governance through Board Committees. ESG strategy, framework and material matters are governed by the Board Sustainability Committee (BSC) and OpCo’s Board Risk and Compliance Committee (BRCC), ensuring robust processes are in place for identifying, assessing and monitoring of ESG risks and performance. This allows sustainability to be seamlessly integrated across the Group, fostering a holistic approach to governing the sustainability agenda. The Group’s Board and Management maintain oversight of ESG matters and are accountable for determining priorities in identifying, assessing, monitoring and managing ESG risk.

Our OpCos have been instrumental in ensuring our commitment to serve people, the planet and societies within their respective markets. In 2023, Digital Businesses stepped up by strengthening their sustainability governance, which will serve to complement their value illumination.

- IAR**, In Conversation with Our GCEO on pages 13 to 22
- SNCR**, Sustainability Governance on pages 14 to 15

Q2 In becoming The Next Generation Digital Champion, Advancing Digital Societies is essential to enable people and businesses to collectively thrive. What were the highlights in enabling digital inclusion?

We aspire to advance a digital future where people, the planet and business can collectively progress. We remain focused on digital inclusion to advance digital societies and align with our culture’s goal of promoting diversity, equity and inclusion (DEI). Our initiatives provide equal access to the digital world and opportunities, bridging the gap by connecting people to vital services such as banking, education and healthcare.

Our efforts to build digitally inclusive communities have once again led to us receiving the Digital Inclusion Benchmark recognition by the World Benchmarking Alliance for the fourth year in a row. We were ranked 22nd best-performing company among the top 200 technology and communications companies worldwide that were evaluated in 2023.

We remain a strong supporter of the EDISON Alliance and uplifted 19.3 million lives to date against the target of improving 23 million lives from 2022 to 2025 in healthcare, education and financial inclusion.

However, we understand that bridging the digital divide may pose social consequences. For example, the increased adoption of data to access content may affect children’s wellbeing and development. Recognising this, we have taken measures to protect children and make the Internet safer. In November 2023, Axiata Group became an Internet Watch Foundation (IWF) member. This independent not-for-profit child protection organisation aims to minimise and stop the availability of child sexual abuse images and videos online. By joining forces with the IWF, we aim to increase public awareness of the impact of Child Sexual Abuse Material (CSAM) and prevent the spread of child pornography through URL blocking, ensuring a safer Internet environment for all communities, especially minors.

- SNCR**, Digital Inclusion on page 39



A CONVERSATION WITH OUR LEADERSHIP

Q3 2023 was officially the hottest year on record. How is Axiata progressing on its climate action and net-zero agenda?

The recognition of 2023 as the warmest year on record highlights the urgent need for more substantial climate action. Axiata will continue to promote climate action and the circular economy across our markets, aligned with our commitment to become net-zero no later than 2050. We will continue to push our climate agenda through the Net-Zero Carbon Roadmap, outlining three key objectives, aligned with science-based targets.

By 2030, we aim to reduce absolute greenhouse gas (GHG) emissions of Scopes 1, 2 and 3 against a 2022 baseline. The reduction target has been submitted to SBTi for validation. We acknowledge that there is still much to do to enhance our data collection and monitoring, especially for Scope 3, but this is a start. We have enhanced our strategy to include a Scope 3 decarbonisation pathway, which will be incorporated into the latest version of our Net-Zero Carbon Roadmap. This is where our supply chain and partnerships must be elevated to support our decarbonisation journey.

Across the OpCos, we are already seeing decarbonisation of the network. For instance, Dialog and Smart have installed solar power panels to increase renewable energy usage and reduce reliance on purchased electricity. Our Infrastructure business, EDOTCO, continues to solarise its towers and has adopted lithium batteries, reducing dependency on grid power.

We are currently in the second year of adopting the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to better inform our shareholders and stakeholders of our climate-related risks and financial disclosures. In 2023, we focused on strengthening the integration of climate-related risks into Axiata's Enterprise Risk Management (ERM) Framework. Concurrently, the identification of climate-related opportunities continues to be a focus on identifying potential business or strategic opportunities that align with a low-carbon economy and create value. This will allow us to better manage matters that may arise, through our strategic and financial planning.

 **SNCR**, Climate Change on pages 55 to 63

Q4 Please share how Axiata has helped people and communities thrive as part of its purpose of Advancing Asia?

As an integral component of our Winning Culture, we uphold respectful and professional communication standards to promote trust, collaboration and innovation. This exemplifies our commitment to one of our core values, Passion for Collaboration. Recently, we have revised and updated our Code of Conduct to align with the Ways of Working, highlighting the significance of effective communication in all interactions, extending beyond our workplace to our marketplace and communities.

Our robust corporate culture, which includes driving DEI and wellbeing advocacy are fundamental to our dedication to giving back to communities. Corporate social responsibility (CSR) initiatives remain a core focus as we strive to fulfil our purpose of Advancing Asia through our Axiata Foundation. This includes nurturing the younger generation to become future leaders through providing access to education and supporting the underserved and underprivileged. Across the Group, we have community investments of up to RM27 million that benefitted more than 28 million individuals. Through Axiata Foundation alone, RM16.5 million was invested in the community, which benefitted more than 13,400 individuals.

Our business presence in nine countries in ASEAN and South Asia enables us to create economic impact and value in the markets and communities we serve, contributing to sustainable development. The impact across ASEAN and South Asia is disclosed in our annual National Contribution Report, which highlights our key contributions. Aligned to our Telco-TechCo journey, this year, we have improved further by moving beyond telecommunications, and highlighting our Malaysian portfolio of digital businesses supported by activities at Group headquarters.


 **SNCR**, Fair, Diverse & Inclusive Employment on page 67, Community Development on page 78, and National Contribution Report on page 105


Q5 Given the dynamic and continuously evolving nature of cyber threats and global data breaches, how is Axiata ensuring integrity and cyber resilience while protecting its data?

Digitalisation brings with it the threat of cyber security breaches, and we must prioritise the preservation of digital trust and integrity. Our Digital Trust & Resilience (DT&R) 2023 strategy ensures strong governance of cyber and data privacy strategy, overseen by the Board Risk and Compliance Committee. The strategy guides us to manage current and emerging cyber security threats and respond to attack vectors, in line with our cyber security vision to inspire trust and confidence. In 2023, we:

- Integrated cyber security and data privacy performance metrics into OpCos' KPI scorecards to drive home the Group's commitment to strengthening cyber security
- Effectively implemented the initiatives outlined in the DT&R 2023 plan, achieving the targeted outcomes ahead of schedule. This led to enhanced data protection and strengthened cyber resilience
- Strengthened public-private partnerships with government agencies and regulators to address emerging threats. These collaborations led to knowledge sharing and leveraging expertise of Axiata Cyber and Privacy

Our Cyber Fusion Centre further supports our DT&R strategy by strengthening internal capabilities, promoting awareness and fostering partnerships to strengthen cyber resilience in the region. We are currently looking at extending some of our expertise to our customers, who have shown a strong interest in our Cyber Fusion Centre. As a testament to the state-of-the-art facility centre, it was honoured with the Cybersecurity Project of the Year Award by Cybersecurity Malaysia in 2023. For the Group, there is always more to be done to strengthen cyber resilience in this evolving digital world and open technologies. Cyber security is identified as high risk and the resilience programme is closely monitored by the Board committee.

 **SNCR**, Digital Integrity on page 90

 **GAFS**, Building Digital Trust Through Data Privacy and Cyber Security on pages 40 to 42

Q6 Looking ahead, what are Axiata's plans?

As we look ahead, having the proper operating structure, leadership team and culture coupled with sustainability at the core will help us deliver on our purpose, aspiration and commitments while building resilience towards emerging sustainability issues. The Board is committed towards our sustainability journey and fully engaged with the Management on how Axiata can progress.

In 2024, we will continue with our climate agenda by working on a pathway based on the approved SBTi targets. This will involve refining our Scope 3 inventory, and although a challenging endeavour, we must work closely with our business partners, suppliers and other stakeholders across our value chain to reach our targets.

We remain dedicated to creating long-term value through partnerships within and beyond the industry as we seek to contribute to the UN Sustainable Development Goals (UN SDGs). Our support for the 17 global goals is aligned with our EDISON Alliance pledge to impact 23 million lives across Asia from 2022 to 2025. This includes striving to realise our aspiration of advancing a digital future where people, planet and business can collectively thrive. Our digital inclusion agenda involves ensuring universal, secure internet access, particularly for children and other vulnerable communities, which is among some of our initiatives to foster the trustworthy use of technology. This is important as we continue providing digital access to all, leaving no one behind in a digitally connected world.

 **IAR**, In Conversation With Our GCEO on page 13



SUSTAINABILITY YEAR IN REVIEW

Advancing Digital Societies

• Ranked **#22** among technology and communications companies worldwide in the Digital Inclusion Benchmark



• Joined the **Internet Watch Foundation** to ensure a safer Internet environment for all, especially children

• **#1** telco in **3** of our markets based on the Net Promoter Score (NPS)

• Developed Group-level **AI Governance & Ethics Standards**

Advancing Green Economy

• **Submitted near-term and net-zero targets to SBTi** based on a 2022 baseline for validation

• **Climate Action Winner** for Large Corporations by UNGC Malaysia & Brunei

• **Integrated climate risk into the ERM Policy** and conducted preliminary quantification of climate-related opportunities



Advancing Our People & Communities

• Rolled out **People Quality Framework Group-wide**



• Logged in **238,578[^]** training hours in 2023

• More than **28 million** beneficiaries for investments made across communities we operate in

• **11 volunteers** trained under Axiata Foundation for disaster preparedness with the Malaysia Relief Agency

Driving Governance & Risk

• Successfully **completed all activities identified in the 3-year ABAC Plan FY2021-2023** and achieved a strong maturity and effectiveness in its compliance programme

• Axiata Cyber Fusion Centre recognised as **Cybersecurity Project of the Year Award** by Cybersecurity Malaysia



• **69%[^]** proportion of spending on local suppliers Group-wide

Our Impact on ASEAN & South Asia¹

• Total GDP contribution **USD8.7 billion**



• Supported **0.6 million** jobs across our markets

• Invested a total of **USD4.8 billion** in capex + opex

• Total taxes and fees paid to governments **USD1.3 billion**

Notes: ¹ National contribution figures include (i) 6 OpCos [XL, Link Net, Dialog, Robi, Smart, EDOTCO (excluding EDOTCO Myanmar)]; (ii) Axiata's operations in Malaysia for 7 entities as part of Malaysia's Digital Ecosystem (ADA Malaysia, Axiata Digital Labs Malaysia, Boost Malaysia, EDOTCO Malaysia, Axiata Group Berhad, Axiata Foundation, Axiata Enterprise); and (iii) CelcomDigi which is a material Key Associate Company of Axiata, proportioned to Axiata's share of CelcomDigi which is 33.1%

[^] This data was subjected to external independent limited assurance. Refer to the independent limited assurance report on pages 138 to 139



SUSTAINABILITY AWARDS & ACCOLADES

In 2023, we showed steady improvements overall and met significant milestones in our sustainability journey due to enhanced reporting and impactful initiatives. This growth and maturity can be seen in improvements in our ESG Ratings and awards won.

ACCOLADES



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



ARC Awards International
Silver - Best PDF Version of Annual Report: Combined Annual and Sustainability Report



National Annual Corporate Report Awards (NACRA) 2023

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



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



Climate Action - Winner for Large Company Category

Partnership For the Goals Recognition - Axiata Foundation's Axiata Young Talent Programme (AYTP)

ESG RATINGS



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

Improved score of **3.6** from the previous 3.4 in the **FTSE Russell ESG Rating**



Maintained AA (Leader) rating by MSCI ESG Ratings



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



Maintained CDP Score C (Awareness) (2023) (improved from D in 2021)



Digital Inclusion Benchmark Top Quartile with rank 22/200

OUR SUSTAINABILITY APPROACH



- ▶ **Axiata Sustainability Framework** - page 12

- ▶ **Sustainability Governance** - page 14

- ▶ **Considering What Matters** - page 16

- ▶ **Stakeholder Engagement** - page 20

- ▶ **Memberships & Associations** - page 22

- ▶ **Supporting The UN SDGs** - page 24

- ▶ **Our Value Creation Model** - page 26

AXIATA SUSTAINABILITY FRAMEWORK

In maintaining sustainable practices and upholding our core values, we remain guided by our Sustainability Framework, which is the bedrock of our value creation journey.

The framework reflects our commitment to prioritising sustainability and managing material matters that are significant to us. In line with the current demand for positive ESG impacts from corporate organisations, our robust Sustainability Framework has considered the various levels of sustainability maturity within the Group apart from the worldwide drive towards ESG initiatives.

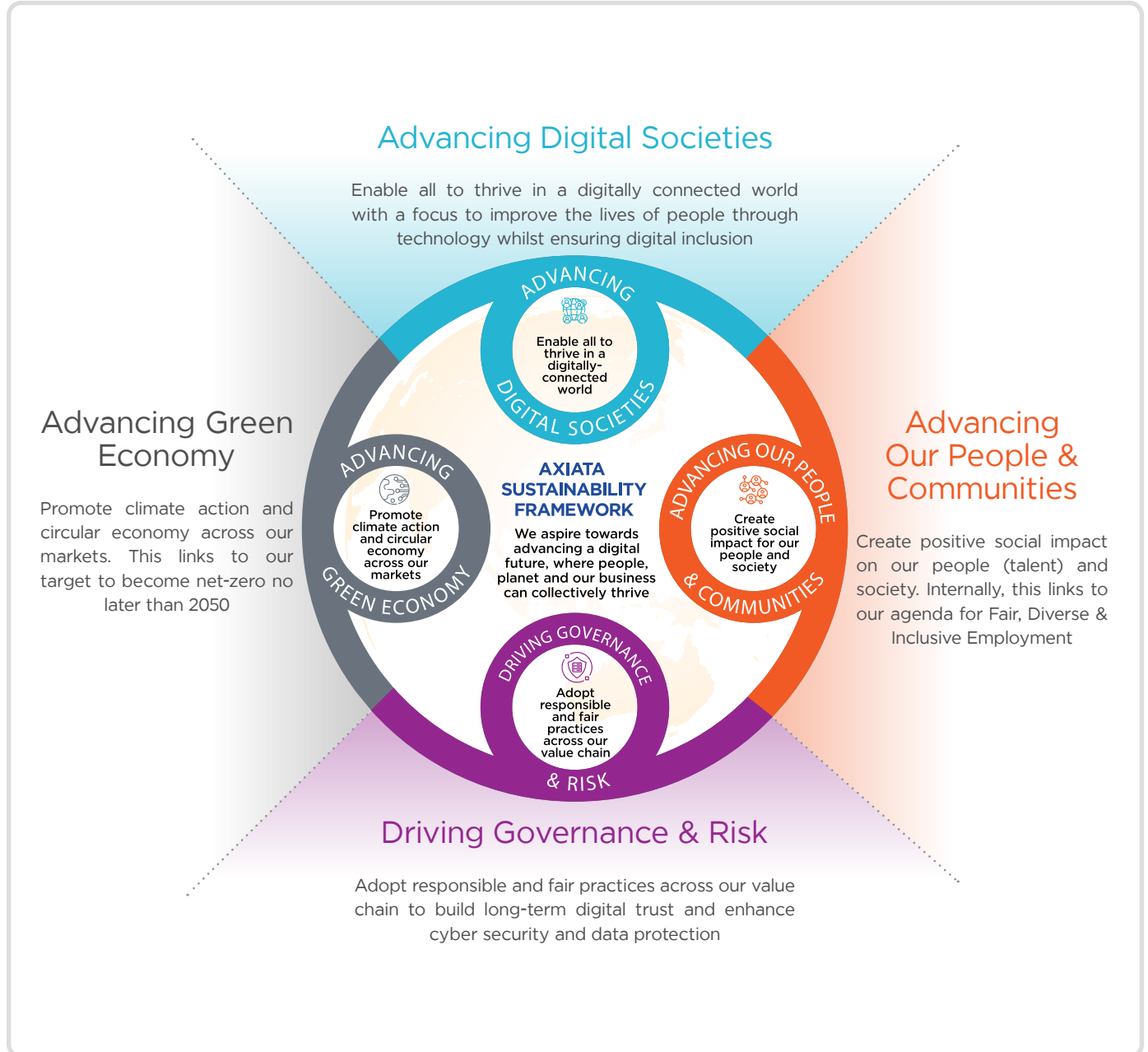
“

Our robust Sustainability Framework has guided us in remaining resilient amidst the evolving macroeconomic volatility and ESG landscape. It sets out a pathway for us to embed ESG into the core of Axiata’s business strategy, enabling us to deliver on our purpose of Advancing Asia.

”

Vivek Sood

Group Chief Executive Officer and Managing Director



AXIATA SUSTAINABILITY FRAMEWORK

Public Sustainability Targets

As the conversation for corporate transparency increases, there is a corresponding rise in the anticipation for publicly disclosed sustainability objectives. At Axiata, establishing and communicating our sustainability targets signifies our commitment to transparency. Disclosing our targets not only enables us to mitigate and manage risks, but also helps us monitor our performance and ESG impacts.

We have established a set of sustainability targets to measure our progress against our goals and address any areas that need improvement. This ensures that we are on track to fulfil our sustainability commitments while keeping our stakeholders updated and enabling the Group to make informed decisions. We will review and enhance our targets to focus on key areas and align with the evolving sustainability and regulatory landscape and stakeholder expectations.

Legend for status: ● Achieved ● Making Progress ● Needs More Effort

Targets	FY2023 Progress	Status
Advancing Digital Societies Impact the lives of around 23 million people between 2022 and 2025 in the areas of healthcare, education and financial inclusion (inclusive of digital skills) ¹	19.3 million lives impacted to date with 15.7 million in 2023 across the areas of healthcare, education and financial inclusion	●
Advancing Green Economy Become net-zero no later than 2050 <ul style="list-style-type: none"> The near-term target and revised baseline for Scope 1 and 2 (from 2020 to 2022) are pending SBTi validation Set baseline and target for Scope 3 by end 2023 	Scope 1: 28,767.76 tCO ₂ e ⁻ (6.5% reduction versus 2022) Scope 2: 1,094,612.60 tCO ₂ e ⁻ (8.5% increase versus 2022) Scope 3 emissions determined and baseline set for 2022. Scope 3 near-term target with 2022 baseline is pending SBTi validation	●
Advancing Our People & Communities 30% women in Axiata Group Berhad (Holding Company) senior leadership team by 2025	27% women's representation (as of 31 December 2023)	●
Driving Governance & Risk Build Digital Trust & Resilience to ensure the protection of customer information and the security of critical infrastructure <ul style="list-style-type: none"> Rank among the top 25th percentile in the ASEAN region on the National Institute of Standards and Technology (NIST)⁴ maturity industry benchmark by 2025 Create long term value by fostering a winning culture based on integrity, ethics and compliance achieved through mandatory training and awareness programmes for people and broader stakeholders⁵ 90% training completion for Anti-Bribery & Anti-Corruption (ABAC), Whistleblowing, Data Privacy & Cyber Security yearly 30% women's representation in Axiata Group Berhad (Holding Company) Board of Directors (BOD) by 2025⁶ 	Continue to rank in the top 30th percentile in the ASEAN region on NIST's maturity industry benchmark with an aggregate of 3.4 out of 5 for the Group's Cyber Security Maturity Training completion across the Group: <ul style="list-style-type: none"> ABAC: 98.5% Data Privacy: 98.2% Cyber Security: 98.5% 27.3% women's representation (as of 31 December 2023)	●

Notes: ¹ Covers identified programmes by Axiata's Digital Telcos and Boost with the aim to serve communities where we operate beyond our subscriber base. Target beneficiaries are people from lower incomes, micro-SMEs, women and girls, youth and students and people living in rural areas
² As part of the SBTi validation, Axiata reviewed and updated the Scopes 1 & 2 emissions baseline to 2022. This aligns with SBTi Criteria v5.1, which requires the submission of a recent-year inventory, specifying no earlier than 2021
³ Refers to the senior leadership/senior management team at the Axiata Group Berhad (Holding Company) level and excludes senior leadership/senior management teams of our OpCos

⁴ To learn more about NIST please go to www.nist.gov/about-nist
⁵ Employees refer to all employees across Axiata; and broader stakeholders refers to suppliers and vendors at the Axiata Group Berhad level only and excludes OpCo suppliers
⁶ Refers to the Axiata Group Berhad's (Holding Company) BOD only and excludes BODs of our OpCos
[^] This data was subjected to external independent limited assurance. Refer to the independent assurance report on pages 138 to 139

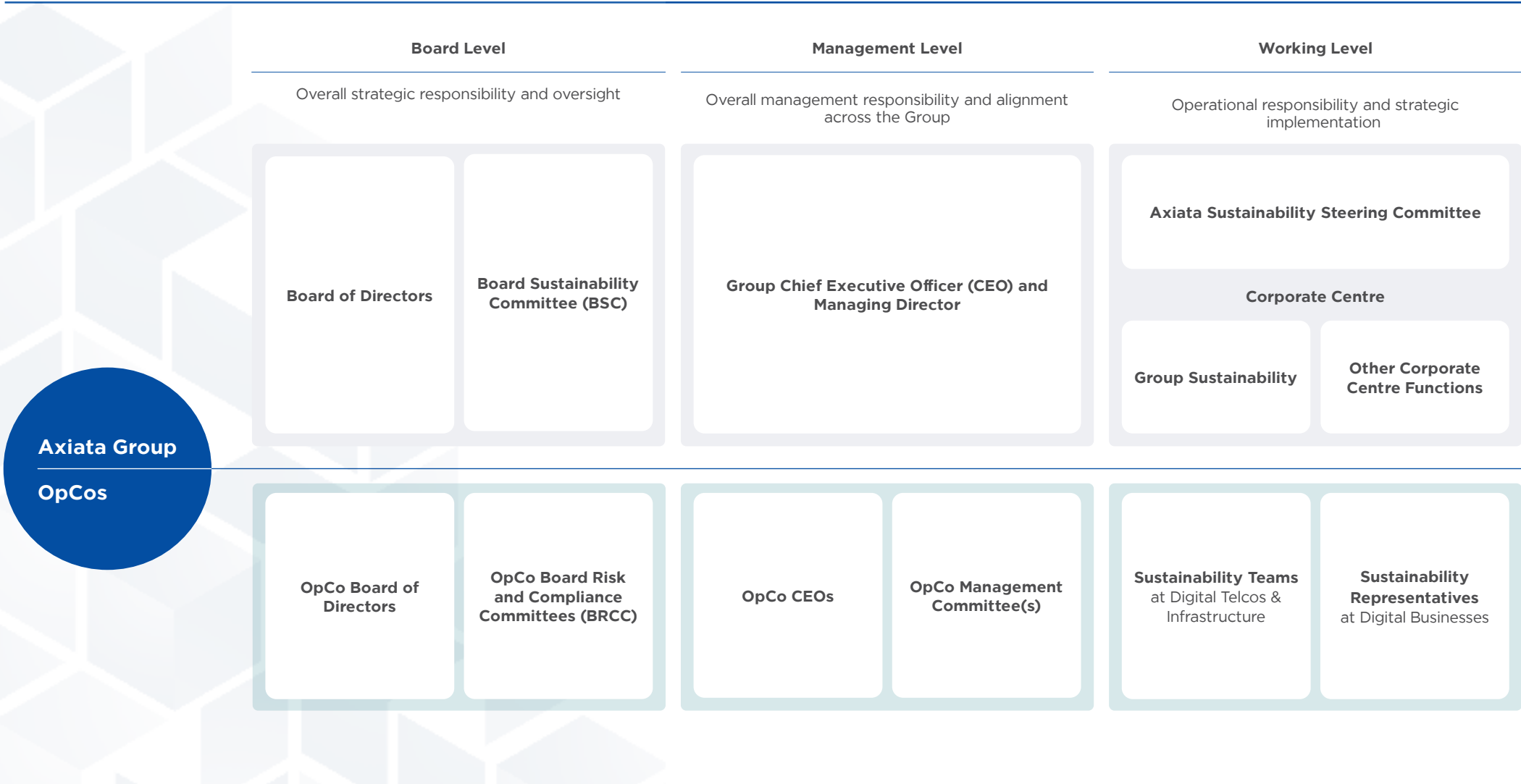
SUSTAINABILITY GOVERNANCE

We consistently review and refresh our sustainability governance on a periodic basis to improve our sustainability management and approach. In 2023, the Group continued to deliver on its commitment and collaborated with the Board Risk and Compliance Committee (BRCC) of each OpCo to enhance strategic alignment and accountability. We will continue to

ensure effective management of our sustainability performance and improve the credibility of our initiatives by regularly updating the roles and responsibilities of the relevant Axiata Committees. Our goal is to strengthen Group oversight of OpCos to continue guiding them in achieving our strategic objectives together.

TCFD

SNCR, Climate Change on pages 55 to 63



SUSTAINABILITY GOVERNANCE

Board Level

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


To keep the Board up to date and ensure that it understands the sustainability issues relevant to the Group, the Board receives regular Board Sustainability Committee (BSC) reports from the BSC Chairman. Additionally, the Board schedules a minimum of two sustainability updates in a year, during which issues relating to the matter are presented, deliberated and resolved in an appropriate manner.

Board Sustainability Committee (BSC)

The BSC provides oversight of strategic guidance to the Group and resolves matters relating to sustainability management as a Group-wide agenda. The BSC also has oversight of climate-related matters, including climate risks and opportunities.

The BSC also has the authority to appoint external counsels or advisers and obtain independent professional advice or services in managing sustainability practices. The BSC reviews and evaluates its performance at least once a year to ensure that it has carried out its responsibilities. In the year under review, the BSC met 10 times.

 [SNCR](#), Reflections From Our Board Sustainability Committee on page 6

 [IAR](#), Transparency and Accountability - Board Committees - Board Sustainability Committee on page 99

Management Level

The overall management responsibility and oversight of sustainability-related matters lies with our Group Chief Executive Officer (GCEO) and Managing Director. The GCEO and Managing Director is supported by the Group Chief Corporate Officer, who oversees Group Sustainability, and other senior management within their areas of responsibility. For accountability, sustainability-related KPIs including climate change performance linked to our net-zero commitment are embedded in Axiata's and OpCos' Senior Leadership Teams' (SLTs) annual remuneration-linked KPIs. Additionally, all OpCo CEOs are also authorised to sign off on sustainability-related governance as part of internal control assurance.

Working Level

Axiata Sustainability Steering Committee (Steering Committee)

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

Group Sustainability

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

OpCos

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

Each OpCo has its own sustainability governance, where sustainability-related matters are escalated to the OpCo Board, Board Committee, CEO or Management Committee by Sustainability Teams or representatives.

For FY2023, a key priority was to promote accountability and ensure strategic alignment throughout the OpCos by leveraging the BRCC of each OpCo. With guidance and support from OpCo BRCCs, the BSC was able to support the Group's and OpCos' sustainability agenda including compliance with ESG-related regulatory requirements.

OpCos are responsible for the governance, daily management and operations, programme implementation and data collection for the Group's identified sustainability material matters, as well as their own sustainability matters or practices.

CONSIDERING WHAT MATTERS

Materiality Assessment

Materiality assessments are crucial to our sustainability journey, allowing us to evaluate the Environmental, Social and Governance (ESG) issues affecting our business and stakeholders. This process enables us to identify opportunities and mitigate risks associated with each material matter. Material sustainability issues serve as a strategic compass that guides our Board, leadership, and the entire organisation in understanding and addressing the issues that impact us and stakeholders. By aligning our strategies with the material matters and stakeholder needs, the leadership team can make informed decisions that foster sustainable development.

We conduct a detailed assessment every two years, with a yearly review in between, to ensure our focus on ESG matters aligns with our impact on society, the environment and our business growth. This includes stakeholder perspectives, current sustainability issues and changes to the industry and the regulations.

The scope and process of the full-scale FY2022 materiality assessment covered the review of material matters based on ESG guidelines and standards, internal and external stakeholders engagement, alignment with Axiata's Enterprise Risk Management (ERM) parameters, calibration and validation with management, before approval by the BSC in 2022.

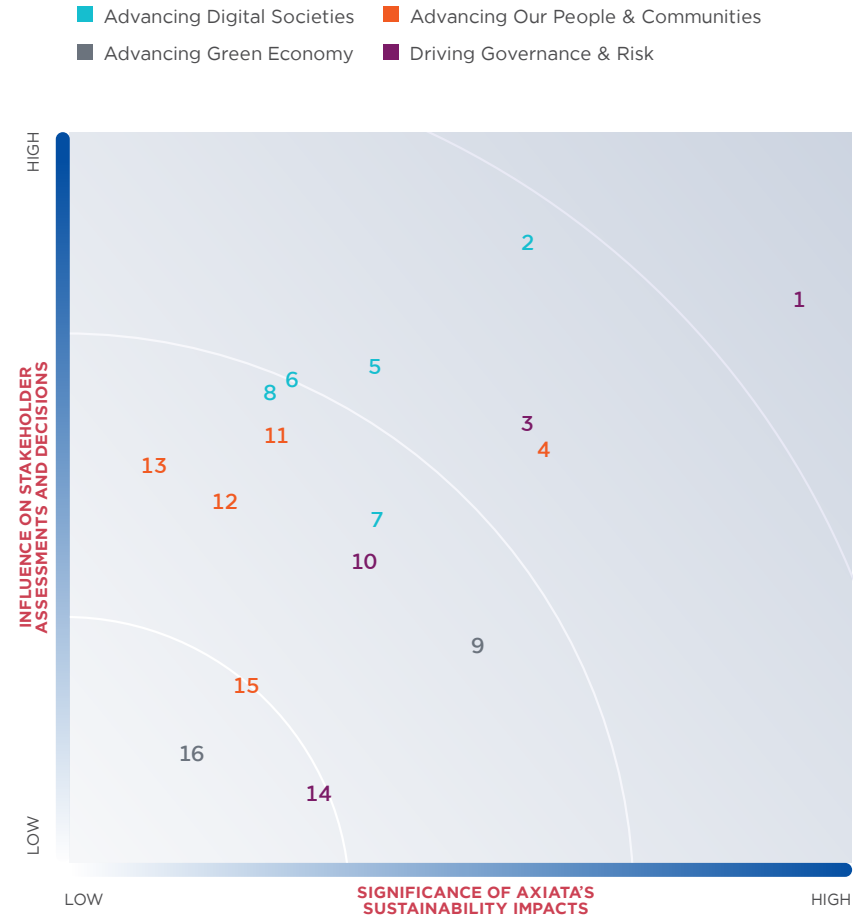
In 2023, as part of our annual review for validation, the Board Sustainability Committee (BSC) approved the existing 16 material matters, which were identified in FY2022 through a comprehensive materiality assessment across the Group. To enhance our disclosures in SNCR 2023, we have mapped the 16 material matters to Bursa Malaysia's 11 common sustainability matters, available in the following pages.

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	Medium Importance
6	Customer Experience	
7	Digitisation & Innovation	
8	Digital Inclusion	
9	Climate Change	
10	Regulatory & Political Risk	
11	Employee Health, Safety & Wellbeing	Medium-Low Importance
12	Talent Development & Attraction	
13	Fair, Diverse & Inclusive Employment	
14	Sustainable Supply Chain	
15	Community Development	
16	Environmental Management	

The BSC's approval was on the basis that throughout the reporting year, 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. This is because the FY2022 assessment included Link Net and excluded CelcomDigi. Considering Axiata concluded its sale of Ncell on 1 December 2023, the material matters were still applicable for the majority of 11 months.



WHAT MATTERS TO US

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

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

Notes: * All 11 Bursa Common Matters have been mapped to Axiata's Material Matters

WHAT MATTERS TO US

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

Material Matters	Descriptions	Importance to the Group	Importance to Stakeholder Groups	Bursa Malaysia's Common Sustainability Matters*
Advancing Green Economy				
Climate Change	Implementing internal controls and monitoring mechanisms to manage climate risks and opportunities in alignment with achieving our net-zero carbon commitment, to embark on our Task Force on Climate-related Financial Disclosures (TCFD) journey and to benefit through a climate-positive enablement effect.	In line with our net-zero carbon commitment, we are committed to reducing our operational carbon emissions and closely monitoring and managing the climate impacts of our business operations.	<p>Responding to the global calls for action on climate change, we endeavour to provide innovative digital solutions to enable and encourage our customers and communities to transition towards a low-carbon economy.</p>	Energy Management, Emissions Management
Environmental Management	Managing environmental impacts through effective waste management, water consumption and biodiversity conservation in our aspiration towards a circular economy within our operations.	While maintaining our social licence to operate, we will conduct our activities sustainably through water-use efficiency, effective waste management and biodiversity conservation.	<p>We commit to operating responsibly by managing our consumption of natural resources to minimise adverse impacts on the environment in markets we operate. We will work progressively, together with our partners across our value chain, to uphold the same level of environmental management practices.</p>	Waste Management, Water
Advancing Our People & Communities				
Fair, Diverse & Inclusive Employment	Fostering fair recruitment practices by embracing a diverse and inclusive culture in the workplace and offering employees fair compensation and benefits.	Establishing an inclusive working environment for all employees promotes a healthy and productive work culture which boosts employees' morale that translates into enhanced operational performance.	<p>By promoting a diverse, fair and inclusive work environment, we create a winning culture for our employees to feel safe and included in the workplace.</p>	Diversity, Labour Practices and Standards
Talent Development & Attraction	Promoting development and uplifting competencies of employees to respond to the rapidly changing and complex business environment.	In building a modern, agile and digital talent factory, our specialised development programmes enhance our employees' competitive edge in responding to the rapidly changing and complex business environment, while also attracting new talent to our organisation.	<p>With our specialised talent development programme, we develop competencies and empower our employees, enabling them to progress in their careers.</p>	Labour Practices and Standards
Community Development	Paving the way to a digitally inclusive future where communities thrive through our financial and non-financial contributions as we continue to support, uplift and nurture local communities, the underprivileged and underserved groups.	As a responsible corporate citizen, Axiata is committed to creating positive impacts on and purposeful contributions to the local communities where we operate for long-term sustainable community development.	<p>Through our community investment initiatives, we engage closely with the communities, understand their needs, provide them with basic utilities and uplift their living standards.</p>	Community/Society

Notes: * All 11 Bursa Common Matters have been mapped to Axiata's Material Matters

WHAT MATTERS TO US

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

Material Matters	Descriptions	Importance to the Group	Importance to Stakeholder Groups	Bursa Malaysia's Common Sustainability Matters*
Advancing Our People & Communities (continued)				
Emergency & Disaster Response	Providing support to society in times of emergency and disaster through our business operations and contributions.	We ensure that we are always prepared with the right tools, infrastructure and resources to support improved access to communities and contribute to humanitarian response in times of calamities and disasters.	<p>Society's dependence on connectivity imposes high trust on telcos' business resilience to ensure access to communication and information during times of crisis.</p>	Community/Society
Employee Health, Safety & Wellbeing	Providing for the health, safety and wellbeing of our employees in the workplace in ways that address key challenges while bringing value to their livelihood.	We commit to complying to all applicable environmental, health and safety laws and regulations to ensure that we provide a healthy working environment that promotes physical and mental health and safety.	<p>Our employees entrust us in providing them with a conducive workplace with safety regulations and protocols that keep them away from health and safety hazards, and ensuring rapid and appropriate action is taken when incidents occur.</p>	Health and Safety
Driving Governance & Risk				
Digital Integrity	Strengthening data privacy and protecting information and intellectual property against cyber security breaches, to ensure our consumers' safety and security from threats and online exploitation.	We continue to strengthen our cyber security practices to safeguard our customers' data from cyber security threats and breaches to maintain their confidence in us and to ensure the long-term viability of our business.	<p>In view of the heightened risks of data breaches, data privacy has become one of the top concerns of customers.</p>	Data Privacy and Security
Business Ethics & Governance	Maintaining strict business ethics and compliance with all applicable laws, regulatory requirements and policies across our markets of operation in regard to bribery and corruption, tax transparency, anti-competitive practices, human rights and freedom of expression, through business integrity and good corporate governance.	Maintaining strict business ethics as top priority for Axiata 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.	<p>With Axiata's strong ethical culture, we continue to establish and nurture relationships with transparency, mutual trust and integrity with our stakeholders.</p>	Anti-corruption
Sustainable Supply Chain	Incorporating Economic, Environmental, Social and Governance (EESG) considerations across our supply chain management and processes, while ensuring supply chain continuity.	Our supply chain plays a vital role in maintaining the quality of our services and developing innovative products and services that address our customers' needs. Hence, it is crucial for us to hold our suppliers to high standards of business conduct, including sustainable practices.	<p>We provide support and empower our supply chain, where needed, to build their capabilities in managing the EESG factors within their business operations.</p>	Supply Chain Management
Regulatory & Political Risk	Monitoring and management of evolving changes in the regulatory landscape and political context.	As we operate our business in countries across the ASEAN and South Asia region, which remain highly regulated, it is crucial for Axiata to closely monitor and respond to the rapidly evolving regulatory and political landscape to ensure long-term business growth.	<p>We maintain close relationships with regulators and the government to ensure that we always uphold a high level of compliance with regulatory requirements and meet their expectations.</p>	N/A

Notes: * All 11 Bursa Common Matters have been mapped to Axiata's Material Matters

STAKEHOLDER ENGAGEMENT

- Ongoing
- As needed
- Quarterly
- Annually
- Monthly
- Throughout the year

Customers

Why They Are Important

Our customers encompass both individual and enterprise customers. We value each of our customers and prioritise their experience on our network, as well as the impact of our solutions and services. We are committed to delivering optimal performance to meet our customers' expectations and enhance their user experience.

How We Engage

We undertake a range of surveys across our markets to understand customer satisfaction and expectations. Scores are benchmarked against our peers and data analyses, among other factors, and drives operational excellence.

- Customer surveys
- Engagements and activities

Topics Raised:

- Enhancing network and ICT services quality and availability
- Improving customer experience
- Ensuring transparent pricing for packages, products and establishing service differentiation

Axiata's Response and Results

- Deliver the best value at optimum cost
- Drive operational excellence in meeting customer expectations
- Develop digital lifestyle products and self-service customer care solutions
- Provide support for customers with value-adding products, deals, packages, connectivity and ICT services

Suppliers & Business Partners

Why They Are Important

Our suppliers and business partners provide us with business-critical products and services that enable us to execute our business strategy. We collaborate through partnerships to deliver the best value for our operations and mutually support the growth of our respective businesses.

How We Engage

We engage with key suppliers to understand the solutions and services that can enhance operational excellence. We collaborate with our business partners and suppliers to address improvement opportunities during performance management meetings and the Annual Supplier Forum.

- Direct engagements and meetings
- Tenders and bidding

Topics Raised:

- Ensuring suppliers and partners comply with our Supplier Code of Conduct
- Engaging suppliers and partners on emerging corporate developments and enhancing understanding of our long-term strategy
- Providing opportunities for vendor and partner development
- Offering supplier support and continuity of services during emergency situations (e.g. floods)
- Integrating ESG into the supply chain

Axiata's Response and Results

- Source from local vendors
- Support local direct and indirect employment through our supply chain
- Engage in value chain discussions for the industry to operate efficiently
- Conduct supplier forums and quarterly performance reviews with major suppliers

Community & Civil Society Organisations (CSO)

Why They Are Important

We operate within a diverse and rapidly developing economic region. We acknowledge that active community participation and engagement are essential components of our social licence to operate.

How We Engage

We build relationships with the community through partnerships with local NGOs to promote digital inclusion initiatives, corporate responsibility programmes and assess the needs of local stakeholders. We communicate our initiatives through digital and print media.

- Continuous communication through email and multi-platform messaging applications
- Ad-hoc meetings
- Annual meetings

Topics Raised:

- Supporting the UN SDGs
- Building the capacity of future leaders
- Contributing pre- and post-disaster assistance
- Addressing local social needs
- Providing advancements in digital connectivity and the broader digital ecosystem for society

Axiata's Response and Results

- Digital and financial inclusion initiatives covering digital skills, connectivity and inclusivity
- Disaster management and response initiatives
- Develop national talent to raise future leaders
- Establish Digital Innovation Funds in four countries to foster innovation and local entrepreneurship

Shareholders, Investors, Analysts

Why They Are Important

As owners of Axiata, shareholders and analysts provide us with the financial capital needed to sustain our growth. They are entitled to receive a return on their investment and to be apprised of developments within the Group.

How We Engage

We hold Annual General Meetings (AGM) to meet and be accountable to shareholders. We also regularly partake in investor roadshows/conferences to continuously engage with shareholders, analysts and prospective investors on matters relating to strategy, financials and corporate developments, including ESG-related matters.

- Quarterly results calls with analysts
- Investor conferences
- Annual General Meetings
- Analyst and Investor Day
- Shareholder and investor engagements
- Analyst engagements
- ESG questionnaires

Topics Raised

- Optimising our financial performance
- Achieving our long-term business strategy
- Board governance on ESG-related topics
- Integrating Axiata's ESG strategy, performance and disclosures, including the management of climate-related risks
- Share price performance and outlook
- Emphasising our support of the UN SDGs
- Advocating labour and human rights standards

Axiata's Response and Results

- Ensure transparency in corporate reporting and disclosures across multiple platforms, and sharing these reports with the public
- Conduct briefings and engagements with shareholders, investors and analysts on emerging topics in the industry and national landscape
- Increase investor focus on ESG matters such as digital inclusion, climate-related risks, labour and human rights standards

STAKEHOLDER ENGAGEMENT

● Ongoing ● As needed ● Quarterly ● Annually ● Monthly ● Throughout the year



Media

Why They Are Important

The media provides a platform to communicate with our key stakeholders and local communities. Media channels allow us to promote new products and services, make corporate announcements and share thought leadership ideas, opinions and insights.

How We Engage

We engage with the media through interviews, press releases, conferences and other engagement activities.

- Media releases and interviews
- Regular updates to key regional and international editorial contacts
- Advertorial placements
- Media-hosted panel events
- Media enquiries
- Quarterly media engagement during the release of financial results
- Media briefings and press kits
- Internal events
- AGM media briefing session

Topics Raised:

- Providing updates on internal corporate developments and changes
- Sharing financial results and market performance
- Industry trends and issues (e.g. GSMA Open Gateway deployment, INsights@Axiata)
- Communicating our technology breakthroughs

Axiata's Response and Results

- Provide regular performance updates, corporate activities and updates on new investments
- Facilitate interaction between the media and senior leadership during AGM and provide full-year and quarterly results via media briefing sessions
- Respond to regional and global media queries promptly
- Communicate Axiata's strategy to boost its performance and drive profitability in its geographic footprint by maximising the potential of its OpCos, encompassing digital telcos, digital business and infrastructure segments, through focused capital allocation



Regulators and Government

Why They Are Important

Our regulators and authorities specify the national laws and regulations that determine the licence and scope of our activities in our respective market operations. They grant operating licences to our OpCos and impose regulatory measures that may have potential cost implications for the Group.

How We Engage

We proactively engage with country regulators and authorities through industry meetings, leadership platforms and capacity building workshops to support and enable the digital ecosystem.

- National Regulatory Authority
- Top leadership, e.g. Prime Minister-level, President-level
- Heads of regulatory agencies
- Ministers responsible for ICT and digital sectors
- Ministers related to investments, trade, foreign affairs and finance

Topics Raised:

- Discussing spectrum management and allocations, and licensing matters such as fees
- Regulatory fairness, including Network Fair Contribution
- Competition policy, including digital competition
- Taxation and the industry's long-term sustainability
- Regulatory compliance (telecommunication services, financial services)
- Information security and data protection
- IR 4.0 and digitalisation towards the Digital Economy
- National contribution for nation building
- Integrating ESG matters into business operations, particularly climate change

Axiata's Response and Results

- Invest in the development of local telecommunications infrastructure
- Contribute directly and indirectly to the development of the local and regional digital economy
- Support digital innovation initiatives to drive the development of local and regional digital ecosystems
- Deploy world-class cyber security and data privacy practices
- Actively engage in dialogue with regulators and government agencies to foster collaboration, address telco concerns and respond to ESG regulations or disclosure requirements



Industry Bodies

Why They Are Important

As a regional industry player in the telecommunications sector, we collaborate and partner with other industry bodies within and related to our sector, aligning with key areas of interest.

How We Engage

We engage with relevant industry bodies through regular discussions and business roundtables to continuously improve the telecommunications industry.

- Meetings, discussions and roundtables with industry bodies such as United Nations Global Compact Malaysia & Brunei (UNGCMYB) and GSMA

Topics Raised:

- Ensuring business continuity by capitalising on opportunities
- Establishing partnerships and collaborations
- Peer and knowledge sharing
- Engaging in discussions on emerging sustainability topics

Axiata's Response and Results

- Roundtables with UNGCMYB, GSMA and industry players on sustainability-related matters including renewable energy
- As part of our thought leadership, we actively engage with industry bodies to foster collaboration, address industry/market concerns, and anticipate and adequately respond to ESG regulations or disclosure requirements
- Engage in industry proceedings and policies aimed at improving the industry to benefit communities and society



Employees, Management & Board

Why They Are Important

Our innovative and diverse talent pool is essential for delivering the best digital experience to our customers. We cultivate a culture of high performance and accountability, which attracts, develops and retains the best talent to execute our business.

How We Engage

Axiata conducts an annual Employee Engagement Survey and regular townhalls, and utilises a range of digital platforms to stay engaged with employees across the Group.

- Updates are broadcasted on television channels
- Updates via Scoop (our intranet platform) and ad hoc information
- Townhalls
- Employee engagement survey

Topics Raised:

- Sharing Axiata's long-term business strategy and performance
- Highlighting career and talent development opportunities
- Ensuring work-life balance and employee wellbeing support
- Embedding diversity and inclusivity

Axiata's Response and Results

- Provide job opportunities to local talents
- Implement Group and OpCo Talent Development programmes
- Enable our talents to become the next generation digital champions
- Foster a Diversity, Equity and Inclusion (DEI) work environment

MEMBERSHIPS & ASSOCIATIONS

Our dedication to remaining at the forefront of industry trends is unwavering, as we understand the vital role played by our memberships and associations in fostering valuable connections. These affiliations not only keep us informed about regulatory changes but also serve as platforms for industry engagement, facilitating networking opportunities, knowledge exchange, resources and tools, and access to specialised expertise, amplifying our collaborative efforts within the industry.

GSMA

As a Board member of GSMA, 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 have signed, including Axiata, pledging 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 60 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](#)

SNCR. For other work we do with GSMA on page 85

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 70 members of CAN. We have also confirmed our active participation in its Policy Advocacy workstream.

As a member, we provided insights as part of the CAN Peer Sharing: Sustainability Disclosures and TCFD in December 2023.

Refer to website [here](#)

Internet Watch Foundation (IWF)



Axiata and its group of companies joined forces with the IWF in December 2023 to increase public awareness of the impact of Child Sexual Abuse Material (CSAM). The aim is to help prevent the spread of CSAM through URL blocking and ensuring a safer Internet environment for all to use, especially children.

Refer to website [here](#)

30% Club



The 30% Club aims to promote gender balance in senior decision-making roles. In Malaysia, the focus has been to promote a minimum of 30% women representation on the boards of public listed companies. Axiata Group Berhad, ADA, EDOTCO and Boost are members.

Refer to website [here](#)

UN WEP



In 2023 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](#)

MEMBERSHIPS & ASSOCIATIONS

Journey Towards Sustainable Development: Axiata's Partnership with UNGC



In November 2022, **Axiata Group Berhad** solidified our dedication to sustainable business practices by becoming a member of the United Nations Global Compact (UNGC), reaffirming our pledge to uphold ethical standards and contribute positively to global sustainability efforts.

As the largest corporate sustainability initiative globally, the UNGC focuses on promoting ethical business conduct concerning human rights, labour, the environment and anti-corruption efforts. By aligning with the UNGC's Ten Principles, Axiata integrates these values into its business strategies, operations and corporate culture.

Driven by its purpose of Advancing Asia, Axiata sees its membership in the UNGC as a significant step towards becoming The Next Generation Digital Champion in the markets it serves. This commitment underscores Axiata's increased responsibility to contribute positively to society and the environment while enhancing the quality of its services.

Together, we work towards the common goal of promoting sustainable and responsible business practices. Through the following initiatives with the UN Global Compact Network Malaysia & Brunei (UNGCMYB), Axiata has actively contributed to advancing sustainability in the region:



UNGCMYB Science-Based Targets Initiative (SBTi) Symposium 2023 - Panelist

On 6 June 2023, the SBTi Symposium 2023 brought together sustainability practitioners and industry leaders to raise awareness and offer strategic guidance, encouraging businesses to commit to setting science-based targets aimed at limiting temperature rise to below 1.5°C.



UNGCMYB Peer-to-Peer Sharing on Advancing Green Economy - Speakers

UNGCMYB Peer-to-Peer Sharing is a platform to enable collective actions and to foster collaboration and knowledge exchange within the member companies of the network.

Members of UN Global Compact Network Malaysia & Brunei gained insights on sustainability at Axiata and how they are Advancing to Zero through Axiata's refreshed Sustainability Framework and Net-Zero Carbon Roadmap, as well as Axiata's experience as an SBTi signatory and its TCFD journey.



UNGCMYB's Young Executive's Sustainability Summit 2023 - Panelist

In conjunction with International Youth Day in August, the Young Executive's Sustainability Summit (YESS) convened young professionals to gain insights on sustainable best practices across industries and societies, explore innovative solutions for enhancing organisational and community sustainability, and engage in networking opportunities with like-minded professionals dedicated to promoting sustainability in the workplace.



The Power of Collaboration: Driving Sustainable Development in Malaysia through Public-Private Partnership - Roundtable

Co-organised by UNGCMYB and Bloomberg LP, the Roundtable session congregated Heads of Sustainability and Key Policymakers to pinpoint crucial challenges and opportunities in fostering public-private sector collaboration in Malaysia, while also delving into innovative solutions implementable through Public-Private Partnerships.

By collaborating with the UNGC and engaging in meaningful initiatives, Axiata continues to actively engage with other organisations to collaboratively pave the way for sustainable business practices in in Malaysia and the region.

Refer to website [here](#)

“

We appreciate Axiata's involvement in various sustainability-focused engagements with us. Throughout their participation in UNGCMYB, Axiata actively shares their experiences with other participants, contributing to a culture of knowledge exchange in the network.

Their participation not only demonstrates their support for sustainability but also encourages connections with like-minded organisations and experts within the UNGCMYB network and its activities.

As we remain committed to supporting our participants, we look forward to working together with Axiata towards tangible progress in creating a more sustainable and resilient future.

”

Faroze Nadar,

Executive Director of UNGCMYB

SUPPORTING THE UN SDGs

Embracing the UN SDGs enable companies like Axiata to contribute towards national agendas and foster regional collaboration on sustainable development. Furthermore, as Axiata is operating within the ICT sector, we can play an enabling role by providing connectivity, digital solutions and infrastructure to drive sustainability.

Our Sustainability Framework and initiatives across the Group align with the SDGs. We strive to bridge the digital divide, champion climate action, promote circularity, foster positive social impact and embrace responsible and equitable practices throughout our value chain.

Axiata has identified and prioritised nine SDGs that reflect the Group's stance, beliefs, aspirations and activities that will generate the most impacts. While our prioritised SDGs focus on specific areas, it is important to recognise that we still contribute indirectly to other SDGs, although to a lesser extent. Our contributions encompass Digital Telcos, Digital Businesses and Infrastructure, in addition to our influential role as a responsible corporate citizen.



Legend: ● Advancing Digital Societies ● Advancing Green Economy ● Advancing Our People & Communities ● Driving Governance & Risk

4 QUALITY EDUCATION
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Sustainability Pillar: ● ●

Snapshots of Our Contribution

- RM115 million pledged to Axiata Foundation's Education Pillar over 10 years (2022-2031) to promote accessible quality education and nurture young Malaysian talents (pg 81)
- OpCos continued to provide access to education (vital services) via digital tools and platforms (pg 40). For instance, Dialog's Nenasa ecosystem consisting of its Educational App, Smart School and TV Programme continued to benefit Sri Lankan students and teachers
- Provided training for digital skills via programmes such as Smart's Digital Literacy Programme to bridge the digital skills gap in our markets, focusing on supporting local communications, students and MSMEs (pg 42)
- Offered tailored digital solutions for individuals and entrepreneurs, such as through Robi's bdapps programmes which provides training on digital skills and enables women to develop apps (pg 45)

5 GENDER EQUALITY
Achieve gender equality and empower all women and girls

Sustainability Pillar: ● ●

Snapshots of Our Contribution

- Committed to 30% women in Axiata Group Berhad senior leadership team (FY23: 27%) and the Board of Directors (FY23: 27.3%) by 2025 (pg 13)
- Participated as a member of the 30% Club and became a signatory to the UN Women's Empowerment Principles (pg 22 and 68)
- Continued to provide inclusive digital initiatives to empower women to enhance their digital skills and online presence, such as through XL's award-winning Sisternet programme which has a target of digitising approximately one million Indonesian female MSMEs by 2025 (pg 45)

8 DECENT WORK AND ECONOMIC GROWTH
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Sustainability Pillar: ● ●

Snapshots of Our Contribution

- Achieved impact on GDP of USD8.7 billion and paid total taxes and fees of USD1.3 billion to governments (pg 105)
- Employed more than 10,800 employees across the Group and supported around 0.6 million jobs across Asia (pg 105)
- Enabled fair, non-discriminatory working conditions that promote individual growth in compliance with health and safety standards via the Employee Code of Conduct and DEI Framework (pg 67)
- Received zero cases of reports concerning human rights issues across the Group via the Speak Up channel or other channels (pg 98)
- Trained more than 5,000 employees on health and safety standards (pg 75)

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

Sustainability Pillar: ● ●

Snapshots of Our Contribution

- Axiata's digital financial services are aimed at enabling communities to participate in the digital economy and improve their livelihoods (pg 44)
- Boost continued to drive financial inclusion via its merchant solutions platform with >630,000 merchant touchpoints in Malaysia and expansion to Cambodia with Smart (pg 44)
- OpCos continued to invest in and promote R&D to enhance products and solutions such as XL's X-Camp (AI and IoT-based solution incubator) and EDOTCO's MoU for R&D on sustainable bamboo telco towers (pg 49)
- Shutting down 3G in all our markets and re-farming the spectrum to 4G and ensuring 5G-ready network architecture across OpCos (pg 31)

SUPPORTING THE UN SDGS

Legend: ● Advancing Digital Societies ● Advancing Green Economy ● Advancing Our People & Communities ● Driving Governance & Risk

Reduce inequality within and among countries

Sustainability Pillar: ● ●

Snapshots of Our Contribution

- The Axiata Equity-in-Education Fund (AEiEF) provided educational support and financial assistance to top-performing students from low-income backgrounds through Back-to-School, Eduition and All-Star Bestari Scholarship (pg 82)
- Axiata Foundation's Jalinan Kasih Bakti's programmes provide for underserved communities in Malaysia - including the B40 urban and rural poor, single mothers, senior citizens, persons with disabilities and orphans - with basic essential needs, digital connectivity, and upskilling and reskilling training (pg 83)
- Axiata, Dialog and Robi upgraded its corporate websites to feature accessibility widgets for Persons with Disabilities (PWDs), enabling equal access to digital touchpoints (pg 46)
- Robi's Project Khadija provided digital skills training to over 60 female Madrasa students on app development with 20 participants who have each earned an average of 5,000 Taka and collectively amassed a total of one lakh Taka in earnings within one month of training completion (pg 45)

Ensure sustainable consumption and production patterns

Sustainability Pillar: ● ●

Snapshots of Our Contribution

- Dialog's e-Kunu enabled an end-to-end internationally and locally certified mobile and e-waste disposal chain with 537kg of e-waste collected in 2023 (pg 65)
- Axiata's Supplier Code of Conduct incorporated minimum ESG expectations on suppliers (pg 102)
- Raised awareness among students and youth via projects under Axiata Foundation's Environmental pillar such as the SayNo2Waste projects, Green Bean and Green Wira (pg 84)

Take urgent action to combat climate change and its impacts

Sustainability Pillar: ●

Snapshots of Our Contribution

- Signed the SBTi Business Ambition Pledge for 1.5°C and is pending validation from SBTi on submitted targets (pg 55)
- Increased solar sites by 25% against 2022 (pg 55)
- Accelerated our TCFD journey by integrating climate risk into the ERM Policy and identifying climate-related opportunities (pg 59)
- Continued with climate advocacy in markets we operate in such as Bangladesh where Robi co-organised a roundtable to advocate for an urgent need for a Net-Zero emission approach (pg 63)
- Increased awareness on climate change among children and youth via projects under Axiata Foundation's Change4Climate (pg 84)

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Sustainability Pillar: ●

Snapshots of Our Contribution

- 100% of operations across the Group were assessed for corruption-related risks with no confirmed incidents of corruption and actions taken across the Group (pg 97)
- Axiata Anti-Bribery and Anti-Corruption Plan (ABAC) Plan was completed for 2021-2023 with recommendations to maintain the existing plan for 2024-2026 (pg 96)
- Achieved an annual target of >90% training for Anti-Bribery & Anti-Corruption, Whistleblowing and Data Privacy & Cyber Security (pg 97)

Strengthen the means of implementation and revitalise the global partnership for sustainable development

Sustainability Pillar: ● ● ● ●

Snapshots of Our Contribution

- Continued to be active in industry engagements under various memberships and associations including with the UNGCMYB and GSMA (pg 22-23)
- Axiata's Cyber Fusion Centre promoted public-private partnerships to bolster cyber resilience in the region (pg 93)

OUR VALUE CREATION MODEL

OUR SIX CAPITAL INPUTS

FC Financial Capital

- Market capitalisation at **RM21.8 billion**
- Gross Debt/EBITDA ratio of **3.8x¹**
- Net Debt/EBITDA ratio of **3.4x¹**
- Debt Equity ratio of **1.3x²**
- Capital expenditure of **RM5.1 billion**

HC Human Capital

- **> 10,800** employees from **37** nationalities
- **238,578** training hours logged in 2023

IC Intellectual Capital

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

SRC Social & Relationship Capital

- 2023 Brand Power Results:
 - **#1** in Sri Lanka & Cambodia
 - **#2** in Indonesia & Bangladesh

MC 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 **RM27.4 billion**

NC Natural Capital

- Direct energy consumption of **0.40 million GJ**
- Indirect energy consumption of **5.79 million GJ**

Material Matters

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

IAR, Considering What Matters on page 26

BUSINESS ACTIVITIES

Our Purpose

Advancing Asia

Our Vision

The Next Generation Digital Champion

Our Aspiration

AXIATA AS A SUSTAINABLE DIVIDEND COMPANY

▼ **Triple Core Business**



▼ **Five 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

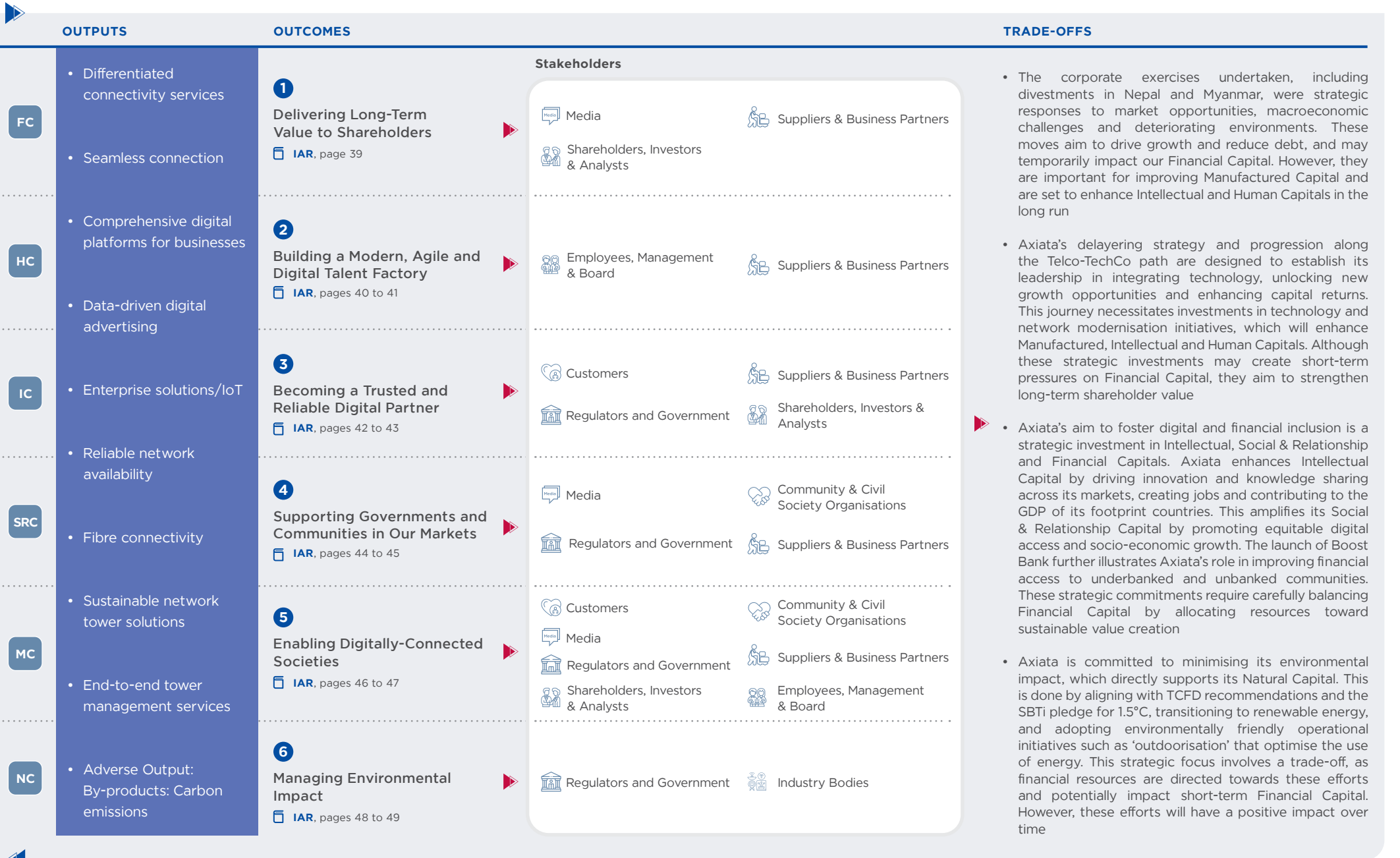
▼ **In Alignment with Axiata Sustainability Framework**



SNCR, Axiata Sustainability Framework on pages 12 to 13

Note: ¹ Excludes Ncell and EDOTCO Myanmar EBITDA contribution and EDOTCO Myanmar's Debt
² Excludes EDOTCO Myanmar's Debt

OUR VALUE CREATION MODEL



ADVANCING DIGITAL SOCIETIES



What This Means to Us

We believe in the transformative potential of digitisation to drive societal advancement. We are deeply committed to bridging the digital divide, striving for full participation in the digital ecosystem, encompassing both connectivity and usage aspects. Axiata consistently provides digital services in education, healthcare, commerce and entertainment to its 150 million customers, dedicated to enhancing the lives of communities across Asia.

Material Matters

► Sustainable Business Growth - page 29

- Rolled out refreshed corporate strategy
- Surpassed headline targets with 7.8% revenue growth and 18.4% EBIT growth

► Network Quality & Connectivity - page 31

- Shutting down 3G in all our markets and re-farming the spectrum to 4G
- XL Axiata collaborated in 5G Private Network projects with Huawei
- EDOTCO enabled 500 of its existing 4G towers with 5G connectivity

► Customer Experience - page 36

- Digital Reputation Score: #1 in three markets
- Net Promoter Score: #1 in three markets

► Digital Inclusion - page 39

- 19.3 million lives impacted to date under the EDISON Alliance commitment
- Four funds across our markets funding more than 40 start-ups
- Joined the Internet Watch Foundation in December 2023

► Digitisation & Innovation - page 49

- AI Governance and Ethics Guidelines published, and readiness assessment completed for all OpCos
- 93 Cloud Certified Professionals across 16 certification levels and seven certification platforms in ADL
- More than 173,000 enterprise customers, enabling us to build new capabilities and generate opportunities

Prioritised UN SDGs



SUSTAINABLE BUSINESS GROWTH

To drive sustainable business growth, we consider the benefits of our strategic investments, sustainability efforts and changing operational conditions to achieve long-term business growth. As we seek to provide steady and sustainable returns for our shareholders, we prioritise long-term planning, and understanding the needs and expectations of our stakeholders.

Why Is This Important

Sustainable business growth promotes direct and indirect value creation in our strategic investment decisions. It enhances our shareholder returns, taking into consideration the ever-changing operating landscape such as global recession. Our investment and partnership strategies guide our Group towards long-term sustainable business growth by ensuring operational performance growth and continuous positive value creation to all our stakeholders.

Outlook

Our strategic direction for 2024 is to drive the execution of Axiata's five portfolio vectors and five business strategies, centred around reinforcing our position in the market and setting the stage for future growth. The immediate aim is to reinforce foundational strengths and ensure we continue to meet the evolving needs of the market efficiently. This also involves a cultural shift within the Group to adapt to the changing landscape and aspirations. The Group will continue to explore market and industry consolidation opportunities to strengthen our competitive edge and market standing. Looking to the future, Axiata continues to lay the groundwork for long-term sustainability. Axiata's five portfolio vectors and five business strategies will drive our transformation journey along the Telco-TechCo continuum, which is synonymous with innovation, digital services and next-generation solutions.

Our Approach

Axiata is on a transformative journey with clear targets to enhance our performance, accelerate value creation, and increase long-term shareholder value. This includes reshaping our portfolio to unlock value and build long-term sustainable businesses. Axiata's five portfolio vectors and five business strategies will guide us on our journey towards becoming the Next Generation Digital Champion, aligned with an aspiration to be recognised as a Sustainable Dividend Company and a digital and technology leader by transitioning from Telco to Telco-TechCo and giving consistent returns to shareholders.

The Axiata 5-by-5 Strategy is anchored on five portfolio vectors that provide a focused framework to create value for achieving our goals. Underpinning the five Vectors of Value Creation are five strategic priorities aimed at achieving operational excellence, enhancing cash flow and driving technological progress.

Our Vision

The Next Generation Digital Champion

Our Aspiration

Axiata as a Sustainable Dividend Company

AXIATA 5-BY-5 STRATEGY



SUSTAINABLE BUSINESS GROWTH

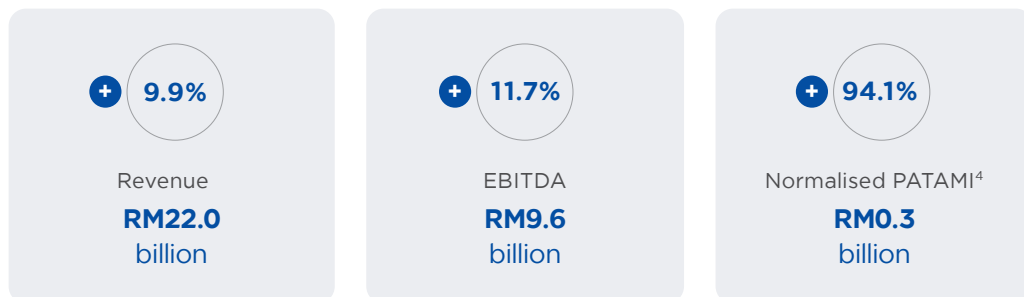
Our Progress

Strengthening Financial Position

- **Surpassed Headline Targets**
 - Revenue growth at **7.8%¹**
 - EBIT growth at **18.4%¹**
- Prudent capex management at **RM5.1 billion**, below guidance of **RM7.1 billion**
- Adjusted operating free cash flow of **RM1.0 billion**
- **Robust consolidated cash balance** of **RM4.6 billion**
- **RM2.2 billion** proactive loan prepayment yielded **RM82 million** in interest savings
- **Resilient balance sheet**
 - Gross Debt/EBITDA of **3.8x²**
 - Net Debt/EBITDA of **3.4x²**
 - Dividend per share of **10.0 sen** in 2023
- edotco Investment (Labuan) raised **USD700 million** syndicated loan facility

IAAR, Outcome 1 on page 39

Delivering Sustainable Value³



IAAR, Chairman's Message, In Conversation With Our GCEO, and Financial Resilience on pages 10, 13 to 22 and 51 to 60

¹ Based on constant rate using FY2022 average forex rate

² Excludes Ncell and EDOTCO Myanmar EBITDA contribution and EDOTCO Myanmar's Debt

³ All financial data are based on continuing operations

⁴ Excludes goodwill/assets impairment, PPA amortisation, foreign exchange losses and derivatives and one-off regulatory fees and penalties

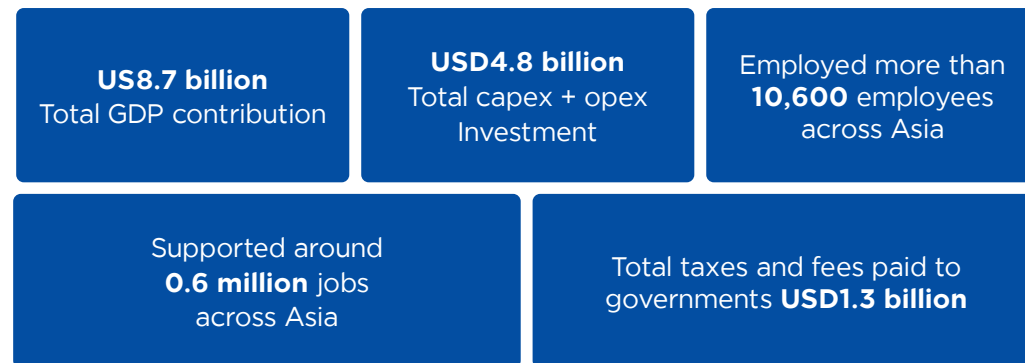
Delivering on M&A Synergies

- **CelcomDigi delivered gross synergies of RM366 million**, attributed to solid execution and efficient cost management on the back of sourcing efficiency and favourable renegotiations of commercial terms within the network integration and modernisation programme
- **Accelerated delayering in Indonesia** with proposed transformation of XL into a Converged ServeCo to capture Fixed Broadband (FBB) and Fixed Mobile Convergence (FMC) demand, and Link Net into a fibre InfraCo (FibreCo) to scale up FTTH access to 8 million homes, which will be implemented by 2029
- **Proposed merger of Dialog and Airtel's operations in Sri Lanka** with signing of binding term sheet between Dialog Axiata and Bharti Airtel. The transaction is subject to the relevant regulatory and shareholder approvals
- **Mitsui increased effective stake in ADA to 12.69% for USD58 million** and set a watermark valuation at USD550 million, signalling strong confidence in ADA's leadership in digital and data transformation capabilities across Asia

IAAR, In Conversation With Our GCEO on pages 13 to 22

National Contributions to the Countries We Operate In⁵

At Axiata, our endeavours have a significant impact on the economies and communities of the nine ASEAN and South Asian countries where we operate in. We strive to provide job opportunities, nurture talent and continuously invest in the telecommunications sector by developing infrastructure talent. Additionally, Axiata contributes to the local governments where we operate through tax payments and fees. Furthermore, we contribute to societal welfare through our ESG and philanthropic programmes, empowering communities around us.



SNCR, National Contribution Report on pages 105 to 125

⁵ National contribution figures include (i) 6 OpCos [XL, Link Net, Dialog, Robi, Smart, EDOTCO (excluding EDOTCO Myanmar)]; (ii) Axiata's operations in Malaysia for 7 entities as part of Malaysia's Digital Ecosystem (ADA Malaysia, Axiata Digital Labs Malaysia, Boost Malaysia, EDOTCO Malaysia, Axiata Group Berhad, Axiata Foundation, Axiata Enterprise); and (iii) CelcomDigi which is a material Key Associate Company of Axiata, proportioned to Axiata's share of CelcomDigi which is 33.1%

NETWORK QUALITY & CONNECTIVITY

Axiata aspires to be more customer-focused to drive the growth and success of the Group. We strive to boost connectivity and connect communities in rural and underserved areas by providing reliable, robust and continuous connectivity. We believe that our initiatives to drive connectivity will contribute to the nation's economy and meet the evolving lifestyle needs of our consumers.

Why Is This Important

Axiata aims to continually improve network quality and connectivity by enhancing our technology, such as 5G networks and IoT, to gain customer trust and enhance competitiveness in the market. As a regional mobile telco and digital conglomerate, our customers, business partners and communities rely on us to deliver high-quality network coverage to meet their digital needs.

Outlook

Axiata will continue to improve its network operational efficiency by adopting the best technology strategy, architecture and network plans. Additionally, network automation and programmability are key considerations of the strategy for achieving operational efficiency. This will help to strike a good balance between network cost and customer experience. We aim to achieve our financial goals by boosting value and obtaining significant savings in capital expenditures by 2026. Our Network Cost Excellence initiatives will also help in maintaining flat Network OPEX, ensuring sustainable growth and efficiency. We remain committed to providing reliable and high-quality telecommunications access through mobile networks and fixed broadband services.

Our Approach

Axiata is dedicated to realising its vision of becoming The Next Generation Digital Champion by prioritising enhancements in its network and operations. We seek to develop these enhancements to provide reliable, affordable and resilient connectivity, ensuring uninterrupted service for consumers. Our Group's Network Transformation Programme and future network strategy have enabled us to pioneer sectoral technological advancements like 5G.

Additionally, our network transformation strategy underscores simplification and cost optimisation, embracing a cloud core infrastructure, capacity optimisation, 5G deployment, fiberisation rollout, network sharing exploration, open network architectures and rural connectivity expansion. The following key areas will support our Telco-TechCo journey and network transformation, which is discussed extensively in the IAR 2023.

How the Network Transformation Strategy Supports Axiata's Telco-TechCo Ambitions

Network Cost Excellence


- Shutting down 3G in all our markets and re-farming the spectrum to 4G
- Sweating the existing assets to carry more traffic while improving the customer experience via continuous optimisation of the network
- Ensure implementation of best practices through planning guidelines and quarterly project reviews
- Radio Access Network (RAN) feature standardisation and implementation for gaining continuous efficiency improvements
- Site solarisation and outdoorisation for reducing power cost and carbon footprint
- Business case-based network modernisations to improve network efficiency and continuity

Simplified, Cost-optimised and Futuristic Network Architecture

- Review network architecture to ensure all OpCos have flexible, agile, cost-optimised and futuristic architecture
- Ensure continuous fiberisation following a master plan
- Ensure 5G-ready network architecture across OpCos
- Ensure network is gradually evolved into a programmable network

ServeCo & FiberCo Delayering Between XL & Link Net

- The delayering exercise redefined XL as a ServeCo, positioning it as a converged mobile, fixed broadband and content service provider
- Link Net focused on core expertise in network development, as it strengthens its position as a leading FibreCo
 - Added around 430,000 FTTH home passes and rebuilt nearly 300,000 home passes from HFC to FTTH cable

 IAR, XL Review on pages 62 to 63 and Link Net Review on pages 72 to 73

Key Focus Areas for 2023

Enhancement in Radio Planning

- Introduction of a Value Based Planning (VBP) Tool to ensure capex is spent in the right place and at the right time
- Develop right spectrum implementation strategy together with the OpCos to optimise capex spendings

NETWORK QUALITY & CONNECTIVITY


Our Progress

The following shows our network coverage across our operating markets:


1  **XL axiata**

Country Indonesia	No. of BTS 2G : 55,131 4G : 104,993
Nature of Business Mobile	Network Coverage (by population coverage)
Customers 57.5 million	2G : 92% 4G : 96%
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	Technology Deployed Mobile: GSM/EDGE, LTE/LTE-A, 5G Pilot, MCPTT, IOT, eSIM Fixed Network: LTE, WIFI, DOCSIS, FTTx, Wibas Media: IPTV, DTH (Satellite TV) , ViU mini (Android Stick), ViU Hub 2.0 (Android TV, ViU APP for Android and IOS)	No. of BTS 2G: 5,553 4G Mobile Broadband: 5,411 4G Home Broadband: 2,552
Nature of Business Communication Services, Telecommunications Infrastructure Services, Media and Digital Services including Financial Services, Dialog Enterprise		Network Coverage (by population coverage) 2G : 98.52% 4G Mobile Broadband: 96.08% 4G Home Broadband: 71.94% (Outdoor Coverage)
Customers 16.9 million		

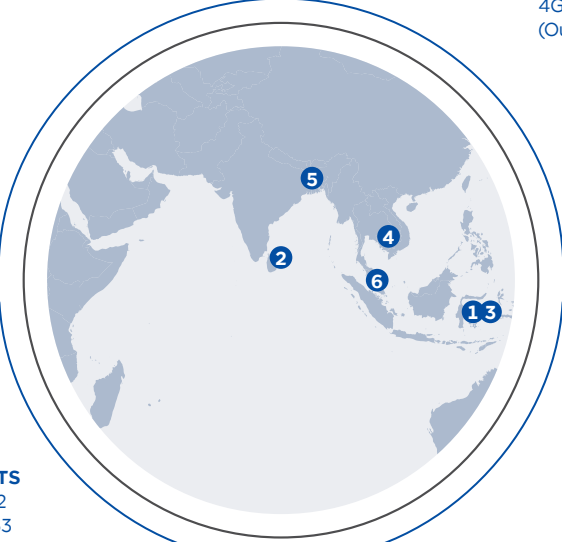
 Scan the QR code to visit Dialog's website

 **EDOTCO**

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

- 34,961 towers owned by EDOTCO
- 23,642 towers managed by EDOTCO


 Scan the QR code to visit EDOTCO's website




3  **linknet**


Country Indonesia	Technology Deployed Fixed-line Fibre Broadband
Nature of Business Internet Service Provider	Network Coverage (by population coverage)
Customers 0.8 million	3.5 million home passes

 Scan the QR code to visit Link Net's website


4  **Smart**

Country Cambodia	No. of BTS 2G : 3,512 4G : 3,563
Nature of Business Mobile Telecom Operator	Network Coverage (by population coverage)
Customers 8.2 million	2G : 99.7% 4G : 93.1%
Technology Deployed Mobile: GSM/EDGE, LTE/LTE-A, e-SIM	

 Scan the QR code to visit Smart's website

5  **robi**

Country Bangladesh	Customers 58.7 million
Nature of Business Mobile Telecom Operator	No. of BTS 2G BTS : 16,564 3G BTS : 2,417 4G BTS: 16,814
	Technology Deployed Mobile: GSM/EDGE, 3G/HSPA+, LTE/LTE-A, VoLTE, e-SIM
	Network Coverage (by population coverage) 2G : 99.78% 3G : 47.77% 4G : 98.79%

 Scan the QR code to visit Robi's website

6  **celcomdigi** Key Associate Company

Country Malaysia	Technology Deployed Mobile: GSM/GPRS/EDGE, LTE/LTE-A/VoLTE/VoWiFi, 5G
Nature of Business Mobile Telecommunications	
Customers 20.6 million	Network Coverage (by population coverage) 4G LTE : 97% 4G LTE+ : 91%



NETWORK QUALITY & CONNECTIVITY

Connecting People Through Smart Innovations

In our steadfast commitment to enhancing digital services and connectivity throughout the ASEAN and the South Asia region, Axiata and its OpCos have implemented a wide spectrum of initiatives to expand and improve network coverage. Through these efforts, we aim to bridge the digital divide, empower communities and foster socioeconomic development in the countries where we operate.



- Collaborated in 5G Private Network projects with Huawei
- Continued to improve mobile network coverage, evident in the growth of subscriber traffic (9,638 Pb) from 57.5 million subscribers
- Emphasised convergence, resulting in an additional 235,000 Fibre to the Home (FTTH) subscribers connected and expanded coverage in 86 cities
- Continued rural connectivity programme in collaboration with BAKTI
- Implemented key initiatives to improve network quality:
 - Enhanced reliability of transport network by adding AG Distributions and expanding and modernising Multiprotocol Label Switching (MPLS) for increased reliability with auto re-routing capabilities
 - Aggressively improved network access with extensive network coverage enhancements
 - Expanded core network to enhance user experience



- On 15 November 2023, the 3G network was completely shut down, marking the completion of the 3G Sunset Project with considerable energy savings from legacy equipment
- Following the shutdown, the spectrum used for 3G was re-allocated to enhance the 4G-MBB, improving user throughput and experience across the network
- While the 5G trial has been extended to 2024, Dialog has successfully trialled Voice over New Radio (VoNR) 5G services for the first time in Sri Lanka during the year under review
- Transitioning the core network from legacy data centres to modern, energy-efficient facilities has led to a reduction in energy consumption and carbon footprint



- Successfully completed 3G network shutdown in most parts of the country except Dhaka
- Successfully implemented New Site deployment and L2600 co-location project:
 - Deployed approximately 1,000 new sites, increasing nationwide basic indoor coverage from 90% to 92%
 - Integrated 3,500 L2600 co-location sites into the network, resulting in over 50% improvement in user experience



- Improving connectivity and reducing the digital divide by connecting the unconnected with high-speed 4G and 4.5G connectivity
- Allocated a major portion of its capex to increase coverage and connect more people with high-speed data connectivity
- Collaborated with the Telecommunication Regulator of Cambodia to enhance the quality of service and improve coverage
- Developed a long-term roadmap aimed at enhancing the quality of service at 357 sites, starting with central regions and completed 162 QoS sites by the end of 2023
- Upgraded its fibre optic infrastructure and launched a multi-year workplan to boost backbone capacity, enhancing transmission resiliency by closing open-backhauling rings and incorporating redundancy to minimise interruptions



- Enhanced capacity and range
- Upgraded HFC bandwidth from 3.2MHz to 6.4MHz to enable more capacity for HFC customers
- Expanded network capacity by adding hub and Cable Modern Termination System (CMTS) to all areas
- Conducted regular Technology Quality Assurance inspections on capacity for all Fibernodes to maintain optimal levels and prevent network congestion

Advancing Rural and 5G Connectivity Across Malaysia



In its commitment to extend the network in Malaysia to unconnected and under-connected areas, in support of an initiative by the Malaysian Communications and Multimedia Commission (MCMC), EDOTCO has made significant strides in advancing Malaysia's digital aspirations. This involved two components; the first is providing rural connectivity by completing 223 sites in Project Jendela and the fiberisation of 12 towers under Clawback-19 project, laying 103km of fibre in rural areas.

The second component involves the 5G rollout, which is a significant milestone in our commitment to advancing Malaysia's digital landscape. In a major step forward for the nation's 5G vision, EDOTCO successfully enabled 500 of its existing 4G towers with 5G connectivity in 2023.

Since 2021, EDOTCO has been instrumental in expanding Malaysia's 5G infrastructure, completing a total of 1,695 5G sites nationwide, the highest in the country. This endeavour demonstrates EDOTCO's dedication to supporting Malaysia's 5G rollout, aligning with the government's goal of achieving 80% 5G coverage in populated areas nationwide by the end of the year through Digital Nasional Berhad.

The transition of these 4G towers to 5G reflects EDOTCO's commitment to advancing its infrastructure, supporting Malaysia's broader 5G connectivity vision. This achievement not only improves access to high-speed internet, driving economic growth and fostering innovation nationwide but also enhances digital infrastructure, benefitting businesses, communities and individuals. Furthermore, in line with its sustainability efforts, EDOTCO ensures that upgrading these existing towers to 5G reduces the need for additional structures, promoting eco-friendly practices and energy efficiency.

NETWORK QUALITY & CONNECTIVITY

Network Convergence, Digitisation and Automation

Modern telecommunications and network convergence streamline connectivity across devices and applications, enhancing efficiency and reducing costs for businesses. Digitisation converts analog processes to digital, improving efficiency. Automation mechanises repetitive tasks, conserving resources and boosting operational efficiency.

Axiata believes that these advancements drive digital transformation, enabling us to adapt to evolving market dynamics and delivering exceptional customer experiences in today’s dynamic digital landscape.

Greening the Future with the GigaGreen Radio Solution



With the growing demand from users and traffic, network-wide expansion is an ongoing endeavor at Smart, driven by a commitment to uphold top-notch service quality and enhance user experiences through cutting-edge technology. In collaboration with Huawei, a global ICT provider, Smart has introduced the world’s first FDD Tri Mid-Band 8T, ushering in a new era in customer experience. This initiative enhances service quality and provides a better end-user experience within the same infrastructure footprint, promoting environmental friendliness.

Objective, Goals & Targets:

- Improve service quality and alleviate network congestion to accommodate the surge in 4G traffic in high-density areas
- Enhance customer experience
- Achieve energy savings and promote energy efficiency

Impact:

- Increased speed by 2.5 times and boosted site traffic by approximately 30% (resulting in improved service quality)
- Reduced energy consumption

Smart takes pride in being the first mobile network operator in Cambodia and the region to adopt GigaGreen technology, placing priority on customer satisfaction and environmental sustainability.



XL Axiata and Huawei: Mapping the Future with the Network Digital Map



XL Axiata, a leading converged operator in Indonesia, and Huawei have successfully completed live network trials and commenced commercial use of the Network Digital Map in the Asia Pacific region. This milestone is based on end-to-end (E2E) SRv6 network architecture and software-defined networking (SDN) automation technology. Additionally, the digital map enables traffic optimisation and automatic load balancing, which improves bandwidth efficiency. It also rapidly addresses latency issues, enhancing the user experience for 4G/5G services and XL Axiata’s convergence business consumers.

For premium SRv6 private line services, differentiated Service Level Agreement (SLA) assurance is provided to support the growth of private line services and monetise premium packages. The formal contract signing signifies the commitment of both parties to deploy an automated, intelligent, converged IP transport network across XL Axiata, aligning with Axiata Group’s journey towards autonomous networks. The CTO of XL further emphasised that the network infrastructure construction is fundamental to digital transformation, aligning with its three core strategies: network convergence, digitalisation and automation, and a customer-centric approach.

XL Axiata and Huawei will continue to work together to strengthen the digital infrastructure and expand the widespread adoption of the Network Digital Map + E2E SRv6 automation to enhance customer satisfaction. Together, they strive to provide seamless and intelligent converged IP transport services, leading the transformation in the Asia-Pacific region and establishing a standard for the global digital economy.

NETWORK QUALITY & CONNECTIVITY

Network Resilience and Reliability

At Axiata, we understand the paramount importance of network resilience in keeping people connected, maintaining business operations and supporting critical infrastructure such as transportation, healthcare and energy. A robust and dependable network is also indispensable during emergencies and disasters. It facilitates prompt and effective communication among emergency responders, law enforcement and medical services, thereby safeguarding the safety and welfare of individuals.

Ensuring Resilient Connectivity



Bangladesh is ranked as the seventh extreme disaster risk-prone country in the world, according to the report from the Global Climate Risk Index 2021¹. The country is vulnerable to natural disasters and exposed to climate change, which can cause network reliability issues. Network reliability is crucial for communication during natural disasters and it is imperative that disrupted networks are restored at the fastest pace.

During the year under review, there were four incidents caused by natural disasters that disrupted networks and led to service interruptions. On three accounts, atmospheric disturbances resulted in cyclones which impacted Robi's services. In response, Robi implemented the following corrective measures:

Incident	Corrective Measures
Cyclone Mocha - 215 sites of Cox's Bazar (Chittagong South) were down and restored gradually along with power.	To ensure effective restoration of its networks, Robi pre-deployed its portable generators (PG) and field force on top of the round-the-clock monitoring that was conducted in its monitoring cell. Robi also refuelled its diesel generators (DG). The disruption caused by the disaster only lasted for a day.
Cyclone Hamoon - 736 sites down, with services impacted mainly in Cox's Bazar, Maheshkhali and surrounding areas.	To remedy the disruption that took place for over two days, Robi took precautionary measures by deploying its PG dimensioning scheme revamp to avoid any outage impact to counter the interruption.
Cyclone Midhili - a severe interruption of up to 3,524 sites, impacting services in Barisal, Cumilla, Chandpur, Noakhali, Chittagong Metro, Chittagong North/South/Outer, Sylhet South.	Due to the high number of sites which were down and disrupted services for three days, Robi took precautionary measures by redefining strategic sites in every district to avoid blackouts. Additionally, Robi conducted a PG dimensioning scheme revamp to avoid outage impact and identified 509 battery back-up sites for back-up improvement before summer.

Apart from the incidents above, a flood that struck Chittagong caused service disruption for 20 days, fully impacting 12 thanas in Chittagong South, while 10 thanas were partially impacted in Chittagong North. To remedy the situation, Robi meticulously planned its corrective action, including:

- Raising the base of flood impact sites - to be completed before the beginning of summer
- New site rollout - to take into consideration the flood impact on the base level
- Flood precautions - to better manage sites in the event of future occurrences, Robi aims to conduct:
 - DG refuelling
 - 24/7 monitoring cell
 - Pre-deployment of PG and field forces
 - Engage and gain support from the local authorities and landowners

Notes: ¹ <https://www.undp.org/bangladesh/publications/climate-vulnerability-index-draft>

Providing Unparalleled Network Reliability



As one of the leading telco companies in Sri Lanka, Dialog strives to manage systemic risks stemming from technology disruptions by undertaking significant initiatives to enhance network quality and reliability. These initiatives include the implementation of a solar power project, resulting in a 33% reduction in the number of operational electrical generators within the network. Additionally, Dialog increases its number of base stations and coverage year on year. During the year, Dialog also upgraded battery banks in the network, bolstering its ability to endure prolonged power outages and sustain network availability. Furthermore, Dialog achieved reductions in portable generator usage, resulting in cost savings from LKR2.5 million to LKR7.5 million. There were zero reported cases of network interruptions/disruptions in the year under review.

To ensure reliable coverage, Dialog implemented measures to address business continuity risks, such as those related to technology disruptions caused by technical failures, programming errors, cyberattacks, weather events, natural disasters or hosting facilities. To mitigate such risks, Dialog implemented these measures:

- Conduct regular disaster recovery drills at critical nodes
- Execute emergency handling drills with vendor support
- Maintain a detailed disaster recovery plan with recovery strategies for each node, reviewing it annually to assess impacts on peer systems
- Perform a comprehensive annual health audit of systems and address any identified issues
- Implement an automated backup mechanism for all critical nodes
- Conduct quarterly security vulnerability assessments on critical nodes, addressing trending vulnerabilities within pre-agreed SLAs
- Perform penetration tests and Telecommunication Security Assessment (TSA)



CUSTOMER EXPERIENCE

We cater to over 173 million users across our markets, delivering an exceptional customer experience to meet the diverse needs of our customers.

Why Is This Important

Customer experience plays a crucial role in business value creation, as it strongly correlates with financial outcomes. Enhancing customer experience to meet customer expectations will enable us to optimise economic value creation and mitigate the risk of revenue loss.

Outlook

We acknowledge that customer experience of the future will be AI driven, as the advancement of AI will narrow the gap between human-like meaningful dialogue and machine interaction in voiceBOTS. This will include identifying customer needs and behaviour through AI to meet customer expectations. Enhancing customer experience will also be driven largely by our commitment to becoming a socially and environmentally conscious business with shared values.

Our Approach

In our operating companies throughout the region, we have advanced significantly in developing a comprehensive Customer Experience (CX) framework. This framework enhances the delivery of exceptional customer experiences by integrating both digital and traditional touchpoints to meet individual needs and ensure convenience. Our Customer Charter is dedicated to garnering positive feedback, employing surveys at various interactional touchpoints. Metrics such as Relative NPS, touchpoint NPS, Customer Effort Score, Net Trust Score, Digital Reputation Score, Customer Satisfaction Score, First Call Resolution and Customer Lifetime Value help us gauge our effectiveness.

Embodying Axiata's core values of customer intimacy and obsession, our strategy promotes uniformity across all OpCos through a robust CX governance model. This model encompasses regular evaluations, knowledge exchange and cooperative efforts, allowing all Axiata OpCos to develop leading-edge CX practices, benchmarks, standards and measures. Such practices not only boost transparency but also fortify customer loyalty, positioning us as the preferred brand in the markets we serve.

We are also enhancing our customer management capabilities by investing in cutting-edge technologies like generative AI, ChatGPT, Data Privacy and Security Enhancements, Data Analytics, AI & ML, AR, VR and MR. These investments are geared towards continuously refining our service offerings, providing our customers with more consistent and swift solutions that deliver superior value and satisfaction.

Customer Experience

Voc, Customer Insight & Understanding	Customer Experience Strategy	Customer-Centric Culture
Organisational Adoption & Accountability	Metric, Measurement & Return on Investment	Experience Design, Improvement & Innovation

The Six Pillars of Great CEX

- 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

CUSTOMER EXPERIENCE

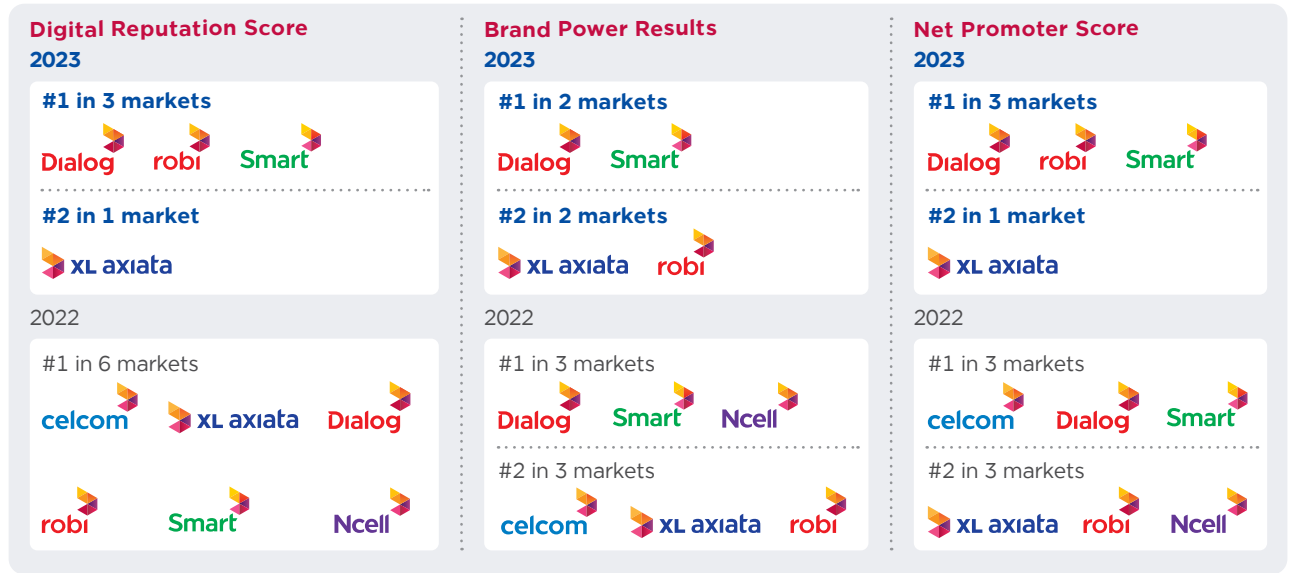
Our Progress

Customer Satisfaction

We closely monitor our customer satisfaction scores and performance indicators across OpCos to ensure that we are meeting the needs of consumers in our operational areas. The CX Key Performance Indicators (KPIs) for our OpCos are established annually and benchmarked against industry peers, while their performance is reviewed quarterly. By leveraging the strengths of our networks, platforms, services and personnel, we uphold our brand promise, enhancing our customer experience metrics.

Many of our OpCos lead their respective markets in all three score categories. We plan to sustain this trend and ensure that our customers remain satisfied with our services.

How We Measure and Communicate Our Value



Customer Satisfaction Performance (Digital Business)

Boost continued to expand its fintech ecosystem in the lead up to the digital bank launch, by expanding its product offerings to include wider PayLater solutions, including Boost PayFlex and the Beyond Card.

Achieved a remarkable NPS score of 41.5, a notable 66% year-on-year increase, by understanding customers' challenges and delivering value-driven solutions that foster partner growth.

Provided support for enterprise solutions, digitisation, analytics and enhanced digital customer experience throughout the Axiata ecosystem. Achieved an average customer satisfaction score of 4.26 in FY2023, with a project delivery response rate exceeding 85%.

Enhancing Customer Experience

To ensure a seamless and engaging experience, we implemented initiatives to enhance customer experience, including digitisation, to support the development of our products and services. In 2023, our OpCos executed the initiatives below with supportive results:

- Dialog**
 - MyDialog App was the most downloaded communication app with over eight million users
 - Dialog Digital Care achieved a 64% increase in customer experience
 - Dialog's customer loyalty programme, Star Points, won the Gold Award for Best Loyalty Strategy in the Telecommunications category in Asia at the 2023 Loyalty and Engagement Awards in Singapore
- robi**
 - E-Bill penetration drive - Reduced carbon emissions and promoted paperless billing, achieving 97.5% subscription rate among postpaid customers
 - Doorstep service expansion - Launched Doorstep service to 21 new areas, increasing coverage to 101 areas
 - Incorporated retailer top queries in RedCube to enhance retailers' self-service capabilities. This has reduced dependency on assisted service, leading to a 61% reduction in query calls
- Smart**
 - Retail operations - Improved service time operation in Smart Shop, enhancing customer and employee satisfaction
 - Enhanced customer experience with Smart eSIM, digital vouchers and dynamic balance updates, resulting in an increase of 49.4% of users since 2022
 - Enhanced the Data Balance presentation in the SmartNas app and introduced a Data Balance History feature to increase transparency for customers
 - Home Internet Enabler in SmartNas App - Enables access to booking and managing the new expanded business segment, including Home Internet Fixed Wireless Broadband (FWBB) and Fibre to the X (FTTx)
- Boost**
 - Boost continued to expand its fintech ecosystem in the lead up to the digital bank launch, by expanding its product offerings to include wider PayLater solutions, including Boost PayFlex and the Beyond Card
 - Enhanced its electronic know your customer (eKYC) process and operational efficiency in financing

CUSTOMER EXPERIENCE


Customer Feedback and Complaints

Axiata captures customer feedback and gathers real-time data at touchpoints to enhance the interaction between users and digital platforms through a human-centric approach. Complaints, feedback and requests are logged through various self-care channels and assisted care channels. These are processed based on category, priority and set Service Level Agreements (SLAs) to address customer pain points, contributing to positive customer experience and upholding business values. OpCos like Dialog and Robi allow customers to track the status of complaint resolutions.


Mitigating Customers' Concerns

As Axiata endeavours to provide safe, accessible and user-friendly products and services, we remain committed to listening to our customers and understanding the challenges they face with our products. Axiata is aware that there may be shortcomings in its product and service delivery, and therefore, we strive to identify areas for improvement and fill gaps to give our customers what they need and deserve.

The following are some of our OpCos' customers key concerns along with actions taken to resolve them:



- **Bonus Offers for MFS Products** – Robi received feedback that many customers did not receive bonus offers promptly. This led to a cross-functional collaboration between Customer Experience, Product and Tech, launching an instant bonus disbursement, which resulted in a daily average reduction of 400 query calls/complaints
- **Frequent Price Increase and Product Changes** – Many customers expressed dissatisfaction and requested for data products with a shorter validity period and lower pricing. To mitigate this issue, Robi promoted available packages and benchmarked the value of these packages against alternative products, successfully neutralising the negative impact



- Responding to increased data usage demands, Smart introduced a new tariff plan with larger data packages and streamlined the SmartNas app interface to improve transparency of balance information
- **Network Service Quality** – Smart received feedback on network service quality and resolved to improve the complaints management process internally and by engaging a third party to achieve better resolution times
- Implemented performance tracking for complaint resolutions across call centres, back office support, service operation centres and vendors:
 - 97.87% of complaints resolved within 24 hours
 - 98.56% of complaints resolved within 48 hours



- **Responsible Financing** - In October 2023, Boost partnered with CelcomDigi and Mastercard to launch the Beyond Card, Malaysia's first global prepaid card which enables PayLater at over 100 million merchants worldwide. By offering responsible Shariah-Compliant financing through individual affordability assessments, Boost is able to mitigate industry concerns and safeguard customers from excessive debt burdens, as a responsible and regulated fintech player

Providing Customers Access to Complaint Status



Robi spearheaded an initiative by introducing a real-time customer complaint dashboard, enabling immediate tracking of complaints, automatic alerts and escalation of issues to relevant personnel for resolution. In 2023, Robi enhanced its omni-channel customer complaint journey and channel capabilities, enabling customers to submit and monitor their complaints and status across any channel. As a result, complaint submissions through the digital self-care channel increased by 9% compared to 2022.



Case Study



Dialog, a subsidiary of Axiata Group, has established itself as a customer-centric telecommunication service provider by prioritising exceptional customer experiences through both digital and traditional mediums and resolving customer issues more effectively.

With a robust customer trouble ticket system, Dialog ensures that customer concerns are addressed promptly and efficiently. Through a centralised system, Dialog records and prioritises complaints received from various touchpoints, aiming to resolve them during the initial contact. If a complaint requires further attention, it is escalated to relevant channels. Procedures are in place for higher management levels' involvement, enabling customers to directly reach out to the senior leadership if their concerns remain unaddressed. Customers can easily track the status of their trouble tickets through the MyDialog App, providing transparency and peace of mind. To enhance the complaint resolution process, Dialog employs a 'closed-loop process' that monitors the resolution efficacy from the customer itself and triggers customer effort survey to gauge customer satisfaction.

Daily customer experience dashboards and monthly forums enable Dialog to address feedback from Voice of the Customer (VoC) analysis, ensuring continuous improvement.

Leveraging the power of technology, Dialog has implemented an AI-powered Virtual Digital Assistant (DIA), which offers a seamless and autonomous virtual assistant experience. With features like first-contact resolution, intelligent ticket classification and trilingual support, DIA simplifies problem escalation and significantly reduces effort required for resolution. By the end of 2023, DIA captured nearly 100% more chat resolutions, enhancing the customer experience.

Dialog's commitment to resolving network and coverage issues is evident through empowering its Customer Interaction Centre (CIC) and Customer Resolution Centre (CRC) employees. By directly tackling these issues and providing first contact resolutions, Dialog has achieved a remarkable 30% reduction in network and coverage-related complaint tickets handled through CRC. The company's digital platforms have also experienced growth, with increased transactions through the MyDialog App and enhanced community engagement communications. Dialog's Cost Rescaling Strategy (CRS) has been successful, with the implementation of Lean Six Sigma initiatives and CRS-specific initiatives resulting in substantial savings of USD8.3 million.

Dialog's dedication to customer satisfaction has been recognised with the prestigious **Forrester 'Customer-Obsessed Enterprise Award - APAC Region 2023'**. This accolade highlights Dialog's strategic deployment of digital initiatives to foster growth, retain customers and engage employees. Through its customer-centric approach, advanced technology and continuous improvement efforts, Dialog is committed to empowering both customers and employees, resolving complaints efficiently and delivering a seamless connectivity experience.

DIGITAL INCLUSION

The digital landscape is expanding, yet a significant number of individuals remain on the fringes, unable to fully participate. This digital divide is complex and pervasive, encompassing issues from access and connectivity to the ability to use digital tools for meaningful purposes.

Why Is This Important

As our operations are based in the South Asian and ASEAN regions with emerging markets, it is essential for us to strive to overcome obstacles to enhance digital availability, affordability, readiness and relevance. Providing digital access to all segments of community, including the underserved and marginalised, does not only unlock the vast economic potential technology offers but also ensures a more inclusive digital future for everyone.














Outlook

Axiata is dedicated to creating a profound and enduring effect on the lives of consumers by championing digital inclusion, guided by multi-year objectives aimed at fostering significant progress. Our commitment revolves around crafting products, services, projects and initiatives designed to empower communities and deliver lasting benefits. Looking ahead, our efforts will be focused on three critical sectors: enhancing digital literacy, expanding access to digital financial services and improving healthcare services. In all our endeavours, user safety remains a paramount concern, ensuring that we provide impactful and secure solutions to those who stand to benefit the most.

Our Approach

At Axiata, our mission is to introduce technology to underserved communities, enabling them to harness the myriad opportunities it presents for fostering more equitable, prosperous and sustainable societies. We collaborate extensively with partners, governments and various stakeholders to support the most vulnerable groups. Our approach emphasises not just the accessibility of technology but its meaningful application, continuously raising awareness and deepening our comprehension of both existing and emerging challenges to bridge the digital divide effectively.

Our approach towards digital inclusion is driven by four pillars:

 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"> Connectivity Access to Vital Services 	<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"> Digital Skills 	<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"> Innovation for Social Impact Digital Financial Inclusion Digital Services for Business Empowering Marginalised Communicaties 	<p>Mitigating harm by protecting users and promoting the responsible use of technology.</p> <ul style="list-style-type: none"> Mitigating Harm & Responsible Use
   		 	 

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.

Our Progress

Digital Inclusion Benchmark



The Digital Inclusion Benchmark (DIB) is conducted by the World Benchmarking Alliance and evaluates the top 200 technology and communications companies worldwide. In 2023, we maintained our position in the top quartile for the fourth consecutive year, achieving a rank of 22 out of 200.

The assessment found that we performed well in relation to disclosures regarding our:

- Initiatives surrounding digital technology access and use
- Direct and indirect economic impacts, comprising tax payments and employment in different countries of operation
- Digital skills development initiatives
- A clear group privacy policy
- Various programmes to foster the tech startup ecosystem

Ranking position **#22/200** Total Score **51.4/100**

Measurement Area	Rank (0-200)
Access	#7
Skills	#25
Use	#21
Innovation	#62
Core Social Indicators	#61

DIGITAL INCLUSION

EDISON Alliance



The EDISON Alliance aims to improve lives globally through its 1 Billion Lives Challenge by ensuring affordable access to digital solutions across healthcare, finance and education by 2025. Axiata became part of the EDISON Alliance in December 2022, pledging to improve the lives of around 23 million people between 2022 and 2025 in the areas of healthcare, education and financial inclusion (inclusive of digital skills) across Asia.

As of the end of 2023, the Group has collectively and cumulatively benefitted around 19.3 million people.

 **12.6 million**
in healthcare

 **5.7 million**
in education

 **1.0 million**
in financial services

The cumulative progress is based on 13 programmes across XL, Dialog, Smart, Robi and Boost.* In 2024, we will relook at the shortlisted programmes with the aim of expanding both the scope and number of programmes across OpCos.

*Note: * At the time of the pledge in December 2022, there were 18 programmes inclusive of Celcom-Digi and Ncell. Both are no longer OpCos of Axiata Group*

Inclusive Access

Together with our Digital Telcos, we invest in network infrastructure to facilitate broadband communication access to connect communities, especially those in rural areas and educational institutions. Our primary focus is to improve access to vital services in healthcare and education, harnessing digital tools, technology and online platforms to benefit students, remote communities and the wider population.

Connectivity

Gerakan Donasi Kuota (GDK)/Quota Donation Movement



An ongoing initiative led by XL Axiata, GDK allows users to donate their Internet quota through Unstructured Supplementary Service Data Menu Browser (UMB) to educational institutes in Indonesia, such as schools and Islamic boarding schools. In 2023, over 6.9 million users donated their Internet quota and over 600,000 gigabytes Internet quota were collected. Going forward, XL Axiata will move the donation platform from UMB to digital apps.

Access to Vital Services

Our main goal is to make education and healthcare services more accessible with digital tools and platforms. Digital advancements can quickly broaden the reach of these services, including telemedicine and digital healthcare solutions, going beyond conventional methods and improving accessibility.

Education

Nenasa



- The Nenasa Educational App is a platform that offers all primary and secondary school students equal access to top-notch educational materials. As a free app, it has attracted over 35,000 users

Nenasa Smart School



- Since its launch in 2017, the initiative aims to digitally transform Sri Lanka's education sector by creating a smart ecosystem and training teachers to be ambassadors in their respective schools
- In 2023, Dialog concluded its support for the programme, which has impacted 750,000 students and 20,000 teachers

Nenasa TV Network

- Provides free, uninterrupted access to educational content for students who are preparing General Certificate of Education (GCE) Ordinary Level (O/L) examinations, with no data charges
- The platform has expanded to eight dedicated channels, with 100% geographical coverage in over 3,000 participating schools for free of charge, benefitting over 1.8 million viewers with credible educational content produced by the National Institute of Education
- Connected over 458 schools in rural Sri Lanka, transforming them into smart classrooms with full Android TV functionality



e-Thaksalawa



- Through a partnership with Sri Lanka's Ministry of Education, Dialog has been providing educational content for students via the ministry's e-Thaksalawa's learning platform without data charges since 2020
- The joint effort was for children whose learning were impacted due to disruptions of the COVID-19 pandemic and benefitted 2.2 million users in 2023

Dialog Edumix Learning Management System



- Dialog collaborated with Databox to enable educational institutions to provide educational content in a safe, convenient and cost-effective manner. This includes promotional campaigns, marketing activities and onboarding more institutions to provide free data access to students on Dialog Network
- In 2023, 97 institutions and 8,000 students benefitted from the initiative. This includes digitised learning for over 5,500 students, a pledge of 25.5 million for FY2023 and 37 million for FY2024

DIGITAL INCLUSION

Education



Computer Lab Donation - Kithulkote

- In June 2023, ADL donated a computer lab to Kithulkote Maha Vidyalaya, a rural school in the Uva Province of Sri Lanka. Contributions included space renovation, desktop computers, furniture, a projector and a projector screen to cultivate a conducive environment for learning
- The initiative benefitted 586 students, enhancing their digital skills and knowledge

Basic Education Equivalency Programme (BEEP)

Smart continues to support UNESCO's BEEP, which provides flexible, alternative education to out-of-school youths, enabling them to complete the equivalent of lower secondary/basic education up to Grade 9. It supports disadvantaged and vulnerable youths by providing them with skills training, allowing them to participate in technical and vocational education and training (TVET) programmes. BEEP has been embedded in Cambodia's Education Strategic Plan 2019-2023 and the National Youth Development Action Plan 2022-2026. It will be integrated in the National TVET Action Plan 2024-2028.



In April 2023, Smart reaffirmed its support for BEEP by signing a Memorandum of Understanding (MoU) with UNESCO Cambodia and Cambodia's Ministry of Education, Youth and Sport (MoEYS) and Ministry of Labour and Vocational Training. Smart contributed:

- 300 smart phones, 50 tablets and free internet data for five months to students and facilitators
- WiFi service for a whole year to 10 BEEP learning centres in various provinces

Since the inauguration of its first learning centre in 2019, BEEP has expanded to 27 learning centres, including correctional and rehabilitation centres, across 17 provinces and benefitted over 2,324 learners, including low-skilled and unemployed youths. About two-thirds of BEEP graduates have furthered their skill development at TVET institutions.

BEEP's impact in 2023

- 759 learners enrolled, with 516 graduates. All learners received career counselling and guidance services from BEEP facilitators, empowering skills development, with over 256 graduates enrolled in certificate level 1 (C1) at TVET institutions
- All the BEEP participants attended TVET Study Tours to learn about skills development and employment opportunities
- All 54 BEEP facilitators received refresher career counselling and guidance services training

Healthcare

Health Plus



Robi Health Plus is an all-in-one mobile health application. During the year, Robi enhanced its micro bundle service, providing Health Plus Mini and Health Plus Micro services to meet customer demands. Robi also redesigned the Health Plus apps and integrated the Arogga online medicine delivery platform into the apps, to facilitate users who need to purchase medication.

Additionally, Robi introduced the Special Doctor Service, providing customers access to various aspects in healthcare and medicine and onboarded Taboo content to accommodate those seeking advice on taboo health-related topics. In 2023, Robi Health Plus impacted 1,455,508 beneficiaries while its 2023 initiatives benefitted 11.7 million.

Beneficiaries: 1,445,508

Performance:

1. Special Doctor Service launch: 5,310
2. Dr. Ayesha Siddika's Taboo content launch: 15,310
3. Arogga online medicine launch: 14,976
4. Micro and Mini bundle service: 11,676,163
5. Robi Health Plus acquisition Robigold: 24,380

Refer to website [here](#)

Note: MyHealth, Robi's healthcare initiative in 2022, was discontinued in 2023

DIGITAL INCLUSION

Training For Digital Skills

In light of rapid technological advancements, we strive to offer comprehensive training and capacity-building initiatives. Axiata's goal is to bridge the digital skills gaps in our markets, focusing on supporting local communities, students and MSMEs. We are committed to closing this gap to empower women and rural populations who face literacy challenges.

Education

Case Study



Digital Literacy Programme

To bridge the gap in digital literacy skills in Cambodia, where only 30 percent of the population possess basic media and digital literacy skills, Smart continued its digital literacy programme in collaboration with the Ministry of Education, Youth and Sports (MoEYS). The programme aims to provide high school students with digital tools and increase awareness on online safety and encourage responsible internet usage. In addition to partnering with MoEYS, Smart Axiata joined forces with the Ministry of Post and Telecommunications (MPTC) and the Young SEAKers to train content creators and trainers for our training of trainers initiative.

Training of Trainers Programme

In 2023, Smart focused its training efforts on high school students in four main provinces: Monduliri, Kratie, Battambang and Svay Rieng, as well as university students residing in Phnom Penh. The programme comprised three phases – recruiting university students as volunteers to become trainers, providing training to high school students in provinces and empowering students to participate in a video competition. Through this effort, 42 university students and supporting teachers were engaged to train high school students.

These initiatives aim to strengthen Cambodia's overall digital capacity, creating a safer and more knowledgeable digital community. In 2023, the digital literacy workshops and training of trainers benefitted 1,440 individuals.

Award

Smart's Digital Literacy Programme, which contributes to the EDISON Alliance initiative in 2023, has been recognised with two awards by the American Chamber of Commerce (AMCHAM) Cambodia:

- Digital Inclusion – Large Company Award

Digital Talents: The Reality TV Show

Digital Talents is a nationwide semi-reality competition show targeting high school academic talents from grades 10 to 12, with a primary focus on promoting digital literacy. This engaging programme comprises 14 episodes, offering contestants and viewers alike valuable insights into digital technology.

Facebook views and beneficiary profiles

- Total applicants from four provinces and a capital city in Cambodia: **1,015** people
- Total views of Facebook Page: **6,977,100** views

Appmaker and Marketplace Outreach Programme



Dialog's programme aims to provide comprehensive support to familiarise Small Office/Home Office (SOHO), Small and Medium-sized Enterprises (SMEs) and students across all islands with Dialog's offerings. Participants were introduced to Dialog platforms, Dialog Ideamart APIs, digital marketing strategies, promotional tools and no-code/low-code platforms. The goal of this programme is to educate entrepreneurs about the benefits of using Dialog Marketplace, a valuable and affordable resource for digitalising businesses. Participants were given free access and received continuous support.



IT Industry Outreach Programme in Partnership with Hithawathi



ADL spearheaded an educational initiative in collaboration with Hithawathi to foster awareness and knowledge of information technology. The programme featured engaging discussions on software development and online safety and awareness, to pave the way for potential careers in the software industry and heighten awareness. The programme was also conducted at various schools, with 25 ADL employees volunteering a total of 38 hours, benefitting over 450 students.





DIGITAL INCLUSION

Innovation and Inclusive Services

At Axiata, we are committed to advancing Asia through technology, offering support such as training and funding to foster local innovation and startups. Our diverse solutions, spanning mobile finance to digital tools for agriculture, empower individuals and communities alike. We prioritise bridging the digital gap and promoting financial inclusion, alongside empowering women and ensuring accessibility for all users.

Digital Innovation Funds

Our vibrant ecosystem is made up of start-ups, each fuelled with active funding across 4 of our markets.

Digital Funds	2023 Highlights
 <p>Axiata Digital Innovation Fund (ADIF) Launched in 2014, ADIF is a collaboration with Malaysia Venture Capital Management (MAVCAP) and Johor Corporation Berhad JCorp).</p> <p>Total Investees: 17 (5 exits)</p>	<p>Disbursed RM63.2 million out of RM80 million, with RM42.8 million allocated to Bumiputera companies. Our efforts in 2023 provided 1,816 jobs and served 1.5 million SMEs, aligning with SDG 8 which aims to promote decent work and economic growth. Additionally, 29% of ADIF investees are founded by women, with five companies led by women, which is in line with SDG 5: Gender Equality. Also, 53% of these companies are Bumiputera.</p>
 <p>Dialog Innovation Fund (DADIF) DADIF was launched in 2017, allocating a total investment of LKR1.5675 billion to drive the growth of Sri Lanka's digital ecosystem.</p> <p>Total Investees: 10 (2 exits)</p>	<p>Fully disbursed LKR817.5 million for Fund 1 and LKR118 million out of LKR750 million for Fund 2. Our focus areas during the year were AI, IoT, Digital Healthcare, Insurance Tech, Edu-Tech, Agri-Tech and last-mile delivery for e-Commerce.</p>
 <p>r-ventures (Robi) Initiated in 2017, r-ventures is a pioneering digital entrepreneurship platform for the Bangladesh market.</p> <p>Total Investees: 16</p>	<p>Disbursed BDT132 million including BDT17.5 million in 2023. Additionally, r-ventures 3.0 concluded with 11 startups participating in the Grand Finale, where eight startups received eight crore taka investment from RedDot Digital Limited, SBK Tech Ventures, Angel Investor Kaniz Almas Khan, and Startup Bangladesh Limited.</p>
 <p>Smart Digital Innovation Fund (SADIF) Introduced in 2017, this initiative is organised with Forte Insurance and Mekong Strategic Capital Partners.</p> <p>Total Investees: 10</p>	<p>Prior to 2023, nearly USD2.95 million was disbursed from a total of USD5 million earmarked for companies ranging from early-stage to growth-stage and high-performing tech firms. In 2023, Smart reiterated our commitment to empowering digital entrepreneurs by partnering with Mekong Strategic Capital to provide funding for management and advisory services.</p>

Innovation for Social Impact

Our proactive approach since 2014 has involved funding and collaborating with tech startups to drive innovation and nurture the evolving digital ecosystems in our operating communities. These startups, in different stages of development, offer a variety of services, thereby generating numerous job opportunities.

Dialog Innovation Challenge (DIC)



DIC empowered Sri Lankans to address community issues through digital solutions. Launched in July 2023, the programme is slated to continue until May 2024 and is open to those aged 16 and above. DIC sought digital solutions from participants targeting industries like manufacturing, healthcare, fintech and education. The solutions had to be crafted using digital technologies like AI, machine learning, IoT, computer vision, blockchain, data analytics, robotics and cloud computing. Nationwide workshops were organised to bolster participants' understanding and proficiency in key areas such as design thinking and digital technologies. Participants enhanced their skills and gained practical insights and hands-on experience. Supported by both governmental entities and private sector partners, including the National Innovation Agency and the Ceylon Chamber of Commerce, these workshops fostered collaboration, knowledge exchange and innovation within the community. In 2023, 1,279 applications were received across diverse age groups, with selected teams set to undergo mentorship with industry leaders. Winning entries stood a chance of winning a portion of the LKR500 million DIF investment fund and gaining access to Dialog's innovation ecosystem.

Refer to website [here](#)





DIGITAL INCLUSION

Digital Financial Inclusion

Axiata's digital financial services are aimed at reducing the digital divide and promoting financial inclusion. By providing access to financial services and tools, we aim to enable communities to participate in the digital economy and improve their livelihoods.

Financial Services

Case Study



Boost, the fintech arm of Axiata, has evolved into a regional fintech leader driving financial inclusion in Southeast Asia. With its digital micro-financing business (Boost Credit), award-winning consumer fintech app (Boost Life), and merchant solutions (Boost Biz), Boost has been financially empowering users and MSMEs across Malaysia and Indonesia. Additionally, its cross-border payment platform (Boost Connect) supports over 100 global digital partners' growth across countries in Southeast Asia.

IAR, Boost's Review on pages 74 to 75

Boost Credit

- Offered micro-financing solutions ranging from RM1,000 and extending up to RM100,000 via a seamless a five-minute digital application journey
- Expanded our presence into Cambodia through a partnership with Smart Axiata, AMK MFI and Mora, to offer consumer-device financing
- Disbursed more than RM4 billion in micro-financing to MSMEs across Malaysia and Indonesia since inception

Boost Life

- Accumulated more than 11 million Boost Life app users in Malaysia as of 2023
- Launched the Beyond Card in October 2023
- Supported B40 families in the Back-to-School and Zero Hunger programmes with Asnaf, enabling them to purchase school essentials and food, in partnership with MAIWP since 2022

Reached out to over 58,000 B40 users to distribute Zakat funds since 2023

Boost Biz

- Launched Biz Merchant Wallet, the first local merchant wallet with a size of up to RM500,000, that simplifies business-related transactions
- Merchant touchpoints have grown to over 630,000 as of 2023

As of 2023, 182,300 new merchants are digitalised in support of the EDISON Alliance initiative

Boost drives Malaysia's cashless society agenda by promoting digital solutions and encouraging cashless transactions during events and among Malaysians.

Supporting a Cashless Society Agenda

Biz Merchant Wallet

Introduced the first local merchant wallet with a size of up to RM500,000, that simplifies business-related transactions with instant settlements and payments. Through the Biz Merchant Wallet, merchants can streamline business processes and access to cash flow, which is especially important for businesses such as MSMEs.

Bazaar Ramadhan Rahmah

Collaborated with KPDNHEP and benefitted visitors during the month of Ramadhan across three locations in Kuala Lumpur, Putrajaya, and Labuan.

eTunai Belia Rahmah

Collaborated with MOF/JPM, benefitting all eligible Malaysians aged 18-20, including those in Sabah and Sarawak.

Driving Greater Financial Inclusion Through PayLater Solutions

Boost is committed to offering digital financial solutions that ensure greater access to responsible financing for Malaysians.

Boost PayFlex

A PayLater solution for Malaysian Boost app users with Premium Wallet accounts, Boost PayFlex offers wider access to a Shariah-compliant credit line which enables up to three monthly instalments at 1.8 million DuitNow QR merchants nationwide. The credit line can also be used for Boost wallet balance top-ups, enabling PayLater options for in-app transactions. Boost ensures responsible financing by personalising credit lines based on users' affordability assessments.

Beyond Card

This innovative card is the first global prepaid card with PayLater in Malaysia, enabling CelcomDigi customers to access funds from the Boost wallet balance and utilise a pre-approved credit line. It is the first card in Malaysia with this unique feature and is accepted across Mastercard's over 100 million merchants worldwide. Additionally, the card is also the first in Malaysia and Southeast Asia to offer Mastercard Travel Rewards. It addresses financial inclusion gaps, targeting customers without cards or with basic ones by offering them a premium experience. It has garnered significant interest, achieving a 155% month-on-month increase in applications, about 60% customer retention, and 56% uptake of the PayFlex facility, earning a 4/5 rating from customers.

Financial Yang Ideal (FYI)

A social media series that provides financial education tailored to the underserved and unserved market segment. The series covers topics ranging from financial tips to debunking misconceptions about BNPL, presented in simple terms and in Bahasa Melayu for accessibility and relevance to the target audience. Through FYI, viewers gain valuable knowledge to manage their finances effectively. To date, the series has achieved an impressive social reach of over 1.5 million.

DIGITAL INCLUSION



EzCash

- Dialog has implemented an awareness programme, the UNDP women community engagement initiative, aimed at educating and empowering women in local communities. Dialog also provides loan facilities for retail channels to facilitate their growth and expansion
- The overall eZ Cash business serves 3.9 million customers island-wide through 36 million transactions, generating IDR74 billion in gross collection/bill payment value in 2023

249,539 new registrations from the unbanked/underbanked segment in 2023



Mora BNPL (Buy now pay later)

- Smart collaborated with Mora BNPL, Boost Axiata and AMK to launch BNPL services in Cambodia, targeting fintech users, Smart subscribers and existing Mora users
- The nationwide rollout enables Smart subscribers to access credit limits and make purchases at Smart Shops, with repayments in monthly instalments at competitive rates
- By providing access to smartphones and internet connectivity through installment plans, this initiative aligns with Smart's commitment to advancing technology in communities
 - In 2023, over 200 users registered with Mora BNPL, with more than 30 receiving an approved purchase limit

Digital top-up

- 53% increase in top-up through digital channel

Self-care App

- Monthly active users and transaction through SmartNas, with an increment of 49.40%

Digital Services for Business and Entrepreneurs

Axiata offers tailored digital solutions for businesses and individuals, assisting various sectors with vital data on crop health and weather. Through partnerships, we integrate entrepreneurs into the digital ecosystem, empowering them to make informed decisions for sustainable business growth.



- Championed by Robi, bdapps boasts over 57,000 app developers, with more than 10,000 female developers and offers access to over 101,000 applications on the platform
- Partnered with local NGO for Project Khadija, providing digital skills training to over 60 female madrasa students on app development. Under the project, 20 participants each earned an average of BDT5,000 and collectively amassed a total of BDT100,000 in earnings within just one month of training completion
- Collaborated with Bangladesh Open Source Network (BdOSN) for International Girls in ICT Day 2023 and organised the bdapps DigiGirls Contest, with the participation of more than 100 IT enthusiasts, leading to the creation of over 90 impressive apps
- A month-long series of tech workshops for Women's Day empowered over 1,000 women from 20 different districts, and 800 participants continued with bdapps as developers, generating income for their livelihood



- Dialog continues to foster sustainability in agriculture and fisheries with digital solutions, offering real-time market prices, digital payments, marketplaces, guidance on organic farming and research efforts to enhance crop quality and accuracy of information for farmers
- Govi Mithuru – impacted 1.1 million users, aiding over 200,000 app users and 850,000 IVR users through partnerships with the Ministry of Agriculture and universities to offer personalised agricultural advice for each farming cycle phase
- Saviya – in partnership with the International Executive Service Corps (IESC), offered dairy farming advisory service to approximately 50,000 small-scale farmers to enhance production capacity, milk quality and livestock health through daily voice calls and SMS support
- Saru – collaborated with the Universities of Moratuwa and Ruhuna to manage over 150,000 square. ft of protected house area to accelerate agriculture and improve crop quality through affordable IoT kits,y minimising manual intervention
- Sayuru – with over 110,000 registered users, the free trilingual weather service, including Sayuru televisions installed in 11 major harbours, are aimed at protecting fishermen's lives and promoting sustainable fishing, in partnership with the Department of Fisheries and Aquatic Resources and the Department of Meteorology
- Tea Value Chain – the Digital Agri Advisory service in partnership with the Tea Research Institute and supported by a GSMA Innovation Fund grant has onboarded 50,000 farmers, digitising their procurement systems
- Diriya.lk – partnered with Centre for Entrepreneurship and Innovation (CeFEnI), University of Sri Jayawardhanapura and Sri Lanka-Singapore Business Council (SLSBC) as a free trilingual online knowledge portal for over 15,000 Sri Lankan unique users to date, offering expertise, networking opportunities and access to downloadable content

Empowering Marginalised Communities

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

Women & Girls



Sisternet


- XL's Sisternet programme to digitise one million Indonesian women by 2025 under the motto #PerempuanNaikKelas (Women Level Up)
- Digitising over 500,000 women and female SMEs, the programme has significantly boosted their productivity by 30%, increased revenue by 13%, and expanded digital marketing coverage by 75%
- With the objectives to increase awareness and provide financial and market access, the programme positively impacted SMEs, with the top three industries being fashion, food and beverage, and handicraft
- The Sisternet app targets one million users and boasts more than 72,000 users currently, reaching 620,479 beneficiaries through various events and app activations and offered over 1,000 educational classes since 2015
- Noteworthy initiatives include the Kompetisi Modal Pintar 2023, which attracted over 14,000 women MSMEs, and the Sisternet Goes To Campus programme, which engaged more than 2,800 university students



DIGITAL INCLUSION


Digital Services for Business & Entrepreneurs (cont'd)

Women & Girls



RISEHER

- Focusing on sustainability, Dialog's tech entrepreneurship programme, hosted on the Ideamart platform, empowered over 1,000 female students and SME business owners island-wide through accessible workshops and online classes
- Partnering with Generation Alpha, our initiative not only imparts technical knowledge but also fosters confidence, with a special emphasis on accessibility




Technovation Girls Cambodia 2023

- In partnership with Tech for Kid Academy, the initiative empowered 197 girls aged 8 to 18 by learning app development, technology and entrepreneurship skills through a 12-week intensive training programme
- Supported by 15 mentors, 19 teams successfully submitted their app prototypes and business plans globally, with the culmination being the Technovation National Event


People with Disabilities

Making Web Browsing Accessible for All



Our unwavering commitment to inclusion is reflected on the journey that we are undertaking group-wide to enable web browsing for all walks of life. Along with its OpCos Dialog and Robi, the Group has recently revamped its official websites to prioritise accessibility for Persons with Disabilities (PWDs). Carried out in phases across the organisation, this upgrade includes features such as screen reader compatibility, accessible colour schemes and alternative text for images, ensuring a user-friendly experience for individuals with diverse needs. With customisable text, dyslexia-friendly features and multi-language support, the websites cater to a wide range of disabilities, including vision impairments, motor impairments and cognitive challenges. Our dedication to promote equal access to our digital touchpoints, communication and services, through the upgraded websites, mark the first steps in our journey towards digital inclusivity. These efforts are in line and support UN SDGs 9 and 10.

Empowering the Hearing-Impaired




Dialog introduced the trilingual version of the DeafTawk app in Sri Lanka, aligning with GSMA's principles and marking the country's first such initiative to bridge communication gaps for deaf and hearing-impaired individuals. The app facilitates seamless communication for deaf users through qualified local interpreters with service providers and family members. Users can access various packages while Dialog customers are able to use the app without data charges.

Bridging the Digital Gap for Persons with Disabilities (PWDs)

As a signatory to the GSMA's Principles for Driving the Digital Inclusion of PWDs, Dialog aims to foster a more inclusive society and amplify the voices of persons with disabilities using digital technology, narrowing the gap in access and use.


Understand how to reach and better serve persons with disabilities

- Web Accessibility** – The Group is ensuring equal access for PWDs, starting with its website upgrade as the first phase of a comprehensive plan to revamp all digital touchpoints
- Ratmalana Audiology Centre (RAC)** - Provided free testing and therapy services to over 100,000 clients and partners with the School of Deaf, covering operational expenses and other screening services

 Refer to website [here](#)



Deliver inclusive products and services that meet the diverse requirements of persons with disabilities

- Accessibility Tech Launch** – Dialog launched the DeafTawk platform to bridge communication barriers between the deaf community and wider society

 Refer to website [here](#)

Embrace disability inclusion at every level of the organisation

- PWD Enabler Programme** - Dialog and MAS Holdings launched the Dialog MAS Enabler Programme, aiming to support their professional development and foster inclusive workplaces

 Refer to website [here](#)  **SNCR**, Fair, Diverse and Inclusive Employment on page 70

DIGITAL INCLUSION

XL Axiata Peduli Disabilitas Programme



Embracing DEI, XL Axiata collaborated with Bloggercroy Indonesia Community, the National Blind Community, Benih Baik Indonesia Foundation, Gadjah Mada University Yogyakarta Campus Mosque, Indah Berbagi Foundation and Indonesia Inclusive Connection/KONEKIN to provide digital training to workers with disabilities. The Peduli Disabilitas programme is part of Pesantren Digital and has been conducted in Yogyakarta and Temanggung in three phases:

Phase 1

- Introduced the programme via a live-streamed podcast
- Disability representatives invited as speakers on the YouTube live stream at XL Axiata Tower Jakarta, sharing about obstacles, stigma and experiences in educational content creation on social media

Phase 2

- Digital literacy training held at the ABATA Islamic Boarding School in Temanggung, Central Java
- Imparted skills and provided materials as an introduction of the internet, and digital tools and how to create audiovisual works and positive photo content

Phase 3

- A workshop for Instagram and YouTube educational audio video content production was held at the UGM Campus Mosque, attended by people with visual disabilities from the National Blind Community
- Introduced digital publications and equality education on the use of worship facilities for the visually impaired in the form of videos

At the end of the training, the participants were asked to make three three-minute educational videos specifically for the National Blind Community as well as an educational video on equality in the utilisation of religious facilities for the visually impaired. Going forward, the programmes will be brought to Jakarta, Bandung, Medan and Surabaya.

Safe and Responsible Use of Technology

Axiata is dedicated to cultivating a secure and responsible digital environment by encouraging the prudent utilisation of technology. Our commitment involves proactive measures to safeguard users from potential harm, including threats such as Child Sexual Abuse Material (CSAM), cyberbullying, and other cyber risks.

Joining Forces to Block Child Sexual Abuse Material



In tandem with Axiata's vision to be The Next Generation Digital Champion, we believe a thriving digital ecosystem goes beyond business growth and includes social responsibility. This commitment resonates across our OpCos, which also prioritise online safety for children.

To solidify our commitment to make the internet a safer place for children and adults, Axiata officially joined the IWF in December 2023 to block access to Child Sexual Abuse Material. A technology-led, child protection organisation, the IWF is a not-for-profit organisation that works closely with the police, governments, NGOs and the internet industry globally. IWF detects, disrupts, removes and prevents online child sexual abuse materials, using its expertise and resources as effectively as possible. The organisation has been actively searching for the related imageries for 26 years and allows people to report to them anonymously from 50 countries, covering 2.6 billion people. It provides unique datasets and services to industry members to protect internet users from exposure to the related content, preventing the imagery from re-appearing and making it harder for offenders to find and share.

Our support for the IWF exemplifies our commitment to the safety and wellbeing of children across the markets we operate in. This effort is guided by the work of global organisations and law enforcement authorities, and our partnership with the IWF builds on our commitment to ensure the safety of children online. We will be working together with our OpCos across the Group to champion this cause, subject to consideration of local market landscape, going forward in 2024.

Refer to website [here](#)

DIGITAL INCLUSION

Both our Digital Telcos and Digital business units are devoted to fostering awareness among consumers regarding the potential online risks, with a specific emphasis on the wellbeing of children and youth. Recognising the significance of promoting responsible and safe digital practices, we are steadfast in nurturing a culture of digital responsibility.

Axiata Digital Labs (ADL) - KidsSafe - Ensuring Online Safety for Sri Lankan Children



ADL launched the KidsSafe online platform in March 2023 to raise awareness of child online safety for parents, caregivers and educators. The award-winning platform features:

- A range of content on safety measures for children and parents to equip themselves with knowledge on how to combat cyberbullying, cyberattacks and online harassment
- Details on governmental and non-governmental organisations that parents can reach out to for assistance
- A seamless and secure browsing experience that incorporates elements of sustainability and inclusivity such as being hosted on a green server, accessibility features and a website that has translation-enabled content and is screen adaptive

As of 31 December 2023
78,299
views



Refer to website [here](#)

1,293
user



Scan the QR code to watch the videos



Award

KidsSafe Wins @ the Best Web Award 2023

- Overall Award (Silver Winner)
- Best CSR Website Award (Gold Winner)
- Most Popular CSR Website Award (Gold Winner)

Child Helpline - 1098

In demonstrating our commitment to safeguarding the wellbeing of children in the digital realm and Robi's Child Online Safety Policy, Robi partnered with the National Child Helpline-1098 under the Department of Social Services in 2023 to act as one of its key advocates.. Through this partnership, Robi will promote 1098 as a one-stop solution for child online safety and support.



Bangladesh Safe Internet Forum

Robi has continued to support the Bangladesh Safe Internet Forum (BSIF) in partnership with Save the Children International. Through this public advocacy platform, we aim to raise public awareness about aspects including immoral and fraudulent internet activities, cybercrime, identity theft and online safety for everyone, including children.

Cyber Safe Programme Kids



This webinar was conducted for the internal employees of Link Net in December 2023 in conjunction with the Child Online Safety programme and was attended by 120 employees.

DIGITISATION & INNOVATION

The advancement of cloud technology, Artificial Intelligence (AI), Internet of Things (IoT), 5G and Edge Computing has reshaped our economy, industry and society, optimising processes, boosting efficiency and enhancing experiences. We are committed to integrating digitisation, innovation and analytics to achieve operational excellence and gain a competitive edge.

Why Is This Important

To realise our goal of becoming The Next Generation Digital Champion, we prioritise technological innovation to enhance the efficiency and effectiveness of our internal operations. Embracing digitisation and innovation fuels the digital transformation within our organisation, enabling growth and allowing us to meet our business objectives.

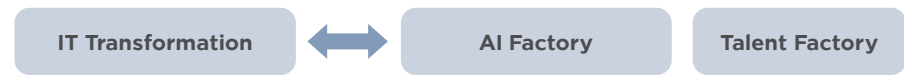
Outlook

Our digitisation and innovation efforts have laid the foundation to extend beyond our traditional connectivity offerings via B2C and B2B marketplaces, propelling us towards a future as a formidable technology company (TechCo). We are actively exploring and developing new digital products, platforms and partner ecosystems that transcend the boundaries of our legacy business model.

Our Approach

Our approach to digitisation and innovation is underpinned by our aspiration to become The Next Generation Digital Champion. This entails transitioning from a Telco to TechCo, developing solutions by seamlessly integrating digitisation and analytics within our AI Factory, as part of our IT Transformation strategy and becoming a leading enterprise service provider in the region.

Vision: Next Generation Digital Champion **Strategic Priority:** Telco-TechCo Journey



Furthermore, we are guided by five vectors of value creation and five business strategies, which are aligned with our aim to establish ourselves as a Sustainable Dividend Company. The strategy further accelerates our Telco-TechCo transformation, paving the way in the digital and technology front and ensuring consistent returns for stakeholders.

Axiata is an active member of multiple associations and has supported Open Source Standards bodies, and collaborated on projects aimed at advancing technical standards and fostering research and development (R&D). This endeavor encompasses supporting standards such as the Cloud Native Computing Foundation (CNCF), adopting TM Forum Open APIs and GSMA Open Gateway standards. Additionally, we have partnered with the University of Moratuwa to advance 5G/OpenRAN developments and collaborated with Hyperscalers on cloud-related R&D. These are just a few examples among numerous collaborations spanning certifications and projects.

Additionally, our OpCos invested in R&D to enhance products and solutions. This underscores our commitment to staying at the forefront of technological advancements and delivering cutting-edge offerings to meet the evolving needs of our customers and the market. Below are some of the R&D initiatives implemented by our OpCos:



- As X-Camp is an incubator for AI and IoT-based solutions, XL conducted R&D on products encompassing areas such as energy, logistics, agriculture and aquaculture



- The development of GSMA Open Gateway APIs within the DTE Telco Fabric and subsequent launch of these APIs into the Sri Lanka and Indonesia markets represent significant milestones in our strategic initiatives



- Focused on improving the Axonect product suite, collaborating with Communications Service Providers (CSPs) and technical entities to enhance solutions. ADL also partnered with Huawei on Telco Fabric (DTE), and CSG Ascendon on integrations to foster innovations, to make our proprietary Telco Fabric accessible worldwide



- A MoU was signed for the Bamboo R&D project to create a sustainable telco tower using bamboo. The implementation of the tubular tower has achieved energy savings of 8.8%, which accounts for up to 31% of the total GF tower rollout



DIGITISATION & INNOVATION

Our Progress

IT Transformation

As part of our ambition to become a TechCo, we have implemented extensive IT transformation and convergence strategies. Central to Axiata's IT transformation is the adoption of an API-driven, Middleware and Micro-Services architecture, which also enables the creation of Platform Businesses in parallel with accelerating the end-to-end digitisation of our business processes.

The TM Forum Open Digital Architecture layer plays a crucial role in the development of new services as well as fostering collaboration and innovation with partners. By exposing our capabilities through well-documented APIs, we enable seamless integration with partners and third-party developers, unlocking new opportunities for co-creation and ecosystem development. This approach aligns with our commitment to open standards and interoperability, positioning us as a catalyst for digital transformation.

Our commitment to Cloud FinOps and high-velocity DevOps practices has yielded significant benefits, enabling us to optimise our cloud spending, accelerate time-to-market and enhance operational efficiencies. By fostering a culture of collaboration, automation and continuous improvement, our Cloud FinOps and DevOps practices have become competitive differentiators, driving our transformation into a leading TechCo.

Looking ahead, we are actively exploring strategic partnerships to develop cutting-edge enterprise and private network solutions, capitalising on the unprecedented opportunities arising from our 5G and Edge network deployments. These partnerships will drive innovation, enable us to tap into new revenue streams, and fortify our position as a leading technology company.

 **IAR**, In Conversation with Our GCEO on pages 13 to 22

Setting the Scene for IT Transformation

Axiata implemented efforts to ensure that all OpCos are aligned with our vision of becoming The Next Generation Digital Champion. The following details our efforts in three focus areas:

Telco Fabric brings TMF ODA to life

Our proprietary Telco Fabric, also known as DTE and aligned with TMF Open Digital Architecture, has been successfully deployed across all our OpCos. This deployment includes an impressive aggregate of over 6,000 exposed APIs and more than 3,000 microservices. The implementation of DTE has not only accelerated our time to market but has also resulted in substantial cost savings. Furthermore, DTE serves as a catalyst in our transformation journey towards becoming a tech company. This transformation is evident not only in our internal software development processes but also in fostering collaboration and co-innovation within partner ecosystems.

Cloud at Scale

We are transitioning towards adopting a comprehensive cloud strategy at scale to provide operational efficiency gains through reduced overhead, automated scalability and group-wide discounted pricing.

Cloud at scale enabled agility and velocity by allowing rapid provisioning of resources, streamlining software deployment processes, and facilitating spin-up of development/test environments.

Additionally, through robust Cloud FinOps governance and cost optimisation strategies, we have achieved substantial cost savings while maintaining high levels of performance and availability.

Key Programmes

We incorporated AI Factory and Generative AI (GenAI) capabilities into our Big Data Lake implementation framework, empowering our teams to develop and deploy cutting-edge AI models and leverage the power of large language models for a wide range of applications.

Parallel to this, we have significantly increased our Continuous Integration and Continuous Deployment (CI/CD) velocity across our OpCos. This high-velocity approach has fostered agility, responsiveness and a culture of continuous improvement within our organisation.

To expedite our digital transformation, we have established our own DevOps entity, Axiata Digital Labs (ADL). ADL has enabled us to regain control of DevOps processes across our operating companies. Through ADL, we have facilitated software reuse, reduced the cost of service to our operating companies and enhanced software development velocity. ADL's platform-based development approach is aligned with ODA.

In 2023, we implemented several key changes and foundational improvements to realise our goal of becoming a comprehensive digital services provider. Our strategic initiatives are detailed below:

DTE/AXP Platform: Facilitates seamless interaction and compatibility across diverse digital services and systems. It complies with TM Forum and GSMA Open Gateway Standards and best practices, ensuring widespread operability within the telco ecosystem.

Open API Layer: Promotes connectivity and flexibility by allowing various systems, applications and services to interact seamlessly. It fosters collaboration with external partners and developers, driving innovation and quick deployment digital solutions.

DevOps Resources at Scale via ADL: Expands Agile developments, facilitates adaptation to changing requirements, accelerates development cycles and improves overall agility. ADL promotes continuous improvement and asset reuse at scale.

DIGITISATION & INNOVATION

Our Platforms and Solutions (Ecosystem) Providers



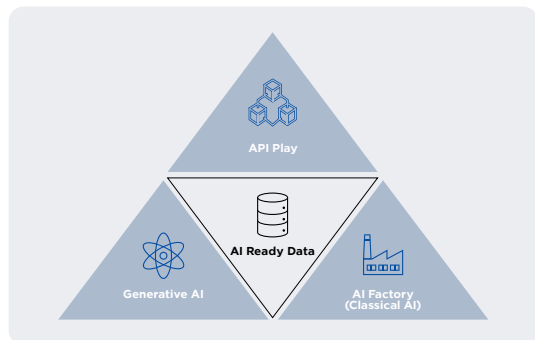
- ADL is recognised as an innovative software service and solutions provider, guides businesses in navigating the digital era with its wide range of products and services to enhance operational efficiency and innovation

IAR, ADL OpCo Review on pages 78 to 79



- ADA is in the B2B space with a vision to help enterprises drive digital transformation using data, AI and technology; our entire 'raison d'être' is digital transformation

IAR, ADA OpCo Review on pages 76 to 77



Maximising Value Through AI

Our approach to create value from AI focused on key building blocks where at the foundation is the concept of AI-ready data enabled by our standardised big data lake architecture. The AI Factory was engineered and set up as a platform where experts collaborate to develop, train and deploy AI models at high velocity and at scale to solve classical AI problems. Simultaneously, we are integrating Generative AI into this ecosystem to enhance impact of AI on key functions and business processes. Last but not least, our extensive API market acts as a bridge, seamlessly orchestrating AI Factory and Generative AI models to create maximum impact be it front office or back office processes/applications.

In line with our approach, in 2023 we completed several initiatives in AI:

- AI Factory Design and Build by Collective Brains, implemented in several OpCos
- Implementation of impactful use cases within the AI Factory Production domain. These included predicting customer churn, managing retail stock, enhancing trade visibility, employing AI for network planning, optimising sales force route planning, and boosting revenue upselling and cross-selling
- AI Governance and Ethics Guidelines published and readiness assessment completed for all OpCos
- A standardised group-wide methodology has been established to assess the impact of Analytics and AI. This facilitates continuous assessment and raising the bar for impact of AI in the organisation
- Data Architecture: Axiata Big Data Lake Blueprint (BDL 4.0) published across OpCos with a set of recommendations to upgrade existing data architecture. These recommendations aim to establish a Group-wide standard data architecture that effectively supports the smooth execution of the AI Factory
- AI/ML skills assessment for the analytics community across all OpCos. Based on the assessment results, personalised recommendations were provided to every participant to help them stay up to date with AI-related skills

We completed our AI Maturity Assessment Program (AIMM) in 2022, as the OpCos reached the desired level of maturity after several years of running the programme. In 2023, our primary focus was to drive scale and impact of AI via the AI Factory programme.

Embracing Generative AI in Back Office Operations and Customer Service



In developing solutions for back-office operations and customer service, it is crucial to incorporate new technological developments to future-proof our company and our OpCos. Generative AI has the potential to revolutionise both back-office performance and customer service. By leveraging Generative AI, our focus is to enhance efficiency, accuracy and customer satisfaction, driving business success.

In line with that view, we have experimented with few Generative AI use cases, namely:

1. Coding assistant to accelerate software development, enhance code quality, and improve overall productivity for developers. We will be driving coding assistant use case at scale across OpCos' IT teams in 2024.
2. Customer Problem resolution system; GenAI based chatbot to diagnose reasons for customer complaints.
3. Several other use cases have been explored and tested using the capabilities of Generative AI. Notably, experiments in marketing media generation, as well as email and PDF summarisation, have harnessed the power of Generative AI.

Talent Factory

In Axiata, ADL plays a pivotal role leading to transformative software services with a skilled team of over 1,300 adept software engineering and technology consulting professionals. Specialising in various domains such as agile development, full-stack web and mobile, DevOps, and cloud technologies, ADL drives digital transformation across diverse industries under the umbrella of Team AXONECT.

ADL focuses on attracting, nurturing and enhancing talent, with a strategic focus on skill augmentation and development.

Within ADL, cloud certifications are paramount for performance excellence, validating expertise across AWS, GCP, Huawei Cloud and Azure. This instils confidence in clients regarding ADL's ability to deliver secure, reliable cloud solutions, aligning seamlessly with Axiata Group's Telco-TechCo journey. ADL's mission extends beyond Telco, offering top-notch cloud services across various industries. ADL has delivered over 103 projects within the year 2023 for Axiata Group Companies and currently 182 projects are ongoing.

Notably, ADL has achieved significant milestones in Open API certification, ranking among the top six global IT tech giants, and holds a prestigious platinum status in the TM Forum Open API Programme with a portfolio of 50 certified open API certifications. This underscores ADL's commitment to excellence, innovation and leadership in advancing industry standards and best practices. ADL currently has 93 Cloud Certified Professionals across 16 certification levels and seven certification platforms.



DIGITISATION & INNOVATION

Smart Enterprise Solutions for Sustainable Development

The Group's continuous digitisation initiative includes offering enterprise solutions to support digital transformation across various industry verticals. This is led by Axiata Enterprise and is to empower businesses into embracing technological advancements targeting the four focus growth areas of Managed Connectivity, Managed Cloud, Cyber Security and Smart Services.



OpCo Enterprise Solutions



Contributing to the Nation-building Process



Empowering Businesses Through Digitisation

In becoming a leading enterprise service provider, we advocate digitisation among our stakeholders by facilitating connectivity and enhancing digital capabilities. We have more than 173,000 enterprise customers, enabling us to build new capabilities and generate opportunities, contributing to our growth and evolving business requirements.

We are also proactively establishing partnerships with leading global technology providers to maintain our competitive edge amidst the rapidly evolving technology landscape. This not only supports our capability building efforts, but also ensures the delivery of best-in-class solutions to our esteemed enterprise customers.

Axiata Enterprise

IAR, In Conversation with Our GCEO on page 19

Refer to website [here](#)

Digitisation plays a pivotal role in accelerating nation building by fostering economic growth, enhancing efficiency and promoting innovation across sectors.



Together with Axiata Enterprise, Robi collaborated with the Bangladesh Bureau of Statistics in a milestone project facilitating the execution of **Smart Bangladesh**, the country's first ever digital population census.

Impact

Our services supported the country in building a robust governance framework from the grassroots level and reducing its carbon footprint.



Dialog collaborated with iPhonik and operated and managed the **Government Information Center (GIC)**, which provides information from various government organisations to Sri Lankans. The GIC operates around the clock, provides trilingual services and can be reached via any telecom network by dialling 1919.

Impact

Our work benefitted an estimated **21,900,000** citizens with an investment of **LKR180 million**.



Our products and services enable businesses to streamline operations, achieve efficiency and unlock innovation, while adhering to sustainable practices. During the year under review, our OpCo Enterprise Units introduced various products and services to enterprises and SMEs.



XL launched **BIZ VIDA** in partnership with Vida Digital Identity, a trusted service provider for the world's digital signature industry leaders. BIZ VIDA incorporates VIDA's digital identity verification solution into XL Axiata Business Solution package.

Impact

The feature allowed both enterprises and SMEs to increase operational efficiency and reduce their paper usage.



In another initiative, XL collaborated with Pamapersada Nusantara (PAMA), a mining and earthmoving contractor, to provide hybrid LTE signals for the **digitalisation of its mining fleet**. This helped maximise mining automation. To support the fleet management system, PAMA developed the Early Warning and Control System PRO (EWACSPRO).

Impact

This project uses private networks to support EWACSPRO's crucial application in managing fleets, while public networks are used for workers' communication needs.



Smart launched **Smart for Business**, offering a comprehensive suite of 12 business solutions to bolster digital enablement for SMEs in Cambodia through affordable and effective business tools. These tools include advanced fleet management, digital HR systems, a comprehensive communication platform, secured high-speed internet and cloud storage.

Impact

Designed for seamless integration, these tools enabled SMEs to scale and compete in a digital-first world with robust customer support.



Additionally, Smart launched **CheckinMe** in 2024, a digital solution streamlining employee performance and attendance management. This provided support to enterprise clients, transforming paper-based systems into eco-friendly processes, automating attendance tracking and sales activities. With features for HR, SMEs and sales, CheckinMe fosters productivity and sustainability in the modern workplace.

Impact

HR practitioners, SMEs and sales personnel benefit from this initiative, which streamlines processes and promotes eco-friendly practices.



Google Workspace by Smart offers a cloud-based suite of productivity tools for businesses, including Gmail, Docs, Sheets, Slides, Drive, Calendar, and Meet. Designed to be user-friendly, it's ideal for Cambodia's small to medium-sized companies. This solution enhances productivity and collaboration by simplifying business management. It also provides cost savings and security, with special offers on Smart mobile connectivity available, all covered by a single monthly fee that includes all features and necessary data traffic.

Impact

Enhances business efficiency and reduces operational cost.





DIGITISATION & INNOVATION

Empowering Businesses Through Digitisation (Cont'd) Supporting Our Communities



Dialog executed the **CX Project**, an ongoing project worth approximately LKR3 million for **Tee Jay Lanka**, a sewing factory located in Seethawaka Industrial Park, Sri Lanka.

Impact

Designed for seamless integration, these tools enabled SMEs to scale and compete in a digital-first world with robust customer support.



Dialog partnered with the University of Moratuwa to introduce a **Cold Room Monitoring system** at Bandaranaike International Airport's Cargo Village from 2022 to 2023. The objective was to maintain optimal temperatures in cold rooms, leading to energy savings and a decreased carbon footprint.

Impact

The implementation of Dialog's Cold Room Monitoring system at Sri Lankan Airline Cargo improved temperature control, leading to energy savings and reduced carbon emissions, while also boosting overall logistics efficiency.



Digitisation plays an important role in communities as it enhances access to information, improves communication, promotes economic growth and social inclusion.



XL has signed a five-year collaboration programme with the Faculty of Medicine of Universitas Jenderal Soedirman (UNSOED) for the **Smart Campus** solution services and digital learning development. The aim of the initiative is to improve the quality of education via the implementation of technological and digital learning, including IoT, in Indonesia.

Impact:

A digital learning ecosystem and smart campus solution that catalyses digitisation in the education sector.



In another initiative, **X-Bright**, a smart streetlight solution was implemented in the municipalities of Banyumas, Bengkulu and Tasikmalaya, optimising streetlight usage, reducing electricity consumption and supporting green city initiatives.

Impact:

This initiative optimises energy consumption by regulating streetlight usage and bolsters community safety.



Link Net enabled the adoption of **smart parking solutions at a mall in Indonesia** which automates the indication of empty parking spots and produces data reports.

Impact:

The system prevents crime and increases convenience for visitors to the mall.



In collaboration with Axiata Enterprise, Robi developed a digital financial service-based mobile app, **dCloud for First Security Islami Bank**. dCloud improves the bank's customer-centric appeal by supporting new account opening, fund transfer facilities, money top up from cards, utility bill payment, mobile recharge and viewing of investment facilities for customers.

Impact:

Our efforts foster better financial management in the community.



ADVANCING GREEN ECONOMY



What This Means to Us

We firmly believe that Asia's advancement is intrinsically linked to a harmonious balance between digital progress and environmental wellbeing. We understand that sustainable development is paramount to our planet, thriving alongside technological innovation. Through collaboration and partnership, Axiata strives to catalyse solutions for decarbonisation, ensuring a sustainable future for both Asia and our planet.

Material Matters

Climate Change - page 55

- ▶ Reduced Scope 1 emissions by 6.5% in 2023 vs 2022
- ▶ Increased solar sites by 25% against 2022
- ▶ Second year of Task Force on Climate-related Financial Disclosures (TCFD) reporting

Environmental Management - page 64

- ▶ Rolled out internal awareness campaigns and initiatives on sustainability practices
- ▶ Outlined initiatives related to waste and water management
- ▶ EDOTCO protected endangered birds as part of biodiversity conservation

Prioritised UN SDGs



CLIMATE CHANGE

Incorporating climate action into our broader sustainability agenda is crucial, given the clear findings of climate science and the call for action. Aligning our actions with our purpose of Advancing Asia fosters sustainable development and uplifts the markets we operate in.

Why Is This Important

Commitment to clear climate targets is essential for aligning the Company's operations with sustainability goals, enhancing resilience to climate risks, fostering innovation and market leadership and achieving long-term cost savings and efficiency. These initiatives are critical to reinforcing our position as a responsible and forward-thinking company.

Outlook

We remain optimistic about the emergence of new technologies, shifts in the regulatory landscape, and increasing national-level action to expedite the transition to a low-carbon economy. We recognise the importance of forging transformative partnerships through collaborations within our industry, across sectors, and with government agencies. This enables us to amplify our impact and accelerate the transition towards a lower-carbon economy. We will prioritise investments in energy efficiency and renewable energy solutions as we seek to deliver on our commitment to navigate the evolving regulatory landscape and climate policies to effectively mitigate climate impacts and shift to a low-carbon economy.

Our Approach

In response to the urgent need for climate action and resilience, we have committed to clear climate targets aligned with the Science Based Targets initiative (SBTi) Business Ambition for 1.5°C. Our commitment to be net-zero no later than 2050 reflects our sense of responsibility to future generations. It forms the premise of our Net-Zero Carbon Roadmap.

This is supported by adopting Task Force on Climate-related Financial Disclosures (TCFD) recommendations which provide a structured framework to enhance our ability to manage climate matters and disclosures effectively.

Our Progress

Net-Zero Carbon Pathway

As we deepen our Telco-TechCo journey, we aspire to set a leading example across our operations to take a proactive approach towards minimising the effects of climate change. Through our roadmap, we have set out a three-pronged strategy to decarbonise our network operations, transform our value chain and advance an inclusive climate agenda. The roadmap, launched in May 2022, will be updated to reflect actions required to meet the SBTi-validated target currently pending validation.

Objective

1 Accelerate Decarbonisation of Network Operations

Enhance Energy Efficiency

Reduce network energy consumption by enhancing energy efficiency

Enhancing energy efficiency is one of our priorities as we seek to achieve net-zero no later than 2050. We have been exploring several energy optimisation solutions, including optimising infrastructure by investing in modern power systems. This involves abandoning cooling at radio sites by transforming legacy indoor sites into outdoor sites. We have also installed solar panels at thousands of sites across our markets to enable a hybrid power supply. We will continue to explore energy efficiency solutions, including network modernisation, and develop energy efficiency efforts with our partners.

Increase Usage of Renewable Energy


Increase network renewable energy consumption from self-generated or purchased energy

The energy mix from the national grids in our markets where we operate are carbon intensive. This is because the electricity is generated using fossil fuels such as coal, gas and oil. We have actively embraced adopting renewable energy at our base stations where feasible to minimise carbon emissions. Switching to solar power has decreased the consumption of grid electricity and fuel in generator sets. Additionally, OpCos have substituted generators with lithium batteries and implemented a hybrid system of charging and discharging batteries to power Base Transceiver Stations (BTS) in remote locations. These initiatives have reduced diesel consumption. Moreover, renewable energy such as solar power, wind turbines and solar-wind hybrids are used to power our telco towers while reducing carbon emissions.

Progress

Continued focus on driving energy efficiency has resulted in approximately 24% reduction in network fuel energy usage

Our collective efforts have resulted in the establishment of over 4,500 solar sites by the end of 2023, reflecting approximately 25% increase compared to 2022.

 **SNCR.** Decarbonising Our Network Operations on page 63

CLIMATE CHANGE

Net-Zero Carbon Pathway (cont'd)

Objective

2

Accelerate the Transformation of Our Value Chain


Engage and Collaborate with Partners across Our Value Chain

Increase our suppliers' climate management and carbon performance in their operations

As part of our efforts to shift towards a low-carbon value chain, we have defined and identified the sources of emissions across our supply chain. Determining the baseline of our Scope 3 carbon emissions will help define the hot spots and allow us to decarbonise our supply chain. As such, we have adopted a globally recognised methodology for telecommunication operators to assess and report on Scope 3 carbon emissions. The methodology was developed by the Global System for Mobile Communications Association (GSMA), Global Enabling Sustainability Initiative (GeSI) and International Telecommunication Union (ITU). This will enable us to enhance our engagement programmes with suppliers and vendors, vital in reducing our supply chain emissions of our supply chain.

Progress

In 2023, we established Scope 3 emissions for 2022, which serves as our baseline year. We worked with an independent third party to review and verify the boundary and completeness of the data collected.

 **SNCR**, Decarbonising Our Network Operations on page 63

Objective

3

Deliver an Inclusive Climate Agenda

Increase Carbon Removal Activities

Neutralise residual carbon emission through natural or technological solutions in owned and supported projects

The SBTi Standard clearly states that neutralisation - removals after abatement - and Beyond Value Chain Mitigation (BVCM) - removals and reduction outside of company value chains - are crucial for achieving net-zero. However, they must be prioritised after value chain emissions reductions¹.

Progress


We will continue to keep up to date with guidance on neutralisation and BVCM from SBTi and incorporate it into our net-zero strategy.

Enabling Carbon Avoidance

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

We seek to promote carbon avoidance efforts across society. We are committed to enabling society, businesses, enterprises and small- and medium-sized enterprises (SMEs) to achieve carbon avoidance by providing products and services that enable emissions reductions. Mobile and digital technology could enable emissions savings of 40% in four major industries that comprise 80% of global emissions (power and energy, transport, buildings, and manufacturing).

Our enterprise solutions, enable industries in our markets to reduce their environmental impact through digitalisation and innovation. This, in turn, drives resource optimisation and reduces energy consumption.

 **SNCR**, Digitisation and Innovation on pages 49 to 53

Source: <https://sciencebasedtargets.org/news/the-net-zero-standard-and-carbon-removals>

CLIMATE CHANGE

Task Force on Climate-related Financial Disclosures (TCFD)

In 2021, we embarked on our TCFD journey and disclosed our first progress report in 2022. We will continue to align our actions with Axiata’s TCFD three-year roadmap across 2022-2024 and are committed to closing any gaps progressively. We acknowledge that TCFD recommendations are now integrated into the International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures, issued by the International Sustainability Standards Board (ISSB). The IFRS S2 requirements are consistent with TCFD’s four core pillars and 11 recommended disclosures.

Scope of TCFD

<p>Digital Telco</p> 	<p>Infrastructure</p>  <p>Focusing on Malaysia and Bangladesh as the highest revenue contributors from EDOTCO</p>	<p>Digital Business</p> 
--	---	--

In 2023, we enhanced the scope of our TCFD reporting coverage to include all digital telcos, including Boost and EDOTCO. Previously in 2022, only selected digital telco businesses were covered as part of our TCFD’s inaugural report.

Our report has been prepared using the latest information and current practices available. We will continue to amend, update and improve our climate-related practices to align with the latest reporting standards and frameworks. We are committed to gradually improving our data and methodologies and have adopted strategic measures to step up our climate practices along our TCFD journey.

Status against the four core elements of recommended climate-related financial disclosures:

Governance

Disclose the organisation’s governance around climate related risks and opportunities.

Our Response:

Axiata’s leadership is actively championing sustainability and climate action, demonstrating a robust commitment to these crucial initiatives. We have taken decisive steps to enhance oversight and climate response by clearly defining climate-related roles and responsibilities. We have established structured processes and controls, initiating regular reporting on climate progress. This process is consistently being refined to improve climate oversight and positive environmental impact.

Strategy

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

Our Response:

While climate change introduces physical and transition risks, it also unveils opportunities for positive action. According to TCFD, physical risks stemming from climate change can manifest as event-driven (acute) or longer-term shifts (chronic) in climate patterns. We conduct comprehensive climate risk assessments to identify and evaluate potential risks and opportunities associated with climate change. Our approach involves a progressive thorough examination of climate risks and opportunities, across all OpCos. The results will be used to define short-, medium-, and long-term horizons for formulating internal strategies aligned with external commitments, changing regulations, and the outcomes of climate scenario analysis (planned in 2024) to effectively manage the potential impact of climate over time.

Risk Management

Disclose how the organisation identifies, assesses and manages climate-related risks.

Our Response:

We have assessed the materiality of Axiata’s climate risks and opportunities across different business segments, considering macro level factors at country, industry and OpCo level view. We considered country-and-industry-specific views based on factors such as the likelihood of occurrence and recurrence of natural disasters, climate-related regulations and policies, market sentiments and consumer behaviour.

At the OpCo level, each OpCo’s exposure of vulnerability to the nine climate risks was evaluated. The assessment was based on the availability of various elements including control measures to manage and reduce the impact of climate risks. The availability of alternatives and substitute resources or infrastructure, as well as the level of management towards natural disasters such as preparedness, response and recovery were also considered.

To assess the OpCo’s level of exposure to the 13 climate opportunities, we considered factors such as access to new revenue streams or cost savings, potential for job creation or upskilling and reskilling and capital deployment required.

Metrics and Targets


Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Our Response:

By setting clear targets, monitoring climate-related metrics, and regularly reviewing our practices, we ensure that they remain up-to-date and effective in addressing emerging climate risks and opportunities. This is critical to realising our climate ambition.

The climate-related metrics that we track cover Scope 1, 2 and 3 carbon emissions, carbon intensity, energy consumption and energy intensity. We continuously report on our progress towards adopting renewable energy.

We commit to net-zero targets aligned with SBTi, which is pending validation.

 **SNCR**, Carbon Emissions Across The Group on page 61

CLIMATE CHANGE

Governance

The Board of Directors (BOD) of Axiata Group, through the Board Sustainability Committee (BSC) at Group and Board Risk and Compliance Committee (BRCC) at OpCo level, provides oversight of our strategic approach to climate action. This includes the management of our climate-related risks and opportunities and continuous enhancements of our sustainability governance to align with the Group agenda.

[SNCR](#), Sustainability Governance on page 14

Our TCFD-related risks are discussed at the Risk and Compliance Management Committee (RCMC) meetings at the OpCo level. The risks arising from implementing TCFD at Axiata are also deliberated on as part of the Group's Enterprise Risk Management update to the RCMC. To ensure that ESG topics are addressed at each OpCo, the OpCo BRCC also deliberates the progress on addressing climate-related risks and opportunities identified.

Next Steps:

Improve oversight mechanisms, including reporting lines, monitoring tools and processes, for the BSC to effectively track progress toward climate targets to be future-ready. This will involve continuous monitoring of climate-related risks and opportunities, integrating them into business strategy, and communicating progress to stakeholders.

Strategy

With sustainability as a key part of our corporate strategy, we continued progressing on our four sustainability pillars. Our climate strategy focuses on becoming net-zero no later than 2050. We have placed climate action under the "Advancing Green Economy" pillar, as we view climate change and inequality as interrelated. In this context, we recognise our capability to drive change as a Regional Digital Telco to Technology Group, creating social and economic opportunities to raise living standards across the emerging markets we serve.

With the impacts of climate change evident in all our operational countries, we have solidified our climate agenda by establishing our science-based targets, which are currently pending SBTi validation.

[SNCR](#), Net-Zero Carbon Pathway on page 55

In 2022, we selected two climate scenarios to assess our future climate risks and opportunities. These scenarios – **Current Policies and Net-Zero 2050** – are aligned with the ones set out by the Network for Greening the Financial System (NGFS) due to their focus on climate-related financial impacts. They account for projections from both physical and transition risks, enabling a more holistic view of climate-related risks. Besides having global and regional coverage, the NGFS also comprises downscaled national data for 200 countries, including Asia Pacific countries where most of Axiata's OpCos are located.

Scenario



Current Policies

Existing climate policies and actions to address climate change are insufficient to address commitments and targets and remain unchanged, and it is aligned to a future with 3°C of warming.

To provide a view of severe physical risks faced due to worsening climate change without any human intervention



Net-Zero 2050

New climate policies and investments were introduced to achieve commitments and targets; aggressive actions were taken to address climate change, and it is aligned to a future with 1.5-1.8°C of warming.

To provide a view on severe transition risks as more aggressive policies and market and technology changes are adapted to combat climate change.

We will also align with other global guidelines, such as the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA), for more comprehensive risk and opportunity assessments.

Next Steps:

- We will continue enhancing our climate strategy as part of our climate resilience development. Among the measures we plan to take include:
- Defining short-, medium- and long-term time horizons when assessing climate risks based on factors such as useful life of assets and infrastructure, expected time of occurrence of climate impacts, internal strategies as well as alignment with external commitments and regulations
 - Conduct climate scenario analysis to identify the potential impacts under the two projected climate conditions and time horizons. Based on these scenarios, evaluate how resilient Axiata's climate strategies are to the climate scenarios and assumptions
 - Conducting TCFD-aligned quantitative analysis and using the relevant outcomes to formulate action plans. The action plans will be used to address climate matters that are aligned with Axiata's Net-Zero Carbon Roadmap and will be integrated into our corporate strategy and financial planning

CLIMATE CHANGE

Risk Management

We conducted a climate risk assessment to identify and assess the potential risks and opportunities related to climate change pertinent to the Group. The assessment was further improved via the development of assessment templates to facilitate standardised quantitative measurement. Assessing risks and opportunity is a critical step to support the integration of climate considerations into strategic planning. By conducting a systematic climate risk assessment, we can enhance the Group's resilience to make informed decisions and capture opportunities.

In 2023, further refinements were made to implement monitoring mechanism structures to ensure that climate risk is integrated into the overall risk management practices where the BRCC regularly reviews it at the OpCos.

We acknowledge that climate change presents physical and transition risks, and opportunities. Physical risks are due to impacts of climate change, encompassing event-driven (acute) or longer-term shift (chronic) in climate patterns. These risks can have financial implications, including direct asset damage and indirect impacts from supply chain disruption. In tandem, transition risks occur during the shift to a low-carbon economy, involving risks associated with policy, legal, technology, market and reputation.

Through our assessment, we identified and evaluated nine material risks and 13 material opportunities based on their level of materiality and the potential qualitative impacts on our business. These impacts were assessed through impact pathway analysis, which showcases the linkage between each risk/opportunity, their drivers and the business and financial impacts on Axiata.

Risk Assessment

After introducing the TCFD assessment and framework in 2022, which covered five OpCos, we expanded the TCFD risk programme to include all digital telco OpCos in 2023. We further reviewed and enhanced the calibration of the capability to mitigate the risks identified, enabling us to use the Capability Maturity Model Integration (CMMI) matrix. This saw us implementing an easy-to-follow process to measure and monitor our ability to address the risks over a structured timeline.

Additionally, we have completed strategic measures to strengthen the integration of climate-related risks into Axiata's ERM Framework, including policies, procedures, risk appetite, risk tolerance, and risk management strategies. We have also ensured that our risk appetite and risk tolerance have integrated climate matters and climate considerations into Axiata's current risk assessment process. The following table outlines the risks identified and some examples of the potential impacts.

Axiata's Climate-Related Risks

● Risks ● Opportunities

Risk category	Risks relevant to Axiata	Potential impacts to Axiata (non-exhaustive)
Transition Risks		
Policy & Legal: Implementation of governmental policies designed to tackle climate change	<ol style="list-style-type: none"> 1 Increased pricing of GHG emissions (carbon pricing mechanisms) 2 Mandates and regulations of existing products and services 	<ul style="list-style-type: none"> • Loss of customers due to increased prices of products and services subject to carbon tax liability • Higher compliance requirements and costs • Stranded assets (e.g. copper networks, inefficient building control systems)
Technology: Write-offs for investments in obsolete technologies/ investments in new technologies	<ol style="list-style-type: none"> 3 Transition to lower emissions technology 	<ul style="list-style-type: none"> • Increased investments in climate-resilient and low-carbon infrastructure • Higher spending on workforce upskilling • Higher spending on research and development (R&D) and innovation
Market & Economic: Market shifts in supply and demand for certain commodities, products and services	<ol style="list-style-type: none"> 4 Changing customer behaviour and/or investor expectations 	<ul style="list-style-type: none"> • Untapped opportunities arising from new stakeholder demands • Higher risk of losing access to capital markets due to lower market valuation and failure to meet finance providers' climate-focused expectations • Poor macroeconomic profiles across the world may reduce the funding for activities related to mitigation and adaptation
Reputational Risks: Damage to brand value or reputation	<ol style="list-style-type: none"> 5 Increased stakeholder concern or negative stakeholder feedback 	<ul style="list-style-type: none"> • Negative impact on overall reputation (e.g. due to failure to meet climate-related goals, or lack of climate action), resulting in loss of customers as well as lower employee attraction and retention
Physical Risks		
Acute Physical Risks: Exposure to increasingly frequent and severe extreme weather events	<ol style="list-style-type: none"> 6 Increased severity of extreme weather events 	<ul style="list-style-type: none"> • Higher spending on repairs and maintenance of infrastructure/offices damaged from weather events • Increased frequency and severity of network and customer service disruptions
Chronic Physical Risks: Exposure to longer-term, incremental shifts in climate patterns	<ol style="list-style-type: none"> 7 Changes in precipitation patterns and extreme variability in weather patterns 8 Rising mean temperatures 9 Rising sea levels 	<ul style="list-style-type: none"> • Devaluation and/or early retirement of assets in high-risk locations (e.g. flood prone or water-scarce areas) • Reduced quality of services due to lower productivity • Higher insurance premiums and/or reduced availability of insurance for assets in high-risk locations

CLIMATE CHANGE

Opportunity Assessment

Aligned with our agenda to advance Asia, we will continue fostering long-term growth and contributing to a resilient and environmentally conscious future. We aim to realise this by minimising environmental impacts and harnessing sustainable practices to drive innovation, operational efficiencies and new revenue streams.

Identifying climate-related opportunities will encourage innovation and the development of new products, services, or business models that align with a low-carbon economy. At the OpCo level, each OpCo has quantitatively assessed identified opportunities to gauge their impact. The findings revealed that most OpCos observed an enhanced reputation concerning renewable energy adoption due to their proactive responses to a shift in consumer and investor demand. Furthermore, we acknowledge that the cost of renewables will be more economical in the long term. The assessment's outcomes will supplement the climate scenario analysis to identify a strategic approach to anticipate, plan for, and adapt to the impacts of climate change, ensuring sustainable and resilient business practices. The opportunities and impacts identified are as follows:

Axiata's Climate-Related Opportunities

● Risks ● Opportunities

Opportunity Category	Opportunities Relevant to Axiata	Potential Impacts to Axiata (Non-exhaustive)
Resource Efficiency: Use of more resource-efficient processes and equipment to optimise consumption of energy, water, waste and materials	① Use of more efficient production and distribution processes* ② Sourcing from a green supply chain	<ul style="list-style-type: none"> Lower utility bills, potential carbon prices, and costs from purchased goods and services due to reduced consumption of resources Increased value of fixed assets (e.g. highly rated energy-efficient buildings) Leverage partnership and collaboration to reduce capital requirements and optimise impact
Energy Source: Use of green or renewable sources of energy, and exploration of carbon trading platforms	③ Use of lower-emission sources of energy* ④ Participation in carbon markets ⑤ Early participation in renewable energy programmes	<ul style="list-style-type: none"> Avoided penalties, legal action and reputational risks due to non-compliance with climate regulations Increased reputation from proactive response to shift in consumer and investor demand Implementation of on-site renewable energy solutions holds long-term potential for substantial cost savings
Products & Services: Development of low-emission goods and services, as well as climate adaptation and mitigation solutions	⑥ Transition to low-emission products and services* ⑦ Increased collaboration with external organisations to provide low-emission and climate resilient solutions	<ul style="list-style-type: none"> Additional source of revenue from new low-carbon products and services Increased quality of products and services due to upskilled employees in enhancing low-emission-related offerings More resilient supply chains due to the shift from linear supply chains towards circular business models
Market: Exploration of new markets and avenues for lower financing costs with low-carbon products and services	⑧ Access to new markets across more climate-conscious consumers* ⑨ Increased reputation from proactive response to align with the shift in consumer and investor demand* ⑩ Use of public and private sector incentives to fund emission reduction projects	<ul style="list-style-type: none"> Engagement with a broader customer base across new markets Increased access to sustainable, green, and/or climate financing to fund research, development and innovation of low-carbon products and services Better competitive position, resulting in a larger number of customers as well as higher employee attraction and retention Increased access to the capital market due to higher market valuation with improved ESG and climate performance
Resilience: Increase in adaptive capacity to respond to climate change	⑪ Participation in renewable energy (RE) programmes and adoption of energy efficiency measures* ⑫ Achievement of sustainability certifications and energy labels for energy-efficient products and services* ⑬ Improved community and consumer resilience	<ul style="list-style-type: none"> Additional source of revenue from certain RE programmes Increased value of fixed assets due to better energy performance (e.g. high-risk energy efficient buildings) Lower risk of downtime of services due to reduced impacts towards the health and safety of workforce, as well as increased reliability of supply chains (especially data centre services)

* Overlaps in opportunities

Next Steps:

In the future, we plan to embed climate considerations into relevant planning and/or decision-making processes and policies to further strengthen our climate resilience.



CLIMATE CHANGE

Metrics and Targets

Due to the nature of our operations, our energy consumption is mostly from non-renewable sources, which contribute to carbon emissions and climate change. As such, we prioritise our energy consumption management to effectively manage our carbon footprint. This includes continuous monitoring, understanding emission sources and identifying opportunities for reduction.

Closely tracking and monitoring our data will enable us to demonstrate transparency and reliability, enhance our relationship with stakeholders, and align with the TCFD framework’s disclosure and risk management principles. Our commitment to robust data tracking builds trust. It positions us as a responsible and accountable entity in the view of investors and customers.

Next steps:

We will continue to improve the monitoring of year-over-year performance against our climate targets and milestones and develop strategic plans to ensure achievement. To meet our targets, we will extend our initiatives beyond carbon emission reduction, encompassing metrics such as the percentage of renewable energy, energy usage, and waste reduction.

Carbon Emissions Across the Group

Data collection enhancements continue to be part of our plan to track and monitor performance effectively. In 2023, we reviewed the boundary and data collection of our carbon emissions to reflect changes in the organisational structure. This involved reflecting the acquisition of Link Net, the merger of CelcomDigi and the divestment of Ncell. Similarly, we updated grid Emission Factors to reflect more recent data, referencing IEA 2022 Emissions Factors to re-calculate 2022 emissions.

SBTi Validation Progress

The baseline review was conducted with the guidance and expertise of a reputable third-party organisation, which reviewed materiality across the Group. As a result, emissions from ADA, one of our digital businesses, is now included as part of the baseline emissions. Corporate Centre, Boost, and ADL remain excluded from our scope.

The near-term target to reduce absolute Scope 1, 2 and 3 emissions by 2030 and 2022 baseline is currently in the validation process by SBTi.

Emissions Baseline

To align with the SBTi, the Scope 1 and 2 emissions baseline was revised to 2022 from 2020. This change aligns with SBTi Criteria v5.1, mandating the submission of a recent-year inventory when setting a baseline. As such, we updated our 2022 carbon emissions data, where the following factors contributed to the restatement:

- Scope 1 and 2 emissions were updated to reflect structural changes in organisational boundaries
- Emission factors were updated to reflect the latest IEA 2022 Emission factor

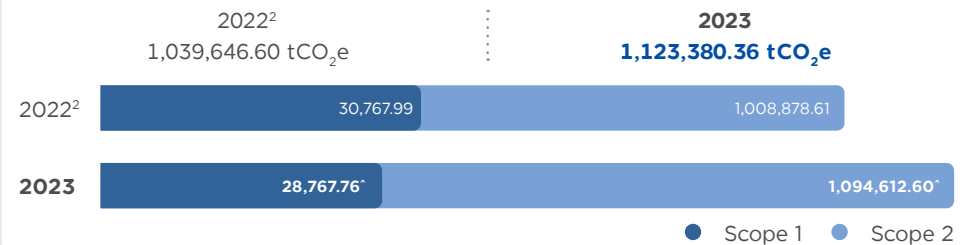
This adjustment was essential to incorporate Scope 3 emissions into the baseline, ensuring uniformity across all scopes.

Carbon Emissions Progress

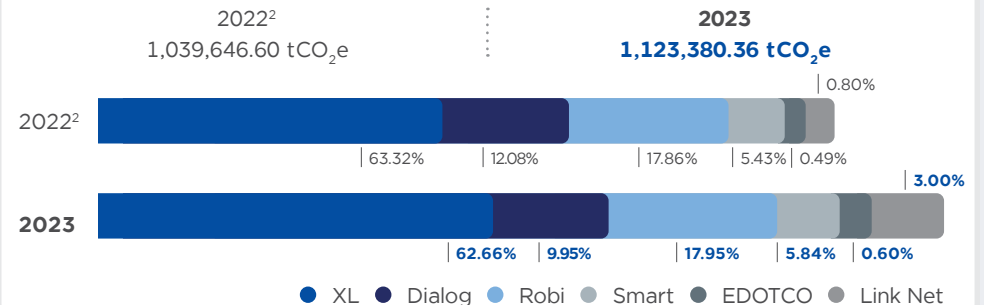
Network emissions accounted for 95% of total emissions, followed by facilities 4% and fleet vehicles 1%. Overall, carbon emissions for Scope 1 and 2 across the Group in 2023 increased by approximately 8% compared to 2022. However, Scope 1 emissions recorded a 6.5% reduction versus 2022. This is attributed to Dialog, XL and Smart recording approximately 61%, 27% and 5% reductions, respectively, compared to their emissions in 2022. This is due to efforts to reduce fuel consumption by replacing generator sets with lithium batteries and increasing the number of solar sites. These efforts are coupled with energy efficiency measures such as power saving through network modernisation and legacy shutdown.

The increase of Scope 2 emissions by approximately 8% is mainly attributed to the rise in the number of sites, additional equipment, and efforts to enhance network quality and efficiency. However, Dialog and EDOTCO reported more than 7% reduction each in Scope 2 emissions versus 2022. This is contributed by an increase in the use of renewable energy compared to the previous year.

Total Scope 1 & 2 Emissions¹ (tCO₂e)



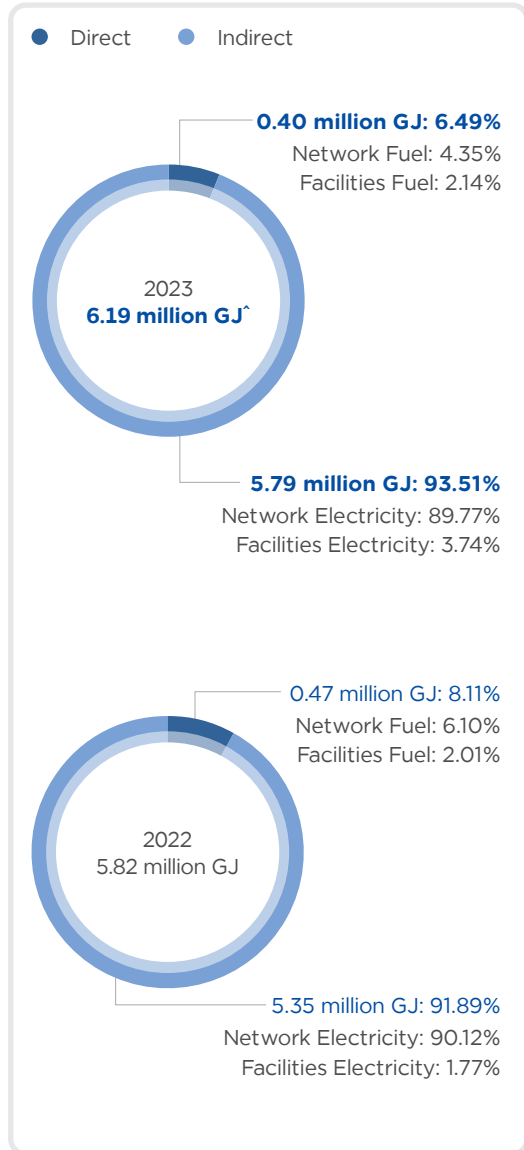
Total Scope 1 & 2 Emissions by OpCos (tCO₂e)



Notes: ¹ 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's reporting boundary excludes the digital businesses i.e. Boost, ADA and ADL which are immaterial to the Axiata Group Berhad's overall GHG emissions
² The 2022 Scope 1 & 2 GHG emission had been restated due to the changes in emission factors to reflect the latest 2022 IEA emission factors and organisational boundary due to merger of CelcomDigi and divestment of Ncell. Historical carbon emission data prior to 2022 based on the previous methodologies are available in our previous SNCRs
³ Network emissions accounted for 95% of total emissions, followed by facilities 4%, and fleet vehicles 1%
⁴ This data was subjected to external independent limited assurance. Refer to the independent assurance report on pages 138 to 139

CLIMATE CHANGE

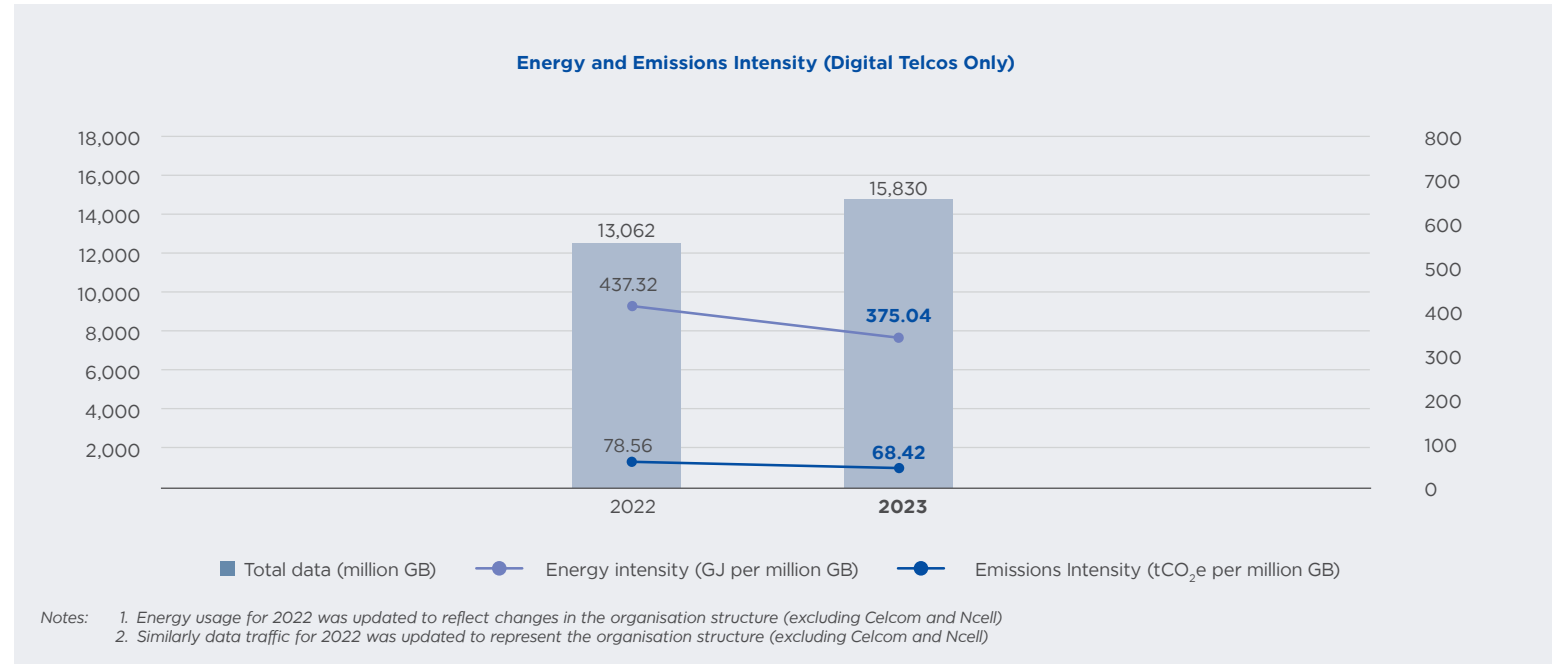
Energy Consumption Across the Group¹



Close to 94% of energy consumed across the operations in 2023 was used to power the network. Overall, total energy usage increased by approximately 6% as compared to 2022. Energy consumption does not include energy generated from renewables. In the upcoming report, we will be including this information as it will be an important parameter to track as part of our journey towards net-zero.

Energy Consumption (excluding renewable energy) (million GJ)	2022	2023
Direct		
- Network fuel	6.10%	4.35%
- Facilities fuel	2.01%	2.14%
Indirect		
- Network electricity	90.12%	89.77%
- Facilities electricity	1.77%	3.74%
Total energy in million GJ	5.82	6.19[*]

Note: ¹ Non-renewable energy sources are defined as energy sources that cannot be replenished, reproduced, grown or generated in a short time period through ecological cycles or agricultural processes.



Notes: 1. Energy usage for 2022 was updated to reflect changes in the organisation structure (excluding Celcom and Ncell)
2. Similarly data traffic for 2022 was updated to represent the organisation structure (excluding Celcom and Ncell)

Note: ^{*} This data was subjected to external independent limited assurance. Refer to the independent assurance report on pages 138 to 139

In 2023, data traffic grew by approximately 21% but energy intensity reduced by about 14%. Data traffic is defined as the total amount of traffic generated by data services (2G, 3G, 4G, 5G).

CLIMATE CHANGE

Decarbonising Our Network Operations

In line with Axiata's Net-Zero Carbon pathway, our OpCos have continuously implemented renewable energy and energy-saving initiatives.

Adoption of Renewable Energy



Dialog began embarking on its renewable energy journey since 2021 and has continued to play its role in helping Sri Lanka overcome challenges through the power of technology. This includes implementing energy-saving initiatives, such as solarisation of tower sites, network modernisation, rooftop solar, and Internet of Things monitoring systems.

A total of 776 solar sites with a capacity of 4,719.09kW were implemented in 2023. Among the solar sites, 765 were new solar installations with a capacity of 4,574.84 kW and 11 were capacity expansions at the sites with existing solar power panels.



Robi's commitment to sustainability extends beyond adopting renewable energy and includes advocacy. It catalyses collective responsibility across public and private sectors by fostering collaborative efforts towards a sustainable, Net-Zero Future and advancing environmental and developmental goals.

On 14 August 2023, Robi Axiata Limited and CSR Window collaborated in a pivotal roundtable event titled "Creating a Net-Zero Smart Bangladesh" at the BRAC Center, focusing on the urgent need for a Net-Zero emission approach in achieving the Smart Bangladesh vision. A key highlight of the roundtable was the sharing of insights from the Institute for Energy Economics and Financial Analysis (IEEFA), which touched on the global and national strategies necessary for net-zero emissions.

Robi has solar provision in 13% of its sites. In 2023, Robi generated 14,214 MWh of electricity from solar energy to power 11.7% of the network as part of its net-zero journey. Overall, Robi reduced carbon emissions by 2,286 tonnes through solar energy use and various other energy efficiency initiatives.

Energy Saving



Smart Axiata is advancing its sustainability efforts in Cambodia by deploying Artificial Intelligence Technology to optimize energy consumption for running its radio network. For this purpose, Smart has partnered with Huawei to deploy the latest Power Star 2.0, an upgraded version of PowerStar 1.0 that has been used in Smart's network since 2018. This technology upgrade aims to be more efficient and significantly reduce energy consumption at the base station.

The system utilises intelligent energy-saving features that adjust power usage based on real-time network usage. This approach ensures less energy is consumed when there are fewer users on the network, promoting efficiency throughout the day. This initiative aligns with Cambodia's Pentagonal Strategy, which emphasises sustainability at the national level.

In addition to energy optimisation, as part of its commitment to the environment and the Net Zero journey, Smart Axiata deployed an additional 295 solar sites in 2023. By the end of 2023, Smart had equipped 1,534 solar sites at base stations.



XL Axiata rolled out intelligent power solutions, consisting of AI-based energy saving features, DCS optimisation, and IBC optimisation, offering significant advantages, including energy efficiency and cost savings.



Link Net's rebuilding of almost 300,000 Homepassed Hybrid Fibre Coaxial (HFC) to Fibre to the Home (FTTH) cable will reduce GHG emissions due to lower electricity consumption. A more advanced technology, FTTH provides more comprehensive coverage and directly reduces carbon output. Additionally, FTTH is more reliable, ensuring less disrupted internet connectivity.

A survey by the FTTH Council Global Alliance cited converting HFC to FTTH as a method to improve sustainability. In this context, Link Net plans to continue this project in more expansive areas in the future.

Renewable Energy and Efficient Resource Management



EDOTCO continues to deploy solar-powered tower solutions for customers to reduce their reliance on traditional grid electricity. This has enabled their customers to achieve substantial cost savings over time. Currently, EDOTCO has more than 2,600 solar sites.

In 2023, EDOTCO Sri Lanka achieved its landmark installation of its 700th multipurpose streetlamp pole to boost nationwide connectivity. This marked a significant milestone for EDOTCO Sri Lanka's crucial contribution to enhancing the nation's telecommunication infrastructure. Apart from boosting telecommunications, the multipurpose streetlamp pole, or smart pole, is integrated with energy-saving LED light facilities and supports smart features such as security surveillance and digital signs with aesthetic designs to complement city planning. The installation of smart poles across Sri Lanka has not only reduced energy usage but also enhances efficient resource management by enabling the avoidance of the construction of telco towers as well as enhancing the safety and security of the area.





ENVIRONMENTAL MANAGEMENT

At Axiata, fostering the right organisational culture is paramount to promoting the optimal use of natural resources. Our sustainability values underscore the importance of individual accountability and collective action in driving positive change.

Why Is This Important

Minimising our environmental footprint while meeting the needs of customers and stakeholders is essential to manage risks, achieve cost savings, ensure compliance and contribute to sustainable development goals. By prioritising environmental management initiatives, we can create long-term value for our stakeholders while protecting the planet for future generations.

Outlook

In 2024, the Group will transition its environmental strategy towards a stronger focus on waste management and circularity. We will focus on enhancing the monitoring, tracking and evaluation of our waste management performance while actively seeking innovative solutions to reduce our environmental impact.

Our Approach

As we strive to meet the needs of our customers and stakeholders, we are committed to minimising our environmental footprint and promoting sustainability throughout our operations. Our approach to environmental management encompasses a wide range of initiatives, including effective waste management, responsible water consumption and biodiversity conservation, all while transitioning towards a circular economy model.

Our Progress

Nurturing Eco-conscious Culture & Operations

Cultivating Sustainability Value at Our Operations

XL has implemented Carbon Warrior, an internal voluntary programme that aims to spread the value of sustainability within the organisation. Carbon Warrior members are grouped into three workstreams, Certification, Emission Reduction and Awareness Campaign to collaborate with various business units to spread sustainability value among their colleagues.



- Certification Stream: Submitted XL's inaugural Carbon Disclosure Project (CDP) Certification and scored B
- Carbon Reduction Stream: Worked closely with network teams to continue championing energy efficiency initiatives such as generator set usage reduction, PLNization, Outdoorizations and other energy efficiency initiatives
- Awareness Campaign Stream: Collaborated with internal departments to hold sustainability awareness campaigns and activities such as Carbon Talk and Sustainability Week

Fostering Sustainability Practices

Smart took a proactive approach to advocate sustainability practices among its employees and the local community



- Published Smart's Energy Efficiency Booklet to raise awareness and guide employees in efficient energy usage in and outside Smart's operations
- Smart published a summary of its Sustainability Report 2022 to the public to raise awareness about ESG practices in Cambodia

Instilling Sustainability Awareness Internally



In September 2023, the Corporate Centre celebrated Sustainability Inclusion Month. An array of events was organised, including Sustainability Fashion Tips and an Upcycling workshop, sharing sessions regarding zero waste, ethical AI and human rights. The month-long initiative culminated with clothes swapping, which allowed employees to donate and accept used clothes.

The objective of the Sustainability Inclusion Month was to educate employees on the basic principles of sustainability and encourage sustainable consumer behaviour and cultural shift. It aimed to enable employees to embrace sustainability in their day-to-day life. It also raised awareness of employees on the importance of sustainability while fostering employee engagement and participation.

ENVIRONMENTAL MANAGEMENT

Waste and Water Management

We acknowledge the significance of responsible waste and water management and remain committed to mitigating any environmental repercussions of our waste and water usage. Bursa Malaysia has regulations and reporting requirements related to waste generation and water usage. Tracking water usage in place allows us to ensure compliance with regulatory requirements as we continue to improve how we track data to ensure completeness and accuracy.

Our approach to waste management prioritises waste reduction, recycling awareness, and responsible disposal practices. To achieve this, our OpCos have embarked on numerous measures such as championing paperless initiatives, managing e-waste effectively, and collaborating with our suppliers to minimise waste generation across the procurement processes.

Water usage

Water is a natural resource that, while renewable through processes like the water cycle, can be depleted without proper management. While our operations are not in a water-intensive industry, we know the importance of responsible water usage in our workplace.

We started tracking our water consumption in 2023 and recorded around 502 megalitres across the Group. We will be improving the scope of coverage of water use. To date, the data reported covers water consumed at OpCo Headquarters for Robi, Smart and EDOTCO. For Link Net, water consumption covers water usage at network sites.

Championing Responsible Waste Management



Dialog continued with its internal e-waste collection programme and community e-waste recycling initiative, e-Kunu, ensuring responsible waste management. E-Kunu creates an end-to-end international and local (Central Environmental Authority) certified mobile and e-waste disposal chain. The initiative makes recycling e-waste simple and possible by placing e-waste bins at customer outlets island-wide.

All e-waste collected is disposed of properly by licensed vendors with destruction certifications, ensuring compliance with the local environmental laws and proper methods of destruction. Both the internal initiative and e-Kunu collect and recycle external e-waste, including hard disks, CDs, chargers, cables, lithium-ion batteries, AA/AAA batteries and specifically mobile waste generated internally. In 2023, 1,997 tonnes of e-waste was collected via the internal initiative while 537 kg of e-waste was collected via e-Kunu.



- Recycled network waste and waste sourced from sim cards and vouchers through an appointed licensed third-party



- Introduced an E-business card solution that enables customers to use digital cards and reduce printing of business cards
- Continued its battery-recycling project from 2022, in partnership with EcoBatt-Energy, which aims to encourage employees and customers recycle used batteries
- Utilised recycled materials to produce branding and marketing items such as 3,250 tote bags, 19,000 pens, 8,710 tumblers and 4,750 notebooks



- Implemented no plastic zone at the workplace
- Provides employees with a reusable cutlery pack
- Serves vegetarian lunch every Tuesday

Biodiversity

Our industry can potentially play a significant role in supporting biodiversity conservation through various indirect means. Potentially, digital technology unlocks new potential to address interconnected challenges to manage natural resources by reducing and conserving or even reversing biodiversity loss that can leave a socio-economic impact in areas where communities are most vulnerable.

Protecting Endangered Birds



Recognising the unique co-existence between telco towers and eagle nesting, EDOTCO has started tracking the number of eagles residing on its towers since 2021. These birds are among the 300,000 migratory eagles that fly from Australia to Malaysia annually to return to their homes in Thailand, Cambodia, Siberia, China and Japan. In 2023, the number of eagles nesting on EDOTCO towers increased to 43 from 21 in 2021 across the region. EDOTCO has solidified its commitment to protecting endangered birds through its Bird Watch Pledge with the Malaysian Nature Society (MNS).

The OpCo aims to implement new policies and processes to minimise the destruction of bird nests on its towers and raise employee awareness about the importance of raptor conservation. Additionally, thorough assessments are carried out in areas with high conservation value when constructing telco towers to minimise disturbance to the ecosystem and mitigate any potential adverse effects on biodiversity.

ADVANCING OUR PEOPLE & COMMUNITIES



What This Means to Us

At the heart of our commitment to Winning Culture lies the recognition that our employees are our greatest asset. We understand the pivotal role of cultivating an engaging and innovative work environment where individuals thrive, contribute meaningfully and grow professionally. Our Winning Culture extends beyond the workplace to our marketplace and communities. Leveraging technology-driven solutions, we strive to be pillars of support through sustained initiatives in education, community building, and environmental stewardship.

Material Matters

► Fair, Diverse & Inclusive Employment - page 67

- Amplified our Winning Culture with three core values and six behaviours
- 75% overall Employee Engagement Score

► Talent Development & Attraction - page 71

- 100% of people across Group received a regular performance review
- 76% of senior leadership positions filled internally

► Employee Health, Safety & Wellbeing - page 75

- 3 OpCos with ISO 45001 Occupational Health & Safety Management System certification
- Employee wellness & wellbeing celebrated across OpCos

► Community Development - page 78

- Axiata Foundation contributed RM16.5 million, enriching 13,415 individuals
- XL Future Leader concluded after a decade of impacting >400,000 youth beneficiaries
- Karuna.lk supports 256 fundraising campaigns across Sri Lanka

► Emergency Disaster & Response - page 85

- Signatory of the GSMA's Humanitarian Connectivity Charter
- Fully committed to the ISO 22301 standard with robust BCM Framework
- Smart subscribes to EWS 1294, Cambodia's early warning system

Prioritised UN SDGs



FAIR, DIVERSE & INCLUSIVE EMPLOYMENT

We are a diverse community of over 10,800 individuals, each contributing uniquely to our mission of delivering exceptional digital experiences for our customers and stakeholders. Dedicated to nurturing a Winning Culture that inspires exceptional performance, we uphold the principles of fairness and impartiality in our employment practices, which is fundamental to our identity. Similarly, we maintain an unwavering commitment to celebrating diversity, equity, and inclusion within our corporate culture.

Why Is This Important

We believe that fostering a diverse, equitable and inclusive work environment will cultivate a Winning Culture, enhancing our people's morale and driving exceptional performance.

Outlook

As we embark on the journey of the New Operating Model/Axiata Reimagined, our Winning Culture serves as the cornerstone guiding us towards success. Committed to upholding fair employment practices, we prioritise fostering an inclusive work environment where every individual is valued and appreciated. Simultaneously, we dedicate ourselves to optimising work processes, enhancing efficiency and effectiveness for our people.

Our Approach

We are committed to fostering fair employment and inclusion, embracing individuals from diverse backgrounds and experiences. Guided by our Winning Culture, we continue to promote DEI and wellbeing across our workplace, marketplace and communities.

Throughout our organisation, we adhere to established principles and values to govern our interactions with our employees. These principles are embedded in our Employee Code of Conduct and work environment policies, encompassing recruitment, benefits and performance management. Each OpCo tailors its policies to cultivate collaborative and trusting relationships with employee representatives. We routinely review and update these policies to maintain alignment with current developments.

Recruitment	Ensuring recruitment is conducted fairly and without discrimination, recognising opportunities, initiatives, and rapidly evolving skill profiles of functions across divisions, the Organisation and all OpCos.
Working Conditions	Enabling fair, non-discriminatory working conditions that promote individual growth in alignment to our core values and in compliance with health and safety standards as well as Code of Conduct. <ul style="list-style-type: none"> Employee Code of Conduct DEI Framework
Compensation and Benefits	Offering comprehensive benefit packages to our full-time employees, which include a hybrid work model and flexible hours. These measures aim to ensure their wellbeing while also fostering a fair work environment. Additionally, providing provisions for parental leave to support employees with families and dependents, further contributing to a supportive workplace culture.
Talent Development	Ensuring our employees have the necessary tools and resources to perform at their best. This includes providing equal opportunities for growth and advancement within our organisation. We are committed to fostering an environment where everyone has the chance to excel, irrespective of their background or position.

Our Progress

Our Winning Culture

Our refreshed Winning Culture is instrumental in our ongoing success across our markets every day. In 2023, we strengthened our Winning Culture framework, anchored on our enduring principles of Uncompromising Integrity and Exceptional Performance (UI.EP). Uncompromising integrity now serves as our foundational standard and licence to play.

The introduction of three new core values under Winning Culture are Obsession for Customers, Courage for Change and Passion for Collaboration. These values reflect our adaptability to evolving times and our agility in today's dynamic business landscape, ultimately driving exceptional performance. Additionally, these core values aim to foster a culture that prioritises customers' needs, embraces change and innovation and champions collaborative excellence. By harnessing the diverse strengths and expertise within our team, we are dedicated to creating a unified, inclusive work environment where everyone can thrive.

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 are leveraging on our agility and innovation delivered 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

IAR. In Conversation with Our GCEO on page 13

FAIR, DIVERSE & INCLUSIVE EMPLOYMENT

Employee Code of Conduct

Axiata's Code of Conduct establishes the guidelines governing our interactions with colleagues and stakeholders across our entire value chain. This code upholds universal human rights and adheres to the International Labour Organization (ILO) Core Labour Standards. We also offer a platform for addressing grievances to all stakeholders. Our Speak Up channel provides a secure avenue for reporting instances of misconduct, illegal or unethical behaviour, ensuring that individuals can report concerns without fear of retaliation or victimisation.

In 2023, we refined our Code of Conduct by integrating several sub-clauses in alignment with our Ways of Working, highlighting the significance of effective communication in all interactions, extending beyond our operations to our marketplace and communities. These sub-clauses encompass respectful employee conduct, upholding privacy standards, etiquette when attending events and responsible financial management. They underscore the crucial pillars of integrity, accountability and ethical behaviour, ensuring a harmonious and responsible approach to interactions within our organisation and beyond.

Respect for the ILO Convention

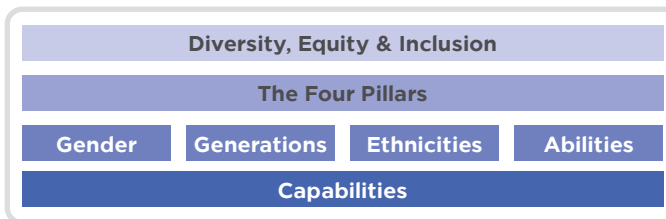
- Freedom from Forced Labour
- Freedom from Child Labour
- Freedom from Discrimination at Work
- Freedom to Form and Join a Union and to Bargain Collectively

Diversity, Equity and Inclusion (DEI)

Axiata is firmly committed to upholding diversity, equity and inclusion to empower its leadership and bolster its business endeavours. We achieve this by cultivating a culture of excellence that does not discriminate based on variances in age, gender, race, ability, nationality or culture. We firmly believe in providing our people with personal and professional development opportunities.

Since 2022, as evidenced by our adoption of the United Nations Women's Empowerment Principles (UN WEP) Charter, we have remained steadfast in our commitment to empowering women within Axiata. We are still actively working towards realising the objectives outlined in the charter and working towards achieving tangible progress.

We also continued to implement DEI foundations and values via our DEI Framework. The DEI Framework recognises Capabilities as a crucial factor that supports all four pillars. Our efforts to integrate DEI impact our marketplace, supply chain and community in our operation areas. We have in place a Culture, Engagement and DEI Circle comprising representatives from our operating companies who ensure that the values of our framework are applied.



Building an Inclusive Culture across Axiata

The Women of Axiata and Male Allies (WAMA) initiative unites the Group and our OpCos in supporting DEI efforts. Our collaborative endeavours aim to foster an inclusive environment for all employees, promoting gender diversity, leadership opportunities and a culture of equality. Throughout 2023, WAMA spearheaded impactful initiatives to amplify awareness and drive meaningful change.

WAMA series

- Sponsored LeadWomen Malaysia in DEI activities, resulting in increased brand awareness and partnerships
- Partnered with LeadWomen and UNITAR to host panel sessions for employees, students and guests, aimed at increasing awareness of DEI in the work environment
- Hosted an International Women's Day virtual panel discussion at Smart, featuring three inspiring women leaders, highlighting their invaluable contributions and insights on their career paths in the tech industry
- Launched an Appreciation Week from 3 to 10 March 2023 at Smart, encouraging employees to foster a culture of recognition by expressing gratitude towards female colleagues who positively impact its operations
- Organised a vibrant Smart Cultural Day celebration that embraced diversity and fostered unity and tolerance among employees. The event featured traditional costumes and food from over 10 countries around the world, celebrating different cultures and backgrounds

Promoting Gender Equality and Women Empowerment



At ADA, we prioritise gender equality and women's empowerment. These values are upheld year-round and celebrated even more during March, aligning with International Women's Day (IWD).

In 2023, several initiatives were launched to foster a supportive and inclusive environment for women within ADA. These initiatives aim to empower women, provide them with equal opportunities, and ensure they can contribute to their full potential:

Awareness and Celebration

- Marked International Women's Day with a CEO-led panel discussion and movie screenings across all offices, focusing on women's empowerment
- Produced an annual video showcasing our commitment to women's empowerment, featuring employees' perspectives and shared it on social media platforms
- Spotlighted achievements of our female colleagues and leaders internally and on social media, breaking stereotypes and fostering a supportive community
- Encouraged employee participation in a creative virtual Bingo competition to celebrate IWD

Training and Education

- Conducted compulsory training modules, including 'Uncovering Unconscious Bias in Recruiting' for hiring managers/interviewers
- Provided weekly training modules and resources aligned with IWD to employees, promoting continuous learning and awareness

Supportive Work Environment Policies

- Upgraded nursing room facilities to better support working mothers
- Relunched our Mentoring Programme with an expanded list of women mentors, fostering professional growth and development

FAIR, DIVERSE & INCLUSIVE EMPLOYMENT

Link Net: Wanita Tangguh



The “Wanita Tangguh” (“Strong Women”) award is given annually to four dedicated female team members who exemplify perseverance and embody the values of the First Squad in their lives. The award also celebrates the accomplishments of women in technology. Link Net’s “Wanita Tangguh” celebration aligns with Indonesia’s Kartini Day in April.

Kartini Day honours the life and legacy of Raden Ayu Kartini, a beloved figure and national hero celebrated for advocating for women’s rights, particularly in education, and her efforts to promote gender equality. The award nominations are facilitated by First Squad Connect, our internal digital space platform, with the winners announced during Link Net’s town hall meeting.

Objectives of the “Wanita Tangguh” Award		
Empowerment	Visibility	Recognition and Celebration
Promote women’s accomplishments, skills and impact in tech, while cultivating a nurturing space for their advancement and encouraging them to thrive in technology-related careers	Elevate women’s accomplishments in tech by enhancing their visibility, advocating for recognition within and beyond the industry, and driving diversity and inclusivity through their achievements	Champion women’s achievements in tech through recognition, celebration, and honouring their impactful contributions to innovation and industry progress
Impacts		

With strengthened morale, top talent is attracted, and empowered female team members pursue leadership roles with confidence and openness to new challenges.

Each division of Link Net is tasked with nominating female candidates who exemplify exceptional achievements and contributions to the organisation. The nomination process entails team members submitting the female nominee’s biography and an uplifting story. These female nominees are selected based on their notable accomplishments for the award’s consideration.



Empowering Women in STEM and Tech

At Axiata, we have consistently promoted the participation of women in STEM roles, and we remain committed to advocating for their inclusion in the future. Diversity drives innovation and progress, and empowering women in STEM fields is essential for a more inclusive and prosperous organisation. Across Axiata, out of the total number of employees in tech/engineering/R&D roles, 23% are women.

We are proud to share the empowering Women in Tech Post Series and Video Campaign initiatives undertaken by our OpCo, ADL, to celebrate and promote the invaluable contributions of women in technology. Through this series of inspiring posts and accompanying video content, we shine a spotlight on the remarkable achievements, expertise and diverse perspectives of women working within our organisation.

Women in Tech Post Series and Video Campaign



Scan the QR code to watch the video

Scan the respective QR codes to read each post



FAIR, DIVERSE & INCLUSIVE EMPLOYMENT

Inclusion for Persons with Disabilities (PWD)

We are committed to creating an inclusive environment where individuals with disabilities are valued for their unique perspectives, skills, and experiences, enriching our operations and driving our collective success.

This inclusive approach not only enriches our talent pool but also reflects our commitment to creating opportunities for all talents to thrive with us.

In fostering an inclusive work environment in collaboration with Microsoft, we spearheaded efforts to increase awareness of accessibility features tailored for PWD within work environment settings. Through a sharing session and presentations, we highlighted the diverse range of tools and resources available in Microsoft's suite of products to enhance accessibility.



- To promote an inclusive work environment in Indonesia, XL Axiata provided internship opportunities to five PWDs with hearing, speech, visual and physical disabilities
- One of the visually impaired interns utilised a screen reader to convert information to sound, while another PWD intern possessed a photography skill. These interns were given tasks that did not require physical abilities or skills
- The inclusion of PWDs in XL Axiata was to encourage and motivate them to seek employment in both public and private sectors



- Recognising the potential contribution of PWDs to the nation's talent pool, Dialog collaborated with apparel manufacturing and technology conglomerate, MAS Holdings, to establish the Dialog MAS Enabler Programme. This programme is part of Dialog's efforts to embrace disability inclusion at every level of the organisation under GSMA's Principles for Driving the Digital Inclusion of Persons with Disabilities
- The pilot programme aimed to nurture the professional development of selected university students with disabilities while preparing corporate organisations to better create inclusive work environments
- The programme saw nine undergraduates and fresh graduates gaining a two-week work experience in various departments and sharing their experience at the end of the programme

Employee Engagement

We recognise that engaged employees are the key drivers of growth and performance of our organisation. To continually improve the overall employee experience across the Group, we conduct annual surveys and employ various feedback channels such as pulse surveys, town hall meetings and other appraisals. Through these avenues, we gather valuable insights into aspects like work culture, business strategies, and the needs and expectations of our people.

Total Respondents



Overall Engagement Score



Notes: ¹ Excluding Axiata Group Berhad, ADA and Boost. The survey employed a Likert scale consisting of 63 questions alongside two open-ended inquiries, structured in a questionnaire format, to gather and analyse data on EES results
² We utilised a different survey platform to provide better results, insights and actions to improve overall employee satisfaction. Thus, there was a drop in percentage due to the change of methodologies
³ Senior management is defined as CEO and CEO-1 (Direct report of Chief Executive Officer)

⁴ Includes individuals either born or who have legal right to reside indefinitely (such as naturalised citizens or permanent visa holders) in the same geographic market as the OpCos
^{*} This data was subjected to external independent limited assurance. Refer to the independent assurance report on pages 138 to 139

Diverse Talent Base

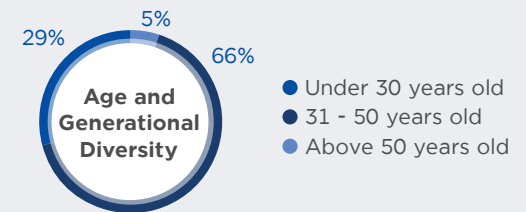
Total number of employees
> 10,800

Nationality
> 37 nationalities
 employed across our OpCos

Gender Diversity

Male: Female employee ratio

Male **69%** : Female **31%**



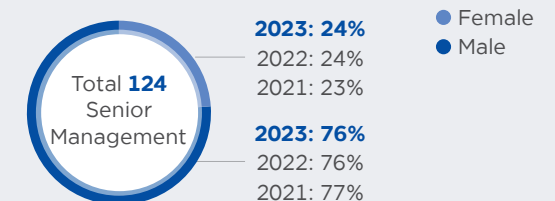
Senior Management³ in Axiata

Nationality
23 nationalities
 of our senior management

Proportion of Senior Management Hired from the Local Community⁴



Gender Diversity in Leadership



TALENT DEVELOPMENT & ATTRACTION

The future-readiness of our people is vital in our pursuit of advancing Asia. We are steadfast in achieving this through continual investment in tailored talent development strategies and initiatives. Our commitment lies in fostering a robust organisational culture, characterised by identifying, nurturing, and retaining top-tier talent in Axiata. Through these endeavours, we strengthen our capacity to invest in digital competencies and cultivate a pipeline of local digital talent in the markets we operate, as we strive to stay at the forefront of connecting people and communities digitally.

Why Is This Important

Our specialised development programmes are essential for creating a modern, agile, and digitally-driven talent factory. They enhance our teams' competitive edge in navigating rapid changes and complexities while attracting new talent. These initiatives empower our people, enabling career progression and fulfilling stakeholder expectations for competency development and organisational success.

Outlook

We aim to incorporate modern, agile and digital ways of working into our talent development by leveraging digital platforms to bridge competency gaps and enable career advancement. Looking ahead, the implementation of our New Operating Model/Axiata Reimagined necessitates a transformative stance and will require developing new skillsets to meet our strategic goals. Our value creation goals include building, attracting, and retaining the best talent, and providing diverse career advancement opportunities.

Our Approach

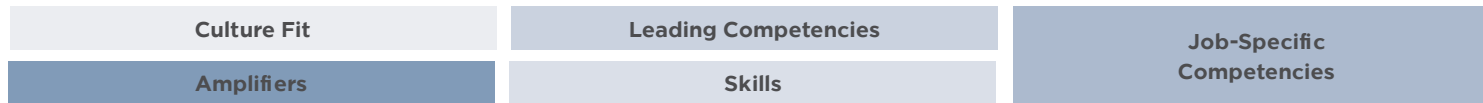
We focus on nurturing and retaining top talent to drive organisational success. Our comprehensive approach to talent recruitment, training, and retention is articulated in our Organisation 5.0 – People Strategy. Our OpCos have respective policies and strategic frameworks aligned with the strategy and are designed to attract, identify, develop, and retain highly skilled individuals. These policies serve as the scaffolding that sustains our ability to access the finest talent, vital for achieving our strategic objectives.

Our Directive Policies

Organisation 5.0 – People Strategy

People Quality Framework

This comprehensive guide outlines the qualities and behaviours we value most in our team members. Based on the following five components, it serves as a roadmap for personal and professional growth:



Talent Management Framework

- Group and OpCo Talent Councils
- Talent Development Programme (OpCo Accelerated Development Programme)

Axiata FastForward Academies

Our Progress

Performance Management and Recognition

We recognise the critical role of effective performance management in driving employee development and organisational excellence. By providing regular feedback and performance evaluations to all employees, we foster a culture of continuous improvement and talent development. Through transparent communication channels and ongoing discussions about potential, career aspirations, and development plans, we empower our people to take ownership of their professional growth, ultimately strengthening our leadership pipeline and ensuring long-term talent retention.



of our people across the Group received regular performance reviews in the year under review.

Notes: ¹ Annual performance reviews which are required to be completed by employees at full-time employment with Axiata

² All employees are subject to the Axiata Group's annual performance reviews, except for senior management (CEO and CEO-1), interns, 1-year contract staff, external contract staffs, employees who resigned in 2023, new hires who joined after 1 October 2023 and secondees, whose performance is evaluated based on specific appraisal process applicable to these employees categories

³ This data was subjected to external independent limited assurance. Refer to the independent assurance report on pages 138 to 139