



Advancing Asia

SUSTAINABILITY & NATIONAL CONTRIBUTION REPORT 2020



axiata
advancing asia

Digital Telcos



Digital Businesses



Infrastructure



**advancing
to zero**

Advancing to Zero marks our response to the global call to achieve a net-zero carbon position as we head towards a more sustainable future.

In Advancing Asia, we now accelerate our climate action even as we champion digital telecommunications, digital businesses and infrastructure across our footprint. Driven by the vision where People and Planet can co-exist, we work to progress with balance.

We help build better digital lives and businesses, and support ASEAN and South Asia as world-class digital economies.

Our Business

▶ pg4

Our business demands that we look beyond profit...

Our Approach To Sustainability

▶ pg12

to deliver a better tomorrow...

Next Generation Digital Champion

▶ pg22

for our environment...

Environment

▶ pg41

and our greater communities.

Social

▶ pg49

Our commitment to responsible operations...

Governance

▶ pg74

to ensure we continue to progress on our goals...

National Contribution Report

▶ pg84

because when we achieve our goals, everyone benefits.

Appendices

▶ pg109

TABLE OF CONTENTS

Our Business

- 5 We Are Axiata: This Is What We Do
- 7 A Conversation On Sustainability With Our President & Group Chief Executive Officer

Our Approach To Sustainability

- 13 Our Foundation To Create Long-Term Value
- 14 Materiality
- 16 Sustainability Governance Structure
- 17 Responding To Our Stakeholders
- 20 Our Impact To ASEAN And South Asia

Next Generation Digital Champion

- 24 Sustainable Business Growth
- 27 Network Quality And Coverage
- 29 Digital Inclusion
- 39 Digitisation And Modernisation

Environment

- 43 Climate Action
- 47 Resource And Waste Management

Social

- Employees*
- 52 Fair Employment And Welfare
- 54 Talent Development
- 56 Employee Health, Safety And Wellbeing

Customers

- 60 Customer Service

Suppliers

- 62 Supply Chain Management

Society

- 66 Community Development
- 70 Emergency And Disaster Response

Governance

- 77 Business Ethics And Compliance
- 80 Data Privacy
- 83 Regulatory And Political Risk

National Contribution Report

- 85 Introduction
- 86 Achievements Across The Group
- 87 National Contributions During COVID-19
- 88 Malaysia
- 91 Indonesia
- 94 Sri Lanka
- 97 Bangladesh
- 100 Cambodia
- 103 Nepal
- 106 edotco
- 109 NCR Methodology

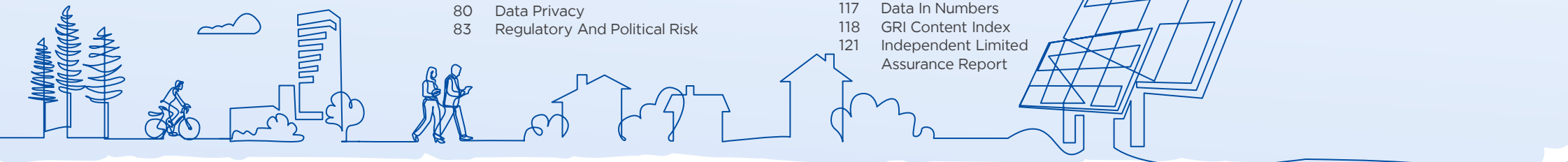
Appendices

- 111 About This Report
- 112 Our Sustainability Matters
- 115 Management Of Material Risks And Opportunities
- 116 List Of Abbreviations
- 117 Data In Numbers
- 118 GRI Content Index
- 121 Independent Limited Assurance Report

Design Rationale

This report's cover and section dividers depict Team Axiata's efforts to do their part to live more sustainably in their everyday lives. Big or small, we strive to effect meaningful change, whether on a personal or professional level, across our footprint to create multipliers through our OpCos. These form part of our larger effort to Advance to Zero towards a net-zero carbon position, with the recognition that #ItBeginsWithMe and #ItBeginsWithUs.

Our illustrative elements as seen on this page, throughout our report and also featured on our new Sustainability Website, illustrate the company's vision of what life at "zero" can mean - in terms of balance for all, and balance between planet and society.



Yasmin Rose
Binti Isahak @ Azmi
Social Media, Associate
Axiata Digital

Conducting business
with integrity and ethics.

#ItBeginsWithUs



**OUR
BUSINESS**

We Are Axiata: This Is What We Do

▶ **Axiata is a leading regional telecommunications Group with a footprint spanning 11 countries in ASEAN and South Asia. Our diverse and purpose driven talent base of more than 12,600¹ employees service the needs of approximately 157 million customers.**

We have consistently emphasised on good governance and compliance, as encapsulated in our values of Uncompromising Integrity, Exceptional Performance (UIEP), in our business conduct and ethics.

Since inception, we have successfully pivoted from a pure-play mobile player, to a resilient Triple Core Business, with Operating Companies (OpCos) in the Digital Telco, Digital Financial Services, Digital Analytics and Artificial Intelligence, and TowerCo space. Armed with a deep understanding of market expectations and

guided by our 4P Goals, we have embedded Environmental, Social and Governance (ESG) factors into our business model to empower our stakeholders.

As the world heads towards new horizons, Axiata is continuously evolving to meet the telecommunication and digital needs of the communities we serve. Through breakthrough innovations in technology, we are bridging the divide to engender greater societal inclusion, whilst also facilitating digital transformation for businesses.

We Are A Diversified Digital Business

▶ Since inception, Axiata has successfully adapted its business model in line with evolving industry cycles and worldwide that have resulted from dramatic paradigm shifts in the global social and economic landscape.

The Axiata of today is a diverse and resilient business with a strong foothold in the three distinct business segments of Digital Telco, Digital Businesses and Infrastructure. Leveraging on robust foundations and our value-differentiated assets, Axiata is firmly on track towards realising our vision to become The Next Generation Digital Champion.

Digital Telcos      

OUR FOCUS
With mobile growth on a downtrend, our Digital Telcos are poised to capture valuable opportunities in the digital age, to service the Enterprise, Consumer and Home segments.

HOW WE CREATE VALUE

- With Home as the new centre of gravity, retail-at-the-edge and a maturing Gig Economy, we are providing converged digital and technological products and services for rapidly evolving work and lifestyle norms
- Responding to the need for businesses to digitally transform, Axiata Enterprise is providing the following services through our Digital Telcos:
 - Security as a Service (SaaS)
 - Platform as a Service (PaaS)
 - Leveraging on IR 4.0 advanced technologies, Enterprise services are focused on the following four tracks:
 - Connectivity at the Core
 - Business-to-Business (B2B) Marketplace
 - Cloud Technologies
 - Internet of Things (IoT)



Digital Businesses   

OUR FOCUS
Helmed by our digital business holding company, Axiata Digital, our digital businesses are geared towards building two verticals in the areas of Digital Financial Services and Digital Analytics and Artificial Intelligence.

HOW WE CREATE VALUE

- Leveraging on Analytics, Artificial Intelligence and Machine Learning as key enablers to drive growth
- Boost, our e-wallet and digital payments platform, provides consumers convenient cashless payments that prevent fraud and save time
- Aspirasi is an end-to-end digital financial services platform offering micro-financing and micro-insurance solutions to help the underserved community achieve their business goals while providing support on their journey of dynamic financial growth
- ADA, our digital analytics and artificial intelligence company, leverages on its data analytics capabilities to advise clients on market segmentation for better conversion rates



Infrastructure 

OUR FOCUS
Our regional integrated telecommunications infrastructure company, edotco, is the 16th largest TowerCo globally, and aspires to become a Top 5 Global TowerCo by 2024. edotco has been named the “2020 Asia Pacific Telecoms Tower Company of the Year” by Frost & Sullivan for the fourth consecutive year.

HOW WE CREATE VALUE

- Providing connectivity services for communities and businesses throughout our regional footprint
- Playing a significant role in preparing nations for 5G roll out
- Leveraging on the use of next generation technology to drive efficient connectivity in the new normal to ensure seamless connection for all
- Championing sustainability and managing environmental impacts by evolving the connectivity business to minimise carbon footprint by:
 - reducing electricity consumption
 - minimising carbon footprint
 - lowering fuel consumption



Note: ¹ Includes edotco Group and Axiata Digital employees

We Are Axiata: This Is What We Do

We Are Spread Across ASEAN And South Asia



Malaysia



Indonesia



Sri Lanka



Bangladesh



Cambodia



Nepal



Pakistan



Myanmar



Laos



Thailand



Philippines

Guided By An Evolving Business Model

Our Purpose
Advancing Asia

Our Vision
The Next Generation Digital
Champion by 2024

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

Our Goals

The 4Ps that define our success

Performance

To be one of Asia's largest telecoms and tech groups in all financial metrics as we grow in market capitalisation and generate strong Return on Invested Capital

People

To be recognised as a top talent brand and an Asian talent factory

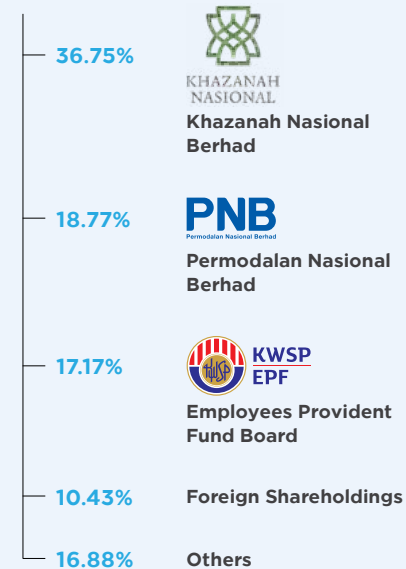
Partnership

To be the number one choice for customers and partners by offering superior customer experience while continuing to build trust with all our stakeholders

Planet & Society

To be recognised as a responsible Digital Champion, in creating a digitally inclusive society

Our Trusted Shareholders



As of 15 April 2021

Regional Recognition For Industry Leadership

- ▶ Named the "Asia-Pacific Telecom Group of the Year" at the 2020 Frost & Sullivan Asia Pacific Best Practices Awards, Axiata's sixth win since 2009
- ▶ Ranked in the Top 30% of the Digital Inclusion Benchmark:
 - **Fourth highest** of all Digital Tech companies in Asia
 - **Third highest** of Telco Companies in Asia
- ▶ In April 2021, the Malaysia Board Diversity Study and Index conducted by the Institute of Corporate Directors Malaysia in collaboration with Willis Towers Watson ranked Axiata at:
 - **First in the "Overall Top 312 Bursa-listed Companies"** category
 - **First in the "Top 10 Companies By Market Capitalisation"** category for "Large Cap (≥ RM2 Billion)" companies
- ▶ Received "Excellence Award for Corporate Governance Disclosure" (fifth position) and "Industry Excellence Award" for Telecommunications and Media at the MSWG ASEAN Corporate Governance Awards 2020
- ▶ Secured awards for "Companies with More Than 10 Billion in Market Capitalisation" (Silver) and "Best Sustainability Reporting" category (Silver) at the National Annual Corporate Report Awards 2020
- ▶ Recognised as "Best Company for IR (Large Cap), Best IR Professional (Large Cap), Business Knowledge & Insights of IR Team, Quality of Annual Report/Formal Disclosure, Quality of One-on-One meetings" by the Malaysian Investor Relations Association
- ▶ Awarded "Islamic Finance Deal of the Year 2020" by Finance Asia for Axiata's USD600 million and RM867 million Syndicated Multi-Currency Shariah-compliant sustainability-linked financing facilities
- ▶ Recognised as "Best Investment Grade Bond from Malaysia (Best Deals by Country)" at The Asset Magazine's Triple A Sustainable Capital Markets Country Awards 2020

Led by Axiata Digital, we have well defined digital businesses and are on track to building a strong proposition as a digital bank

- ▶ **Boost** - e-wallet and cashless merchant payment solution leader
- ▶ **Aspirasi** - answering consumer and micro-enterprise demand for insurance and financing solutions

Our digital analytics and AI¹ company, ADA, utilises IR 4.0 technologies to drive growth

- ▶ **Designs and executes** integrated Digital, Analytics and Marketing solutions
- ▶ **Capturing revenue** from large enterprises

edotco is set to become a Top 5 Global TowerCo

- ▶ **Footprint and tower expansion strategy**
- ▶ **IPO2 targeted** within the next five years

We have strong relationships with regional communities and stakeholders

- ▶ **Contributing to the UN SDGs³**
- ▶ **Key partner** in upcoming regional 5G roll outs
- ▶ Empathetic COVID-19 contributions

Notes: ¹ AI = Artificial Intelligence ² IPO = Initial Public Offering ³ UN SDG = United Nations Sustainable Development Goals

A Conversation On Sustainability With Our President & Group Chief Executive Officer



Click to watch a multimedia version of the Conversation from the President & Group CEO



Dato' Izzaddin Idris
President & Group Chief Executive Officer



Against the backdrop of a world in crisis, Axiata proved its mettle with the delivery of better than expected results for 2020. We continued to focus on business continuity amid the challenging operating conditions. At the same time, we also made sure to step up to the needs of governments and local communities across our regional presence in battling the COVID-19 pandemic. Through our provision of connectivity services, these efforts were crucial in supporting our stakeholders adjust to new norms of living.

Our Sustainability and National Contribution Report 2020 thus tells the story of how we as a Group serve to fulfil our responsibilities to contribute more Environmental, Social and Governance (ESG) value, in a historic year that saw the world as we know it irrevocably changed.

The fragilities exposed in this era demonstrated the significance of adopting sustainable business models to benefit our customers and communities as well as other stakeholder over the long term. The current landscape has also made us more dedicated than ever to achieving our goal of Advancing Asia, where nations are faced with the arduous task of rebuilding. As an organisation aspiring to be The Next Generation Digital Champion we recognise and acknowledge that we play a critical role in this respect, especially as uncertainties remain.

Based on our profound experience in the past year, we are confident of continuing to **work with our key stakeholders towards a digital-led recovery**. We will continue to drive our efforts on delivering **new products and services that will leverage on a world-class infrastructure** to improve productivity and enhance the lives of our customers.



Additionally, we remain committed to uplifting communities in our markets and continuously strengthening our environmental performance to effect meaningful and lasting change.

These efforts are informed by our vision to become The Next Generation Digital Champion by 2024, driven by our Triple Core Strategy of Digital Telcos, Digital Businesses and Infrastructure.

IAR Details are available in our Integrated Annual Report 2020

During the year in review, our efforts to achieve our vision and execute our strategy were reaffirmed by my appointment to the Board of the GSMA, taking up the mantle from Axiata's former President & GCEO, Tan Sri Jamaludin Ibrahim. The GSMA Board is made up of 26 members from the world's largest operator groups and smaller independent operators with global reach. Having a seat at this table lends credence to the achievements Axiata has made so far in the 11 countries in ASEAN and South Asia where we are present. It also allows us to represent and contribute to the region's needs and presence.

The GSMA itself is instrumental in unifying the telco industry **towards expanding digital inclusion and literacy, improving access to spectrum, modernising regulation, protecting privacy, and aligning the industry on climate action** – all elements which are key to ensuring the industry's sustainability and ability to continue creating ESG value.



In a way, the past year serves as a reflection of the dire circumstances we may face if climate change and other sustainability concerns are not addressed more urgently. Recognising this, we will continue to strengthen our proactive approach, response and disclosure to the material sustainable matters which have been identified as the critical areas to our people, operations, business, markets and stakeholders.

A Conversation On Sustainability With Our President & Group Chief Executive Officer



How did the COVID-19 crisis frame Axiata's activities in 2020?

The telco industry was pressed to meet the world's accelerated adoption of digital connectivity to grapple with new social and safety norms. People have changed the way they live and work, and this has led to strong growth in data demand and subscribers.

We saw some headwinds at several of our OpCo markets such as prolonged lockdowns, spectrum constraints, heightened competition and slower-than-expected subscriber growth and network expansion. Nonetheless, overall the Group recorded a credible performance amid the challenging conditions.

Among efforts we took to improve our services during the year included accelerating 3G shutdown to re-farm our spectrum for better 4G service and reducing our cost per GB. Strong balance sheet and opex management has also put us on firm financial footing to harness new growth opportunities, increase digital adoption and invest in network improvement. These also provided resilience in addressing challenges and risks.

In tandem with delivering our business responsibilities, the Group made a concerted effort to raise a community response amid the COVID-19 crisis. Our OpCos stepped up to leverage on connectivity, data analytics, network coverage and presence in each market in providing solutions to governments, businesses and customers.

Some examples of the support include a RM150 million (USD35 million) cash fund launched by Axiata which set the stage for Celcom, edotco and Axiata Digital to offer financial assistance to micro-SMEs. Our micro-financing and micro-insurance unit, Aspirasi, was immediately mobilised and to-date 9,473 loans have been granted to micro-SMEs (MSMEs), with RM43.4 million in micro-financing, to help support business during this challenging period. These funds served as a critical lifeline for businesses hardest hit by the economic slowdown. Customers were able to access the funding efficiently, with applications taking just three minutes and funds disbursed within 48 hours.

Our OpCos also contributed to various forms of relief efforts. Smart set up a USD1 million relief fund to channel monetary aid in Cambodia while Ncell donated NPR9.70 billion (USD83.6 million) worth of corporate social responsibility and other assistance.

In Bangladesh, Robi delivered on a robust analytics infrastructure using big data and other advanced analytic tools to help reduce the risk of COVID-19 exposure. In Sri Lanka, Dialog donated PPE, medical and ICT equipment, contributed towards improving intensive care facilities to enhance ICU capacity of two hospitals in Sri Lanka. While XL gave over IDR10 billion (USD0.7 million) to the National Disaster Management Agency in Indonesia.

Across the Group we offered customers free data and connectivity in the areas of healthcare, education, retail and productivity related services. These have proven crucial in supporting the world's adjustment to procurement of goods and services, remote working, learning and contactless transactions.

Additionally, we made sure to channel the same level of support for our own employees to equip them to remain productive during this time, while securing their safety, health and wellbeing. We took the initiative to train our staff on virtual collaboration tools, remote leadership and implementation of stringent SOPs for times when they are required to be in the office. Reflecting our digital-first philosophy, we also leveraged on mobile apps and our workplace social media platforms to send and receive updates, perform check-ins, provide COVID-19 assistance and access resources. We also addressed employee mental health and wellbeing during these trying times through the provision of counselling services made available to our staff, as well as regular workplace virtual engagements such as Townhalls that were conducted regionally.

These were just some of the support the Group lent to governments and communities in responding to the pandemic. I invite you to read the remaining sections of this Sustainability and National Contribution Report 2020 for the full picture of the various roles we played in battling the crisis.



What progress did the Group make with its sustainability agenda in 2020?

Given the challenges and opportunities witnessed in 2020, sustainability remains a priority for Axiata.

Our commitment to sustainability was reflected by the milestones reached during the year. We also remain committed to the United Nations Sustainable Development Goals and continue to contribute to SDG 4: Quality Education and SDG 13: Climate Action as key impact areas for Axiata.

A significant highlight we achieved in April 2021 was the naming of our Company and Board of Directors to the top spot among 312 companies listed on Bursa Malaysia that were assessed in the inaugural Malaysia Board Diversity Study and Index. Conducted by the Institute of Corporate Directors Malaysia in collaboration with Willis Towers Watson, the Study aims to provide clarity on the correlation between the elements of diversity and company performance, while the Index is a benchmark for the diversity of Malaysian boards.

The recognition of our Board diversity reaffirms Axiata's efforts to enhance the effectiveness of our Board towards promoting good corporate governance. We value the breadth and depth of skills, perspectives and experience that a diverse Board can contribute to the decision-making process which, in turn, strengthens an organisation's sustainability as a whole. With a robust Board and corporate governance practices in place, we strongly believe we are on firm footing to engender sustainability across the Group.

During the year in review, sustainability governance was further strengthened with the establishment of a formal Sustainability Steering Committee, which is chaired by the Group Chief Corporate Officer. The Committee will enhance and strengthen the alignment within our organisation towards achieving common Environmental, Social and Governance objectives and goals. It also serves as a platform for capacity building, awareness and collaboration for enhanced sustainability efforts across the Group.

SNCR More details on our Sustainability Governance Structure on page 16

Through such initiatives, we expect to further internalise sustainability within our Group and emphasise the role of each OpCo in contributing to the Group's direction and mandate as a whole.

Further to our role in the GSMA, which has established the industry's Zero by 2050 commitment to achieve net-zero greenhouse gas emissions by that year, we worked towards preparing our organisation towards meeting that goal. To this end, we have since started developing our own Net-Zero Carbon Roadmap.

A Conversation On Sustainability With Our President & Group Chief Executive Officer



Can you tell us more about the Net-Zero Carbon Roadmap?

The Roadmap captures our efforts to align our OpCos towards a single trajectory on industry-led climate action. It demonstrates our commitment to reducing our carbon footprint by achieving emission reductions from our network infrastructure and connectivity ecosystem. These form the largest contributors to our environmental impact, and as we expand our coverage, we expect our energy needs to increase in tandem.

In an effort to mitigate the impact of the potential increase in energy use, we are seeking to

improve our energy efficiency, use more renewable energy and overall, reduce the carbon intensity of our operations **while contributing to regional digital telco green innovation.**



The Roadmap will inform our activities towards these goals. It will further map changes in technology and innovation against our services as well as regulatory and industry advancements to drive our operations towards higher sustainability standards and improved practices.

We began development of the Roadmap with a Group-wide carbon inventory exercise, which will continue into 2021, involving an audit and assessment in understanding the full impact of our operations and its value chains on the ways in which we use energy. The results of the carbon inventory will enable us to develop Group and OpCo targets on energy intensity, energy efficiency and use of off-grid, renewable energy solutions.



How will the Group's vision of becoming The Next Generation Digital Champion contribute to sustainability?

The vision reflects our commitment to continue creating economic, social and environmental value to all our stakeholders. We will focus on business continuity and service excellence in network quality and coverage, anchored on our Digital Telco model which we have identified as the way forward for the Group.

Part of becoming The Next Generation Digital Champion sees us investing in holistic development of the digital ecosystem. One clear pathway may be through the green infrastructures built by edotco, bringing down our cost per GB to enable greater affordability, and thus access, to our services as well as other efforts to enhance digital inclusion.

Achieving our vision is reliant on bridging the digital divide among regions, communities, business and societies. Hence, we will execute our initiatives in tandem with social and environmental considerations to ensure inclusive and sustainable outcomes.

SNCR More details in the Next Generation Digital Champion section from page 23-40



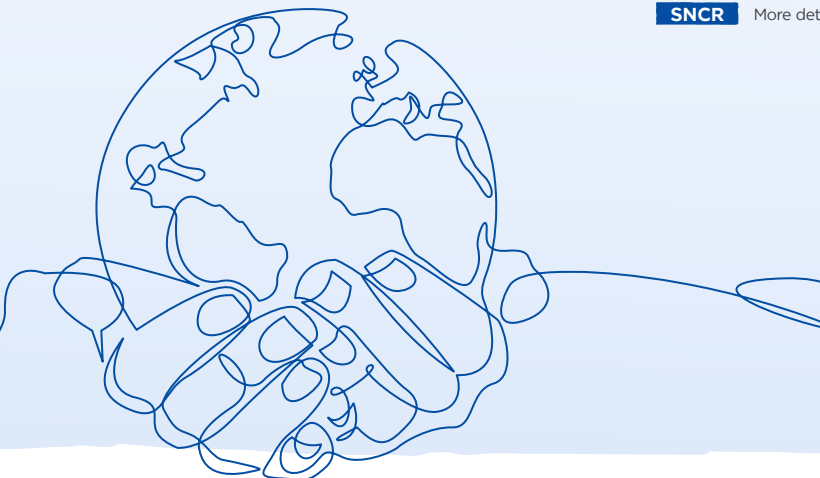
What steps are the Group taking to demonstrate environmental stewardship?

As I touched on previously, we are developing our Net-Zero Carbon Roadmap towards meeting the Zero by 2050 commitment as part of our membership to the GSMA, as well as our alignment with the UN SDGs and the Paris Agreement. The Roadmap formalises and marks our progress towards achieving our climate goals. It emphasises our collective responsibility in taking climate action and practicing environmental stewardship.

Some activities we have begun undertaking include efforts towards creating a paperless workplace environment, digitising data collection and analysis and consolidating relevant carbon reduction mechanisms and practices across the Group. We expect these activities to provide us with greater oversight on our climate impacts to enable more decisive climate action.

To support our green ambitions, we are also enhancing environmental awareness and advocacy within the Group. Additionally, we are working towards integrating climate considerations in all aspects of our operations to unify the Group's approach on climate action.

SNCR More details in the Environment section from page 42-48



A Conversation On Sustainability With Our President & Group Chief Executive Officer



How is the Group contributing to the creation of social value to deliver meaningful outcomes for all its stakeholders?

The COVID-19 pandemic fostered a greater understanding that we must all play our parts to lift each other up. As the saying goes, no man is an island and the global emergence of the call for us to care for one another was perhaps the most positive outcome of the dark times we faced.

We have been inspired to contribute to the betterment of all our stakeholders even more than ever, starting with where we work. For our employees, we have been **supporting the digitisation pathway to transform how we work, communicate and engage to nurture career development and safeguard their wellbeing**. In line with our goal to create a Modern, Agile and Digital (M.A.D.) culture among our employees, we have **introduced digital online learning platforms** so that our employees can have access to learning across the region, including customisable and personalised learning.



For our customers, who remain the heart of our business, we are **committed to continuously improving our customer service and enhancing digitisation of the customer journey**. To this end, we have **adopted digital tools such as process automation, data analytics and intelligence** to improve the customer onboarding experience, shorten turnaround time and enhance our service offerings.



Our suppliers also form a vital enabler for us to better serve our customers. We strive to **understand their needs and treat them with respect to secure the sustainability of our supply chain**. To this end, we work closely with our partners and suppliers to achieve fair and sustainable outcomes predicated on the objective of establishing a long-term partnership.



A flagship initiative we undertake in this respect includes Celcom's Vendor Development Programme (VDP). Launched in 2016, the VDP is now in its second phase. VDP 2.0 aims to develop capable and competitive suppliers who can complement the company's ecosystem. Emphasis has been placed on equipping vendors to become self-sustaining and succeed in IR4.0. A total of 50 vendors have been registered in the programme, of which seven are classified as national champions and one as a global champion.

Furthermore, we remain dedicated to uplifting society as a whole. One effort I am particularly proud of is our flagship Axiata Young Talent Programme through which we have **committed RM100 million over 10 years from 2011 to develop young talent towards leadership roles. This initiative will continue in years to come.**



Across our Group, we've evaluated the unique socioeconomic needs of each country we operate in, from access to education, basic utilities and healthcare, among others. An example of our work in this area includes edotco's Tower to Community programme which aims to improve the quality of life of the communities who live in close proximity of our towers. Under this project, we provide **clean water and WiFi access, as well as electricity for refrigeration systems for local vaccine storage facilities.**

SNCR More details in the Suppliers section from page 61-64

SNCR More details in the Society section from page 65-73

SNCR More details in the Customers section from page 59-60



A Conversation On Sustainability With Our President & Group Chief Executive Officer



How is Axiata expressing its commitment to responsible business practices?

We continue to focus on strengthening our governance and responsible business practices in line with greater public expectations on transparency and accountability. The pandemic had also highlighted vulnerabilities in data privacy and cyber security, which we have already taken steps to address and continue to enhance to safeguard our customers' interests.

We have already put in place various control mechanisms and governance functions to uphold the integrity of our business, including our Enterprise Risk Management Framework and Code of Conduct, among others. Additionally, our Uncompromising Integrity, Exceptional Performance (UI.EP) core values are aimed at incorporating ethics, integrity and good corporate governance into our very identity.

During the year, emphasis was placed on internalising our complete intolerance towards bribery and corruption. In support of this, we strengthened training on anti-corruption and anti-bribery practices. We enhanced our employees' understanding on the applicability of their daily roles and responsibilities in combatting corruption and bribery within our organisation. These measures were taken in conjunction with Malaysia's enforcement of the Corporate Liability Provision in the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

SNCR More details in the Governance section from page 75-83



What sustainability priority areas will the Group be addressing in the year ahead?

During the year, we had strengthened our response to our material matters as well as improved sustainability reporting. Our Board is committed to further improve our sustainability governance by enhancing the alignment of our sustainability disclosures with ESG values.

At the operational level, we have promoted awareness and understanding on sustainability among our employees through various activities. We set up green spaces within our offices, led and managed by employees, and increased efforts in our internal communications to raise awareness on sustainability matters.

Subsequently, from 2021 and into the next year, plans are afoot to refresh our existing sustainability framework to strengthen alignment and standardisation on our sustainability objectives and initiatives across the Group.

We have commenced working towards specific ESG goals and targets as well as enhance the relevant management systems to measure and monitor our progress. Our sustainability governance framework will allow us to deliver a more structured approach to how we manage sustainability as a Group.

Our business opportunities and risks will continuously be assessed with special attention to the after-effects of the COVID-19 crisis. We will remain alert and responsive to the developments that may impact our business and our stakeholders. In particular, amid the critical need for climate action, we will focus on practicing environmental stewardship by mobilising our Net-Zero Carbon Roadmap.



Sothearoth Hun
Senior Operations Engineer
edotco Cambodia

Cycling to work to lessen
my carbon footprint.

#ItBeginsWithMe

**OUR APPROACH TO
SUSTAINABILITY**

Our Foundation To Create Long-Term Value

▶ **Guided by our purpose of Advancing Asia throughout our regional footprint, Axiata’s sustainability has focused on improving the quality of life for our customers and communities by providing digital connectivity services and driving the proliferation of emerging regional digital economies.**

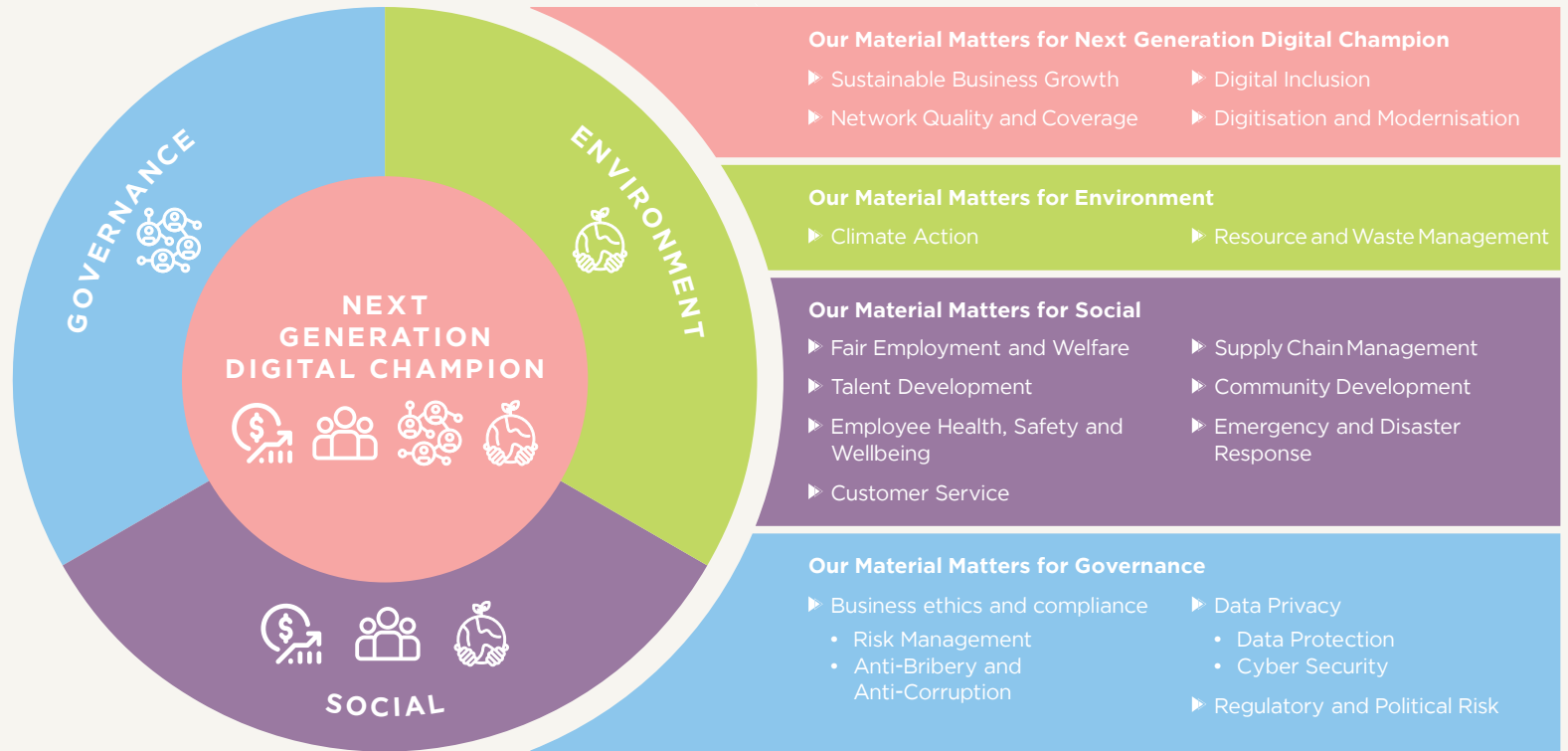
Our approach to sustainability takes a long-term and holistic view of ensuring sustainable business practices to create value for all our stakeholders, underpinned by our vision to become The Next Generation Digital Champion by 2024.


**BEYOND
SHORT-TERM PROFITS**


NURTURING PEOPLE


**PROCESS EXCELLENCE
& GOVERNANCE**


PLANET & SOCIETY



Our 4P Sustainability Framework guides our sustainability efforts and aspiration. We remain cognisant of the accelerated changes of sustainability practices across our industry, geographical footprint and expectations of our stakeholders. This year we have made enhancements to how our sustainability disclosures in this Sustainability Report are presented. These enhancements are in line with the shift in global sustainability trends and reflect our latest materiality assessment and stakeholder engagement exercise. As such we are clearer in disclosing our sustainability matters and responses with the ESG pillars.

We are transitioning towards a more refreshed and structured approach in our sustainability disclosure. Our response to our material matters are centred on our vision of becoming The Next Generation Digital Champion. This ensures we integrate sustainability as aligned with ESG within our long-term strategy. The latest materiality assessment we conducted for 2020 had identified input from our stakeholders and also highlighted new material matters that allowed us to align more clearly with ESG values, reinforcing this transition. The transition not only enhances connectivity of our sustainability performance to the specific interests of our stakeholder groups, but also allows for a more universal and globally recognised narrative for enhanced reporting across the ESG aspects of our sustainability objectives and goals. The ESG pillars, in this way, directly supports our position on becoming The Next Generation Digital Champion.

We mapped our latest identified material matters to the ESG pillars and will continue to report our sustainability disclosure in this manner going forward. This is aimed at providing transparency to stakeholders on the issues material to us, our approach to managing them and the progress we are able to show for it. Moving forward, this sets the tone not only for our sustainability disclosure but also our approach towards managing sustainability.

Materiality

► **Sustainability at Axiata is aligned with our risk assessment parameters to ensure we address our material sustainable matters in a holistic manner, undertaken through our materiality, which is conducted biennially. With our last materiality assessment held in 2018, at the end of 2020 we commenced a new stakeholder engagement and materiality assessment exercise to take into account any new developments in our key business areas.**

The exercise was also timely given the changes in socioeconomic and operating conditions in 2020 following the COVID-19 crisis providing us with better oversight on the internal and external factors which are material to us. The assessment reaffirmed our understanding of our risks and opportunities while allowing us to gain a refreshed perspective on how our business can respond to the dynamic changes in our operating environment. By conducting the assessment, we have been able to consciously embed sustainable and integrated thinking across the Group and our subsidiaries.

The outcome of the 2020 materiality assessment highlighted slight changes in our identified material matters and matrix. These changes include input of our internal and external stakeholders as well as the expansion of material matters from areas that cover our operations to include our value chain. The pandemic had also raised the importance of other risks, hence the emergence of four new material matters onto our matrix. While these are not new to Axiata, it is a part of our sustainability approach to incorporate the expectations of our stakeholders into a balanced sustainability strategy moving forward. We will continue to focus on these in our sustainability management across the Group.

Our methodology remains guided by Bursa Malaysia's Sustainability Reporting Guidelines and Toolkits as well as the Global Reporting Initiative (GRI) Standards. These entities within the materiality assessment currently include Axiata and all subsidiaries, offering deeper insights into our financial and non-financial impacts, as well as providing better understanding of how our OpCos are able to leverage sustainability practices to respond to ever-changing trends in their operating environment.

This year, our reporting approach reflects our refreshed material matters and its grouping into ESG pillars, as we focus our sustainability disclosure to be more transparent to stakeholders on how we manage each material matter.

REVIEW OF MATERIAL SUSTAINABILITY MATTERS

We reviewed and updated our material sustainability matters in response to changes in our business landscape, risk environment, internal policies, KPIs, emerging local and global sustainability trends, regulatory developments and stakeholder opinions. In 2020, we also conducted a materiality assessment across our peers to benchmark our issues to our industry peers.



STAKEHOLDER ENGAGEMENT

We conducted a structured stakeholder prioritisation exercise by leveraging insights from our dialogue with various stakeholders on our sustainability matters. This allowed us to identify the influence and dependence of key stakeholders on the Group. We then engaged with the prioritised stakeholders to obtain their feedback on sustainability matters.

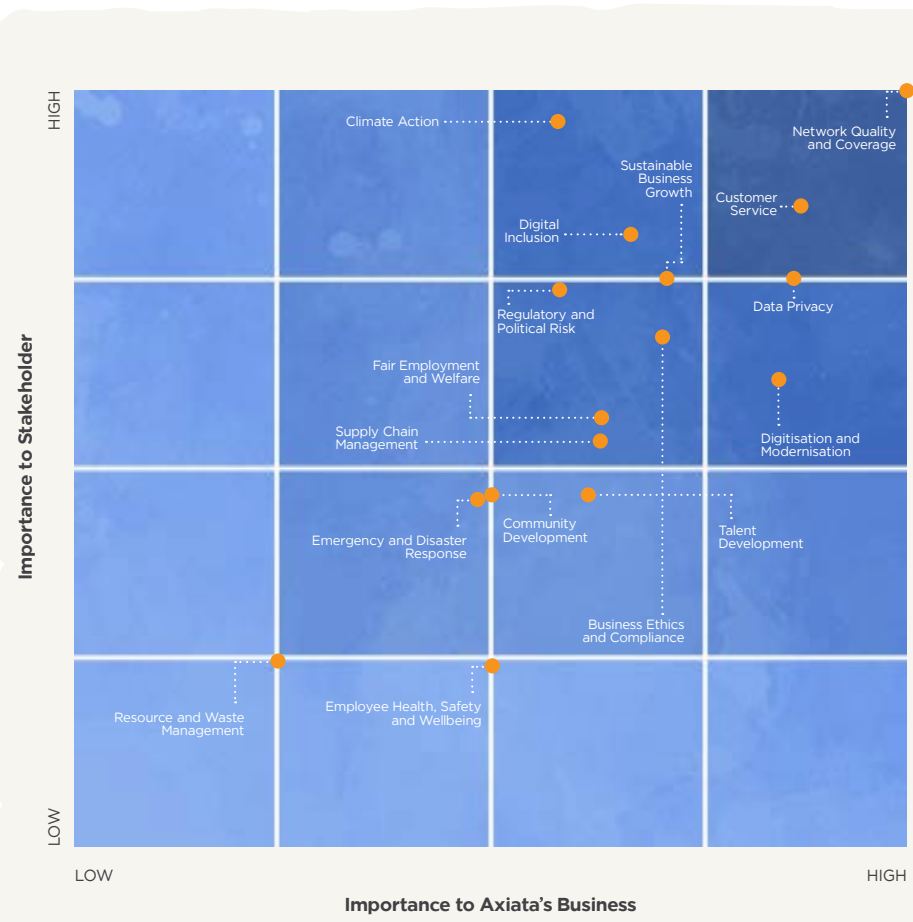


SUSTAINABILITY IMPACT ASSESSMENT

Upon identification of our sustainability matters, we conducted a workshop within the Group to further prioritise sustainability matters from the business perspective.



Materiality



Material Matters	Descriptions
▶ Network Quality and Coverage	Enhancing network quality and coverage through continuous improvements in efficiency, availability and reliability
▶ Customer Service	Delivering a differentiated user experience for customers, and offering the most affordable products and services relative to customer promise in our highly competitive markets
▶ Data Privacy	Protection of all data, information and intellectual property against cyber security breaches
▶ Digital Inclusion	Providing affordable and innovative products and services in bridging the digital gap
▶ Sustainable Business Growth	Consideration of Economic, Environmental and Social (EES), and positive direct and indirect value creation in our strategic investment decisions to enhance our shareholder returns
▶ Climate Action	Internal controls and monitoring mechanisms to manage environmental impacts
▶ Business Ethics and Compliance	Enhance business integrity compliance within the ambit of Malaysian and international laws on bribery and corruption
▶ Digitisation and Modernisation	Technological innovation to enhance key internal business functions, improve process efficiency and effectiveness, and promote innovation and business continuity
▶ Talent Development	Promote development and uplift competencies of employees to respond to the rapidly changing and complex business environment
▶ Fair Employment and Welfare	Fostering fair recruitment practices by embracing diversity and inclusion in the workforce, and offering employees fair compensation and benefits
▶ Regulatory and Political Risk	Management of evolving changes in the regulatory landscape and political context
▶ Supply Chain Management	Consideration of EES factors across supply chain management and processes
▶ Community Development	Financial and non-financial contributions to support local communities, and underprivileged and underserved groups
▶ Employee Health, Safety and Wellbeing	Providing for the health, safety and wellbeing of our employees in ways that address key challenges and bring value to their livelihood in the workplace
▶ Emergency and Disaster Response	Providing society in times of emergency and disaster, through the contribution of our business streams to disaster response initiatives
▶ Resource and Waste Management	Aspiring towards the circular economy within our operations as well as the solutions we can provide our customers and supply chain waste management

Increased in Priority

- ▶ Climate Action
- ▶ Digital Inclusion
- ▶ Data Privacy
- ▶ Digitisation and Modernisation
- ▶ Supply Chain Management

The matters which have increased in priority cover those related to the environment as well as our community, customer and suppliers' interests.

Inclusions into Material Matters

- ▶ Employee Health, Safety and Wellbeing
- ▶ Emergency and Disaster Response
- ▶ Resource and Waste Management
- ▶ Regulatory and Political Risk

Our new material matters included from the latest materiality assessment include those related to COVID-19 concerns on how we work and address emergencies and disasters, while resource and waste management as well as regulatory and political risks have also emerged as material in line with developments in our operating environment.

Sustainability Governance Structure

▶ **At Axiata, we have strengthened our sustainability governance structure based on the enhanced alignment between Group and OpCos for effective implementation of sustainability strategies and initiatives moving forward.**

Sustainability-related key performance indicators (KPIs) have been included in our Group CEO and OpCo CEOs' annual KPIs to ensure accountability to our sustainability commitments. Additionally, all OpCo CEOs sign-off on sustainability-related governance as part of internal control assurance.

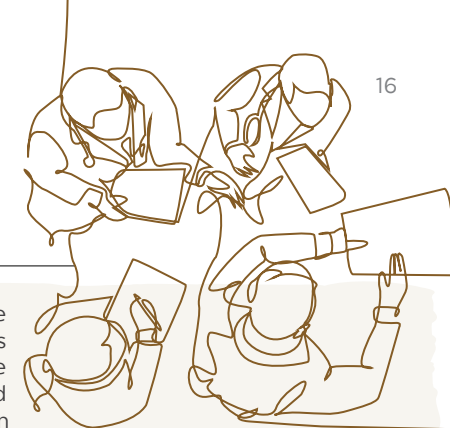
Ultimately, Axiata Board of Directors is accountable for Axiata's sustainable strategies. This top-down approach marks our commitment to embracing sustainability as a Group-wide agenda.

The alignment of the Group and OpCos sustainability activities, progress and achievements to the Group's sustainability agenda is overseen by the Group Sustainability team. In doing so, the Group Sustainability team ensures the effective development, integration and implementation of Group Sustainability objectives and initiatives as governed by the Sustainability Governance body. Additionally, the team provides advisory support and capacity building for the sustainability teams in our OpCos, which report indirectly to Group Sustainability.

Our Group Sustainability Team undertakes key roles related to our goals, acting as the custodian of our sustainability programmes, including:

- ▶ monitoring and managing of business sustainability practices and targets
- ▶ keeping abreast of latest developments, e.g, global sustainability trends, sustainability related guidelines, standards and frameworks
- ▶ educating our internal and external stakeholders through various communication platforms
- ▶ raising skill sets and technical knowledge on current and core ESG developments of our sustainability contact points across the Group

Our OpCos' sustainability teams engage with local stakeholders to identify material issues and aligning and customising our Group Sustainability Framework for local relevance. The OpCos are responsible for the governance, daily management and operations, programme implementation and data collection as identified by the Group Sustainability Framework. OpCos are also encouraged to produce their own Sustainability Report in compliance with the GRI Sustainability Reporting Standards.



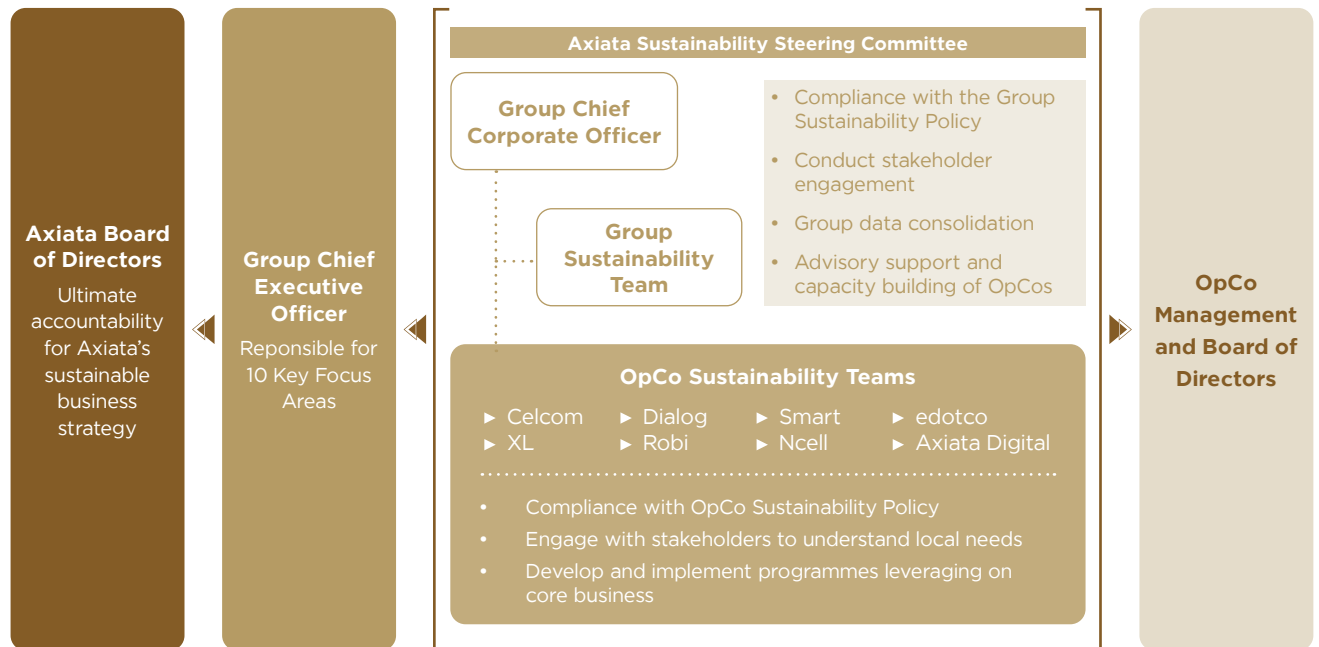
AXIATA SUSTAINABILITY STEERING COMMITTEE

In 2020, the Group Sustainability team enhanced sustainability governance Group-wide through the establishment of the Axiata Sustainability Steering Committee, which consists of the Group Sustainability team, OpCo sustainability teams as well as key functions. The Committee aims to encourage and ensure a more aligned, focused, standardised, and structured approach towards sustainability management. This will include collaboration on Group's objectives and targets in alignment to the Group's sustainability agenda, facilitating cross-collaboration and a robust and meaningful sustainability performance and results.

Axiata Sustainability Steering Committee objectives are:

- ▶ Accelerate a cohesive and Group-wide approach to sustainability management
- ▶ Strengthen the Group Sustainability governance process, including management systems
- ▶ Ensure alignment in approach and understanding of broader sustainability initiatives and plans throughout the Group
- ▶ Promote a more cohesive structure and collaborative approach to the Group's sustainability objectives and ambitions

The Committee meets on a quarterly basis to track progress, manage and share updates and achievements, as well as align on the Committee's action areas. To enhance accountability of the Group's sustainability governance, the Committee intend to present updates to the Group Executive Council and to the Board.



Responding To Our Stakeholders



Regulators and Government



Shareholders

Why They Are Important Our regulators and authorities specify the national laws and regulations that determine the licence and scope of our activities in the respective countries of our operation. They provide our OpCos access to operating licenses, and impose regulatory measures with potential cost implications for the Group.

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

- Topics Raised**
- Spectrum allocations and licensing fees
 - Compliance with regulations and customer service standards
 - Information security and data protection
 - Developing local digital talents and national talent pipelines

- Our Response And Results**
- Investing in development of local telecommunication infrastructure
 - Contributing directly and indirectly to local and regional digital economy
 - Supporting digital innovation funds to drive the development of local and regional digital ecosystems
 - Deploying world-class cyber security and privacy practices

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

We conduct an Annual General Meeting to meet and be accountable to shareholders. We also organise regular investor roadshows and analyst meetings to engage shareholders on current corporate developments.

- Financial performance
- Long-term business strategy
- Board composition
- ESG strategy and performance
- Share price performance and outlook

- Transparency in corporate reporting and disclosures through multiple platforms, and sharing of these reports for wider public awareness
- Briefings and engagements with shareholders on emerging topics in the industry and national landscape

Shareholders Supporting Stronger ESG Practices

In recent years, we have witnessed growing expectations from our shareholders on delivering ESG value. In addition to communicating their expectations, the shareholders have also demonstrated their own commitment to the triple bottom line. For the telco industry in general, material issues for our shareholders comprise data security and privacy, climate management, electronic waste, and affordability of telco services.

This can be seen with their establishment of dedicated sustainable investment units to formally drive ESG integration into their portfolios and ensure alignment with relevant national and international standards and frameworks. Our shareholders also place emphasis on ESG strategy as a function of mitigating risk and safeguarding their reputations. This affirms the need for investment companies such as ours to establish ESG frameworks towards building value which are aligned to our shareholders' objectives.

Responding To Our Stakeholders



<p>▶ Why They Are Important</p>	<p>We value each of our customers and the experience that they have on our network, and impact of our solutions and services. We are committed to delivering optimum performance to meet our customer's expectation and user experience.</p>	<p>Our suppliers provide us business critical products and services that enable us to drive our business strategy. We work in partnership to deliver best value for our operations as well as develop their capabilities and capacity.</p>	<p>Our innovative and diverse workforce is essential to delivering the best digital experience for our customers. We drive a culture of high performance and accountability that attracts, develops, and retains the best talent to deliver our business strategy.</p>
<p>▶ How We Engage</p>	<p>We undertake a range of surveys across our markets to understand customer satisfaction and expectations. Scores are benchmarked against our peers, and the data analyses, among others, drive operational excellence.</p>	<p>We conduct engagement with key suppliers to understand solutions and services that can drive operational excellence. We recognise outstanding suppliers through the Biennial Axiata Supplier Awards, and address opportunities for improvement during performance management and the Annual Supplier Forum.</p>	<p>Axiata conducts an annual Employee Engagement Survey, regular Townhalls and a range of digital platforms to stay engaged with employees across the Group.</p>
<p>▶ Topics Raised</p>	<ul style="list-style-type: none"> • Network quality and availability • Improving customer experience • Price of packages, products and service differentiation 	<ul style="list-style-type: none"> • Performance against Supplier Code of Conduct • Emerging corporate developments and understanding of long-term strategy • Opportunities for vendor development • Supplier support and continuity of services during pandemic 	<ul style="list-style-type: none"> • Long-term business strategy and performance • Career and talent development opportunities • Work-life balance and employee wellbeing support (heightened during pandemic) • Pay and remuneration • Diversity and inclusivity
<p>▶ Our Response And Results</p>	<ul style="list-style-type: none"> • Be the lowest cost producer relative to our customer promise • Drive operational excellence in relation to customer expectations • Creating digital lifestyle products and self-service customer care solutions • Support during pandemic for customers - for remote assistance on products, deals and packages, and reliable connectivity 	<ul style="list-style-type: none"> • Sourcing local vendors • Supporting the Bumiputera Empowerment Agenda in Malaysia to build local, regional and global champions • Verticalisation of procurement services across the Group to provide scale • Supporting local direct and indirect employment through our supply chain • Value chain discussions for telco industry to operate during pandemic as an essential infrastructure service 	<ul style="list-style-type: none"> • Providing job opportunities to local citizens • Group and OpCo Talent Development programmes • Transforming towards a Modern, Agile and Digital (M.A.D.) organisation

Responding To Our Stakeholders



Community



Media

Why They Are Important We are present in a diverse and fast developing economic region. We recognise that strong community participation and engagement is needed as part of our social licence to operate.

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

How We Engage Building relationships with the community through partnerships with local NGOs to foster digital inclusion initiatives, corporate responsibility programmes and needs assessment of local stakeholders. We communicate our initiatives through digital and print media.

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

Topics Raised

- Support of the UN SDGs
- Building capacity of future leaders
- Pre- and post-disaster assistance
- Addressing local social needs
- Developments in digital connectivity and of the wider digital ecosystem for society at large during pandemic

- Corporate developments
- Financial and market performance
- Industry trend and issues
- Technology breakthroughs
- National policy matters

Our Response And Results

- Digital and Financial Inclusion initiatives covering aspects of digital skills and digital connectivity and inclusivity
- Disaster Management and Response initiatives
- Developing national talent towards becoming future leaders
- Established Digital Innovation Funds in three countries to spur innovation and local entrepreneurship

- Providing regular performance, network and Merger and Acquisition updates
- Implementation of Axiata 5.0 strategy to advance our digital footprint

Axiata's Regional Representation in GSMA

We are proud to play an active role in the GSMA, contributing our views and experience as a leading regional telecommunications group in Asia. We will also continue to be represented on the Board of the GSMA with our current President & Group CEO appointed for the 2021-2022 term, following the retirement of our previous President & Group CEO.

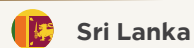
As part of our engagements with GSMA, we have contributed in the following areas:

- ▶ Industry representation
Participation in various industry relevant discussions and forums and is recognised as a strong regional player
- ▶ Technical industry discussion
Participation by our senior management team in regulatory and technology forums, eg., 5G, IoT topics
- ▶ GSMA Cleantech Programme
Supporting development in low- and medium-income countries which are part of the Mobile for Development (M4D) programme under GSMA Foundation. The projects provide cross cutting support for these countries, targeting areas such as agriculture, connecting female customers, providing connectivity to rural areas, mobile money solutions, climate resilience and climate adaptation. We actively participate in each country's projects and activities.

Our Impact To ASEAN And South Asia

Our business presence in 11 countries in ASEAN and South Asia enables us to contribute to sustainable development through the delivery of economic impact and value creation in the markets and communities we serve. Our investments in each country cover the local telecommunications industry,

network infrastructure, job creation and talent development, environmental preservation and contributions to society. The following is a snapshot of our contributions to each country in which we are present. In 2020, we added edotco into this economic impact analysis.



USD1,760 million¹
(0.5% OF THE NATION'S GDP)

Operational Direct GVA:
USD805 million

Operational Indirect and Induced GVA:
USD767 million

Capital Investment GVA:
USD189 million

USD 1,101 million

Capital Expenditure:
USD234 million

Operating Expenditure:
USD867 million

Every **USD1** spent on capex

translates to:

USD7.5 GVA Contribution



USD2,315 million¹
(0.2% OF THE NATION'S GDP)

Operational Direct GVA:
USD987 million

Operational Indirect and Induced GVA:
USD903 million

Capital Investment GVA:
USD382 million

Productivity GVA:
USD43 million

USD 1,316 million

Capital Expenditure:
USD424 million

Operating Expenditure:
USD892 million

Every **USD1** spent on capex

translates to:

USD5.5 GVA Contribution



USD817 million¹
(1.0% OF THE NATION'S GDP)

Operational Direct GVA:
USD331 million

Operational Indirect and Induced GVA:
USD340 million

Capital Investment GVA:
USD146 million

USD 529 million

Capital Expenditure:
USD155 million

Operating Expenditure:
USD374 million

Every **USD1** spent on capex

translates to:

USD5.3 GVA Contribution



USD1,306 million
(0.4% OF THE NATION'S GDP)

Operational Direct GVA:
USD421 million

Operational Indirect and Induced GVA:
USD393 million

Capital Investment GVA:
USD281 million

Productivity GVA:
USD211 million

USD 761 million

Capital Expenditure:
USD248 million

Operating Expenditure:
USD513 million

Every **USD1** spent on capex

translates to:

USD5.3 GVA Contribution



USD345 million¹
(1.3% OF THE NATION'S GDP)

Operational Direct GVA:
USD191 million

Operational Indirect and Induced GVA:
USD95 million

Capital Investment GVA:
USD58 million

USD 221 million

Capital Expenditure:
USD74 million

Operating Expenditure:
USD148 million

Every **USD1** spent on capex

translates to:

USD4.7 GVA Contribution



USD463 million¹
(1.4% OF THE NATION'S GDP)

Operational Direct GVA:
USD287 million

Operational Indirect and Induced GVA:
USD102 million

Capital Investment GVA:
USD75 million

USD 228 million

Capital Expenditure:
USD94 million

Operating Expenditure:
USD134 million

Every **USD1** spent on capex

translates to:

USD4.9 GVA Contribution



USD715 million¹

Operational Direct GVA:
USD323 million

Operational Indirect and Induced GVA:
USD275 million

Capital Investment GVA:
USD116 million

USD 308 million²

Capital Expenditure:
USD121 million

Operating Expenditure:
USD187 million

Every **USD1** spent on capex

translates to:

USD5.9 GVA Contribution

Contributed **USD7.7 billion** to GDP

Capital + Operating Investment of **USD4.4 billion**

Notes: ¹ Totals of contributions to GDP may not add up due to rounding
² Totals of investments may not add up due to rounding
³ Ncell's financial year end on 15 Jul 2020, which is different from other OpCos (31 Dec 2020)

Our Impact To ASEAN And South Asia



Malaysia



Indonesia



Sri Lanka



Bangladesh



Cambodia



Nepal



Total
2,444 Staff

Malaysian:
99.5%

Female:
46%



Total
1,594 Staff

Indonesian:
99%

Female:
30%



Total
2,733 Staff

Sri Lankan:
99.6%

Female:
23%



Total
1,371 Staff

Bangladeshi:
99.9%

Female:
13%



Total
823 Staff

Cambodian:
97%

Female:
36%



Total
545 Staff

Nepali:
98.0%

Female:
24%



Total
1,314 Staff

Female:
20%

10,824
Direct
Employees¹

46,766 Jobs⁴

Directly Employed:
2,444

Operational
Indirectly Supported:
34,223

Supported by
Capital Investment:
10,098

229,075 Jobs

Directly Employed:
1,594

Operational
Indirectly Supported:
113,260

Supported by
Capital Investment:
114,221

85,564 Jobs^{3&4}

Directly Employed:
2,733

Operational
Indirectly Supported:
33,538

Supported by
Capital Investment:
48,616

117,412 Jobs⁴

Directly Employed:
1,371

Operational
Indirectly Supported:
71,129

Supported by
Capital Investment:
44,912

55,868 Jobs⁴

Directly Employed:
823

Operational
Indirectly Supported:
34,119

Supported by
Capital Investment:
20,925

35,604 Jobs

Directly Employed:
545

Operational
Indirectly Supported:
20,245

Supported by
Capital Investment:
14,815

39,669 Jobs

Directly Employed:
1,314

Operational
Indirectly Supported:
26,985

Supported by
Capital Investment:
11,370

USD189 million
(0.3% of total tax
revenue of the Malaysian
Federal Government)

USD177 million
(0.2% of total tax
revenue of the
Indonesian Government)

USD101 million
(1.2% of total tax
revenue of the Sri
Lankan Government)

USD501 million
(1.1% of total
tax revenue of
the Bangladeshi
Government)

USD95 million
(2.1% of total
tax revenue of
the Cambodian
Government, excluding
regulatory related fees,
levies and payments)

USD279 million
(4.3% of total tax
revenue of the Nepali
Government)

USD54 million
(0.02% of total
tax revenue of the
Governments of
countries it operates in)

Approximately
600,000
jobs supported
in the region²

USD1.3
billion
taxes paid

Notes: ¹ Total employee headcount at Axiata (including ADL, ADS and Suvitech) as at 31 Dec 2020 was 12,683

² Supported jobs only from our Digital Telcos operations

³ 85,564 Jobs supported by Dialog also includes 676 outsourced jobs in 2020

⁴ Totals may not add up due to rounding

⁵ Ncell's financial year end on 15 Jul 2020, which is different from other OpCos (31 Dec 2020)

Bringing online education and accelerating learning for more than 1.5 million students in Bangladesh.

#ItBeginsWithUs

Robi Axiata 10-Minute School



**NEXT GENERATION
DIGITAL CHAMPION**

WHAT YOU'LL FIND IN THIS SECTION

Next Generation Digital Champion

Our growth plans have consistently been anchored on a long-term view to future-proof the Group through various industry cycles. Our strategy is driven by our vision of becoming The Next Generation Digital Champion by 2024.

This vision reflects our intent to continue creating economic, social and environmental value for all our shareholders. We recognise that becoming The Next Generation Digital Champion includes delivering a responsibility to invest in holistic development of the digital ecosystem. Therefore, our initiatives to realise our business goals will be executed in tandem with social and environmental considerations to ensure the delivery of inclusive and sustainable outcomes.

Our vision also takes into account the massive shifts in consumer behaviour that accelerated amid the COVID-19 crisis. We have addressed these shifts by adapting and refining our strategic approach under Axiata 5.0 to emerge as a winner in the new normal.

This will be achieved by focusing on business continuity and service excellence in network quality and coverage, anchored on our Digital Telco model which we have identified as the way forward for the Group.

▶ Sustainable Business Growth

Key Highlights:

- Generating value from our digital and connectivity services, contributing to development of inclusive societies
- Supporting industries, entrepreneurs, vendors and talent in the digital ecosystem
- Completed a USD800 million multi-currency, Shariah-compliant sustainability-linked syndicated financing facility

-  **24** Investing Long-Term in Our Markets
- 25** Valuable Partnerships and Industry Associations
- 25** Financing Linked to ESG Performance
- 26** Representing Malaysia as a Home-Grown Champion

▶ Network Quality And Coverage

Key Highlights:

- Strengthening our network and operations to ensure resilience and reliability
- Axiata Business Continuity Management Framework (BCM) implemented across the Group
- Organic growth in tower portfolio of 10% year-on-year
- Strengthening 4G data network development

-  **28** Increasing Network Coverage
- 28** Increasing Connectivity via Telecom Infrastructure Growth
- 28** Beyond Bridging the Gap in Coverage

▶ Digital Inclusion

Key Highlights:

- Intensified digital inclusion initiatives for communities across our footprint
 - Access to free data
 - Connectivity to healthcare, education, retail and productivity-related-services and tools
- 2020 World Benchmarking Alliance
 - Axiata ranked in the Top Third out of 100 digital technology companies in Digital Inclusion Benchmark Evaluation

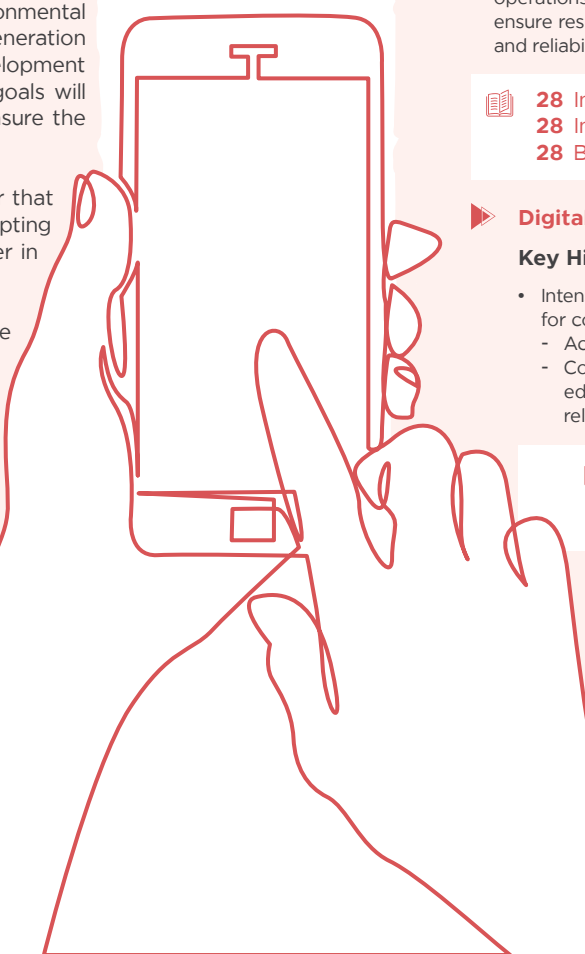
-  **30** Driving the New Digital Ecosystem
- 32** Uplifting Communities through Digital Inclusion
- 37** Providing Digital Access to Vital Services

▶ Digitisation And Modernisation

Key Highlights:

- Digital Transformation Roadmap to implement transformation through the adoption of IR 4.0 principles and technologies
- Collective Brain initiative targeted to unlock cumulative savings of between RM3 billion and RM4 billion by 2024
- Learn, Engage, Accelerate and Perform (LEAP) Programme nurtures a "digital-first" mindset shift

-  **39** Collective Brain
- 40** LEAP Programme



Next Generation Digital Champion



Sustainable Business Growth

As our Group, along with the rest of the world, grappled with the impact of COVID-19, we continued to demonstrate our value as an attractive investment proposition, anchored on our solid business fundamentals and strategy geared towards becoming The Next Generation Digital Champion by 2024. Against the challenging backdrop, we were also able to execute a seamless and stable leadership transition with our new President & Group CEO taking office during the year, achieving business continuity and uninterrupted delivery of our strategies.

These were enabled by our robust governance frameworks, policies and procedures which allowed the Group to effectively manage and mitigate current and emerging risks for the medium to long-term. Sustainable business growth for us thus relies on the consideration of ESG factors and positive direct and indirect value creation in our strategic investment decisions to enhance our shareholder returns. We also demonstrated agility in quickly adapting our business strategy to harness opportunities and respond to the prevailing conditions. This includes investing in network improvement to meet rapid growth in digital adoption against the backdrop of new social and safety norms.

APPROACH

Axiata 5.0 Strategy will guide the company towards sustainable business growth and enhanced operational excellence aided and strengthened by our Collective Brain and verticalisation initiatives. The approach towards long term growth and profitability also prioritises operational performance, organisational excellence, transformation of OpCos, and a focus on digitisation and analytics and on new growth areas.

IAR More details on Axiata 5.0 can be found in "Evolving And Adapting Our Strategy To Capture New Normal Growth Opportunities" on page 39 of IAR 2020

OUTLOOK

For the next year, the Board will task the Management team with maintaining a firm grip on the business against continued challenges and uncertainties as competition intensifies in the digitally heightened environment.

Investing Long-Term in Our Markets

With our regional footprint established for more than 20 years, we remain committed to continued development of our business as a Digital Telco, Digital Business and Infrastructure company for long-term growth.

The value we generate is derived from our provision of digital and connectivity services which contribute to the development of inclusive societies. Our services are further supported by a digital ecosystem fuelled by local industries, entrepreneurs, vendors and talent. This ecosystem serves not only as our supply chain, but also creates value-add to our footprint economies to which we deliver inclusive and beneficial products and services through our world-class connectivity networks.



USD7.7 billion
GDP Contributed



USD4.4 billion
capex + opex investment



USD1.3 billion
Total taxes paid to governments

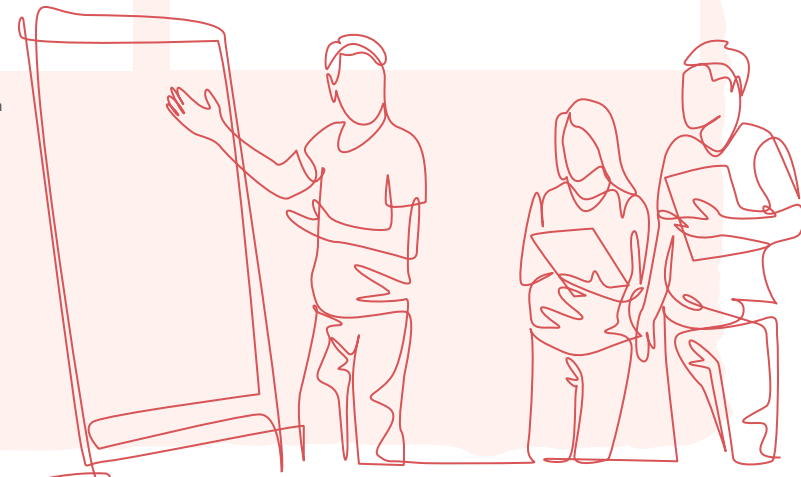


Employed
12,683
employees across
ASEAN and South Asia



Supported approximately
600,000
jobs across Asia

SNCR More details in our National Contribution Report 2020 on page 84



Next Generation Digital Champion



Sustainable Business Growth

Valuable Partnerships and Industry Associations

The achievement of our corporate vision and strategy is enabled by our provision of world-class communication services using the most advanced technology. This forms the core of our purpose of Advancing Asia to improve lives of the local communities in our operating countries.

Partnerships play a vital role in the achievement of our business and social objectives. One such partnership is our membership of the GSMA, through which we work with the industry on global initiatives to deliver meaningful and lasting change. These initiatives are implemented thematically, developing specialised insights and tools to build on our commitment towards social inclusion by providing connectivity to everyone and everything.

Driven by Group, and through our OpCos, we have committed to three of the GSMA's initiatives:

▶ Humanitarian Connectivity Charter

Comprising three principles, focusing on preparedness, scale and collaboration, signatories of the Charter commit to support improved access to communication and information for those affected by crisis in order to reduce the loss of life and contribute to humanitarian response.

▶ Connected Women Commitment Initiative

To reduce the gender gap in mobile internet and mobile money services and unlock significant commercial and socioeconomic opportunities.

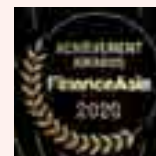
▶ Climate Action Taskforce

With more than 40 operator groups as members worldwide, the taskforce and GSMA collaborate to move the mobile industry towards Net Zero carbon emissions by 2050 at the latest.

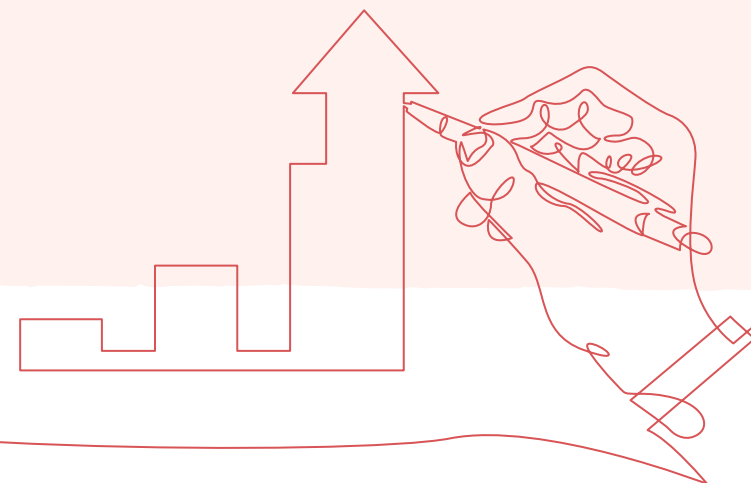
Financing Linked to Our ESG Performance

Demonstrating our commitment to sustainability, in May 2020 we completed a USD800 million multi-currency, Shariah-compliant sustainability-linked syndicated financing facility, or our sustainability-linked loan (SLL). The combination of Islamic financing principles, sustainability parameters and multi-currency feature make it the first of its kind in the world. It also underscores our commitment towards ensuring the alignment of our business strategies and sustainability framework.

The financing was provided by OCBC Al-Amin Bank Berhad, as the lead coordinator and sustainability structuring and Shariah advisor, together with mandated lead arrangers and financiers, Oversea-Chinese Banking Corporation Limited, Labuan Branch, Maybank Islamic Bank Berhad, and MUFG Bank (Malaysia) Berhad. The transaction reaffirmed the support and confidence of the banking industry towards our long-term business sustainability and direction, backed by our well-established regional presence in 11 markets throughout ASEAN and South Asia.



The syndicated Islamic sustainability-linked financing won **“Islamic Finance Deal of the Year”** at **FinanceAsia’s 2020 Achievement Awards**



Next Generation Digital Champion



Sustainable Business Growth

Representing Malaysia as a Home-Grown Champion

As an organisation with strong links to the socioeconomic development of our home market of Malaysia, we are proud to contribute to the Bumiputera Empowerment Agenda (BEA). The BEA provides support for Bumiputera entrepreneurs, employees and students.

We support the BEA through a comprehensive investment programme aimed at building the capacity and capability of local vendors, channelling financial support to a new generation of technopreneurs, and providing employment to university graduates.



RM2.5 million sponsored for employee learning and development in Malaysia (RM34.4 million since 2017)



> 6,000 Bumiputera e-entrepreneurs trained (from Siswapreneur, DesaMall, Mahir Digital Felda, PEDAS and IbuPJJ)



Bumiputera distributors have recorded **RM367 million** in physical distribution value



Tuisyen Rakyat: **7,300 students** involved since 2017

- ▶ **5,900 B40 students** from our collaboration with Yayasan Pelajaran MARA at > 300 schools
- ▶ **1,400 students** from Mahir Tutor programme at 89 Pusat Internet Komuniti



Procured **RM408 million** from Malaysian companies of which **71%**, or **RM291 million**, was spent on Bumiputera companies



Since 2016, we have collaborated with the Ministry of **Higher Education and 100 institutions** of higher learning to develop the **digital entrepreneurship mindset** among Bumiputera university students

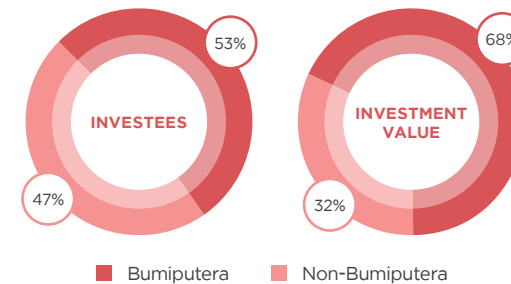


50 vendors in Celcom Vendor Development Programme

- ▶ **7 National Champions & 1 Global Champion**
- ▶ **RM595K value of Training** courses from technical agencies
- ▶ **5 business Matching events** organised for more than **20 vendors**
- ▶ **RM959K value of Research and Commercialisation Grant** awarded to 1 vendor



Axiata Digital Innovation Fund (ADIF) supports the development of innovative digital businesses, including Bumiputera **technopreneurs**



Next Generation Digital Champion



Network Quality And Coverage

The longevity of our business in our footprint countries has been driven by the affordability and availability of our network. This has become even more urgent amid the COVID-19 pandemic, with mobile operators globally taking a proactive approach to supporting customers and governments with critical services and reliable networks. In spite of rapid growth in data traffic, mobile operators globally delivered a 7% improvement in download speeds during the pandemic, demonstrating the investments ensured our networks remain resilient and possess sufficient capacity.

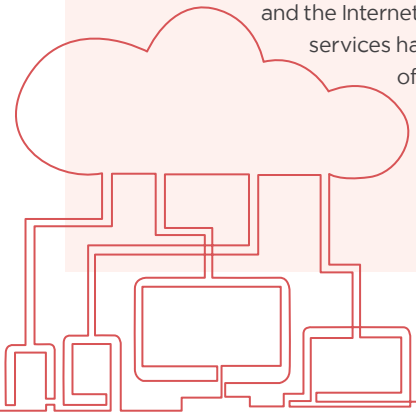
These services were provided in tandem with the evolution of the telecoms landscape, which has seen customer expectations shift from simple connectivity to better experiences in Internet connection, network quality, coverage, reliability and affordability.



Impact of COVID-19 on Our Network

The national lockdowns resulting from the COVID-19 pandemic had created greater demand for data services and shifted network congestion patterns to residential areas from business centres/office buildings previously. Furthermore, new social and safety norms led to an increase in daily usage patterns as well as a significant rise in the use of digital tools and software for learning, working and entertainment.

The COVID-19 pandemic also placed emphasis on the critical role of connectivity and the Internet. As the primary mode of Internet access, mobile services have proven their value in ensuring the functioning of emergency services, keeping families and friends connected and informed, as well as enabling the workforce to remain productive amid the new Work From Home environment.



APPROACH

We have designed our network and operations to ensure resilience and reliability towards continuous connectivity for society.

We are also committed to protecting our stakeholder interests by ensuring our business continuity even amid crises or disruptions. Our Axiata Group Business Continuity Management (BCM) framework implemented across the Group guides us in building organisation resilience in the face of crisis. The programme ensures the Group's robustness in addressing changes that may arise due to technological evolution or organisational adjustments.

Our OpCos have put in place the appropriate measures to deliver reliable connectivity and address network issues towards maintaining a resilient network. These include:

- ▶ **Remote detection/monitors**
- ▶ **Alternate/back up power solutions for long-grid failures in some poor performing areas**
- ▶ **Allowing only authorised change, which minimises downtime, risk and impact to the network**
- ▶ **Regular crisis simulations to ensure better network reliability**
- ▶ **Analysis of incidents and implementation of remedial actions for permanent fixes**
- ▶ **Additional measures to address seasonal strains on the network, e.g, flooding**

IAR More details on our OpCo's coverage performance can be found within the "2020 Overview of Operating Companies' Performance' section on page 60-79 of IAR 2020

OUTLOOK

As a technology and innovation leader in our footprint countries, we closely follow technological developments in mobile communications (eg. 5G).

IAR More details on Axiata's 5G roll outs can be found in "President & Group Chief Executive Officer's Conversation" on page 23-24 of IAR 2020

Next Generation Digital Champion



Network Quality And Coverage

Increasing Network Coverage

We commit to delivering value beyond short term profits in our business executions and deliverables. This means contributing to long-term value creation not only for our business, but also for our people, shareholders, communities and economies in which we operate. This is anchored on our provision of innovative, attractive data and mobile-based services bridging the digital divide.

▶ Strengthening Network Resilience in 2020

- ▶ Group-wide 3G shutdown to support the deployment of the more efficient 4G technology and capture growing digital and data demand from our customers regionally
- ▶ Allows us to reallocate our spectrum towards becoming a 4G(+5G) network by 2022 to achieve high capacity and reduce upgrades required
- ▶ Smart, Celcom, XL and Dialog are also aggressively exploring the 3G shutdown, with Ncell and Robi to follow

Across our OpCos, we have performed network improvements customised for each country's needs, focused on increasing network coverage and ensuring stable and sustainable connectivity.

These include:

- ▶ Site capacity upgrades
- ▶ In-building coverage updates
- ▶ Traffic management and optimisation
- ▶ Enhanced focus (lift-up) in rural areas or areas that have demonstrated poor connectivity performance
- ▶ Strengthening 4G data network development

Increasing Connectivity via Telecom Infrastructure Growth

Our TowerCo edotco plays a vital role in putting in place the required infrastructure to support stable and sustainable network services, anchored on:

▶ Service Availability and Diversification

In response to growing demand for fibre to tower, in-building solutions and small cell services, edotco has undertaken the following:

- ▶ Established a strong footprint with more than 33,587 towers available across Bangladesh, Malaysia, Myanmar, Cambodia, Pakistan, Sri Lanka, the Philippines and Laos as of December 2020
 - 22,329 are directly owned towers
 - 11,258 managed through a range of services provided
- ▶ Organic growth in tower portfolio of 10% year-on-year to accommodate market demand
- ▶ Exploring the **Next Gen Infrastructure** services and products which is beyond tower business to accommodate customer demands:
 - Pursue Tower++ solution – Energy, Operations & Maintenance, Fibre and street furniture
 - Cater Capacity Demand – IBS, Small Cells, Application as a Service (AaaS), Security as a Service (SaaS) and Open RAN

▶ Affordability

edotco has contributed to the uptake of low-cost solutions in certain markets, and healthy co-location traction across our footprint due to the following:

- ▶ **TCO optimisation:** Lowering opex and capex, introducing “Just Nice Tower” and just right service level agreement for a lower price to accommodate customer demand
- ▶ **Analytics driven quality build-to-suit (B2S) and co-location (Colo) improvement:** Using Network and Planning Analytics (NAPA) as a tool to identify the potential of our existing portfolio and improve the way of making decisions on new build sites and interaction with customers
- ▶ **Commercial future proofing:** Initiating flexible key commercial terms and competitive pricing models
- ▶ Increment of tenancy 11% year-on-year with tenancy ratio of 1.58x as of December 2020

Beyond Bridging the Gap in Coverage

With 5G networks gradually gaining traction, early deployment of 5G is expected to focus on enhanced consumer mobile broadband. However, IoT and enterprise segments will also become increasingly important over time, leveraging on low latency services and improvements such as network slicing and edge computing.

We have implemented various measures to support 5G roll out in markets such as Malaysia in tandem with growing demand. This is also in anticipation of 4G spectrum reaching capacity, requiring us to invest in new sites or new spectrum, and we see 5G as the best future-proof option in this scenario. In addition to preparing for 5G, we have also commenced IoT trials and supporting VoLTE maturity.

▶ Axiata Enterprise

Our Enterprise services are focused on industry cloud application, both at the edge and the central cloud. To date, our central cloud services are provided independently or with a technology partner. Additionally, we are exploring partnerships with global leading software firms to provide security as a solution for the enterprise segment.

Next Generation Digital Champion

Digital Inclusion

In our efforts to improve and increase access to our networks, we focus on supporting our customers' use of the networks by providing affordable and innovative products and services in bridging the

digital gap. We are committed to creating value for communities and our customers by expanding access to the use of digital services.

APPROACH

Digital inclusion is important in providing opportunities for individuals and businesses to participate in the digital economy, allowing for countries to further improve on their socioeconomic position.

The telco industry has made significant strides in promoting digital inclusion, however, the digital divide still exists among the low income segment of communities, i.e. the disabled, ethnic minorities, populations in developing countries, rural communities and other underserved groups.

Our approach to digital inclusion is driven by efforts to increase access to digital solutions and support digital skills across all levels. This is undertaken across the Group, through each of our OpCos.

With the achievements across our OpCos on addressing digital inclusion in their products and services, in 2020 the World Benchmarking Alliance ranked the Group in the top third proportion out of 100 digital technology companies in its inaugural Digital Inclusion Benchmark evaluation.



Amid the pandemic impacts experienced in 2020, Group-wide we supported our customers and communities across our footprint with access to free data and connectivity to healthcare, education, retail and productivity-related services and tools.

We intensified our digital inclusion initiatives for communities and affected businesses across our markets, while also working with governments on digital solutions to bridge gaps. This provided vital support in helping the communities where we operate adjust to the new environment of remote working, learning and contactless transactions.

OUTLOOK

In our commitment to serve responsibly in the markets we operate, especially for the long-term, our purpose of Advancing Asia must be fully inclusive. In support of this we will continue to drive social innovation in our products and services, projects and initiatives to empower and provide sustainable value to communities.

Promoting Digital Inclusion

- ▶ **Driving the New Digital Ecosystem**
 - ▶ Supporting digital skills development
 - ▶ Supporting digital companies



- ▶ **Providing Access to Vital Services**
 - ▶ Access to education
 - ▶ Access to healthcare



- ▶ **Uplifting Communities**
 - ▶ Empowering communities through digital financial inclusion
 - ▶ Empowering businesses – Transforming agriculture and fishery practices
 - ▶ Empowering women and girls
 - ▶ Empowering diverse users



Next Generation Digital Champion



Digital Inclusion

Driving the New Digital Ecosystem

Our efforts to increase participation in the digital ecosystem are anchored on contributing to the development of digital skills for our customers and communities, from beginner and intermediate through to advanced skills, as well as supporting tech and digital start-ups providing products,

services and solutions in the digital ecosystem. These initiatives drive the digital ecosystem beyond connectivity solutions to cover the use of connectivity by society, as well as the contributions that companies, institutions and start-ups can make to further develop the digital ecosystem.

▶ Supporting digital skills development

The continued growth of the digital economy will require effort in providing digital skills development, and value creation through our business of digital connectivity.

Basic Digital Skills

Our OpCos have undertaken and promoted digital skills campaigns in their respective markets:

Celcom CYBERSAFE Programme -
Cyber security awareness programme



Robi #CommonSense -
Online campaign for responsible online safety



Smart Digital Literacy Programme -
Public awareness towards responsible digital citizenship



Advanced Digital Skills

The digital ecosystem promotes global inclusivity through digital skills development, including equipping individuals with working-level or economic empowerment capabilities and provisions.

Siswapreneur Programme

- A series of educational platforms and programmes aimed at developing digital entrepreneurial mindsets, skills and talents



- ▶ **SiswaMall, a young entrepreneur development programme** for the digital economy, and Siswacommerce, a programme to empower and educate students on starting their own business, held at Universiti Malaysia Terengganu
- ▶ **SiswaDay, a knowledge sharing event** to nurture students' minds, skills and interest towards entrepreneurship, reaching 1,200 students, held at Universiti Sains Malaysia

Building digital entrepreneurial mindsets

Programmes provided to develop digital skills and talents:



- ▶ **SmartSpark** - An entrepreneurship programme by Smart and Impact Hub Phnom Penh, dedicated to building meaningful social ventures that can contribute to the 17 global Sustainable Development Goals (SDGs). SmartSpark 2020 was focused on **environmental business concepts** towards environmental stewardship through technological innovations
- ▶ SmartSpark alumni together with SmartStart and SmartEdu University Student Development Programme alumni were also equipped with fundamental IoT knowledge through **SmartStart IoT Challenge** to demonstrate their understanding of the key digital concepts in the evolving digital ecosystem. A total of 43 participants took part, with the programme to be scaled across SmartStart Young Innovator Programme
- ▶ Smart co-sponsored the **United Nations Development Programme's Bluetribe**, an incubation programme to help build investment ready start-ups

Empowering SMEs Through Digitisation

Celcom has continued to provide digital support for entrepreneurs through:



- ▶ **DesaMall (online marketplace)** with up to 800 entrepreneurs trained in 2020 in e-commerce and digital marketing training
- ▶ Celcom launched its national campaign "**Celcom Business: Reimagine SME for Tomorrow**" in 2020 towards accelerating digital adoption among SMEs through optimising their business operations for sustainable business performance
- ▶ Celcom was also appointed as a **technology service provider for the Ministry of Finance's PENJANA Programme** to provide product and solution services in SME Digitalisation Grants to digitalise and automate SME operations

Next Generation Digital Champion



Digital Inclusion

Driving the New Digital Ecosystem (cont'd)

▶ Supporting digital companies

Through the years, we have become a major enabler of technology innovation in developing country markets through our support for start-ups. This has been achieved through establishing

funding, nurturing digital innovation by tech start-ups, as well as providing digital services capabilities and opportunities for businesses.

Digital Innovation Funds

Our OpCos actively partner with tech start-ups to encourage innovation across the digital ecosystem. Supporting the start-up ecosystem forms the key of bottom-up innovation in the technology industry, which in return, propels business incubation and innovation industry-wide.

To this end, since 2014, we have invested in digital venture funds in Malaysia, Sri Lanka and Cambodia, working with local strategic partners to identify, fund and coach local start-ups which demonstrate a high potential for growth. As at the end of 2020, 32 start-ups have benefited from these funds, spurring the development of the local digital economy and local job creation.



Axiata Digital Innovation Fund (ADIF)

ADIF was developed to contribute to the growth of Malaysian tech start-ups and provide credibility as well as potential returns to the participating companies' nation-building efforts, with Bumiputera participation identified as an additional focus area. The fund was introduced in 2014 and concluded in December 2020, with continuation of support provided to the existing portfolio and other fund costs. Axiata has contributed RM48 million to this fund, to date.

Dialog Axiata Digital Innovation Fund (DADIF)

Launched in 2018 and managed by BOV Capital, DADIF aims to empower entrepreneurs towards building digital companies in Sri Lanka. Dialog has contributed SLR 513.2 million to this fund, to date.

Smart Axiata Digital Innovation Fund (SADIF)

Launched in 2017, SADIF was developed in collaboration with Forte Insurance as co-investor, and managed by Mekong Strategic Partners to empower Cambodian-based digital companies and start-ups. Smart, together with the joint venture fund partner, have contributed USD2.5 million to this fund, to date.

Investees:

Invested in 17 companies

Invested in seven companies

Invested in 10 companies

2020 outcomes:

- ▶ 17 investee companies recorded an average year-on-year revenue growth of 43%
- ▶ Bumiputera companies made up more than 50% of investee companies

- ▶ Expanded portfolio with six start-ups
- ▶ Successfully exited one invested company

- ▶ Expanded portfolio with two more tech start-ups (in FinTech and Logistics)
- ▶ USD2.45 million revenue generated by all start-ups
- ▶ 403 direct jobs created by these start-ups and 890 indirect jobs

Next Generation Digital Champion



Digital Inclusion

Uplifting Communities

The Group empowers underserved communities to address gaps which contribute to the digital divide. Recognising that there are various communities, businesses, and individuals that can be uplifted or empowered through digital connectivity, we have undertaken these following:

 **Empowering communities through digital financial inclusion**

 **Empowering businesses** (transforming agriculture and fishery practices)

 **Empowering women and girls**

 **Empowering diverse users**




▶ Empowering communities through digital financial inclusion

We have seen rapid growth in demand for digital financial services amid the COVID-19 pandemic, in tandem with greater take-up of digital solutions as a whole. Digital financial solutions have also emerged as a convenient and cost-effective way to elevate financial inclusion, meeting the needs of underserved and unbanked communities.

In response to this environment, we have developed:

- ▶ **E-wallets and digital payment solutions** which provide convenience to customers, especially with the growth of e-commerce and the preference for contactless payments
- ▶ **Micro-insurance products** which increase access and affordability to insurance
- ▶ **Micro-credit solutions** to help scale up micro businesses

In particular, our micro-financing and micro-insurance solutions offered through Aspirasi are seen to benefit the underserved micro and SME (MSME) segment. Loans worth RM207 million were disbursed in 2020, 5.4 times more than in 2019, benefiting 9,176 unique merchants. Aspirasi also sold 30,253 micro-insurance policies during the year.

An end-to-end digital financial services platform, Aspirasi aims to provide financing access to help the underserved community through micro-financing solutions as well as micro-insurance products. In 2020, its services proved vital in supporting MSMEs to address pandemic challenges. 

Aspirasi Assist

MSMEs were among sectors most impacted by the economic slowdown resulting from the first Movement Control Order (MCO 1.0) implemented in Malaysia from March 2020 to curb the COVID-19 pandemic. In response to this, **within one week of MCO 1.0 Aspirasi Assist swiftly introduced its Shariah-compliant micro-financing programme for funding between RM1,000 and RM20,000**, offering favourable terms such as a 6-month payment holiday and profit rates from as low as 0.5%.

The micro-financing product also included additional micro-insurance coverage to protect MSME owners for emergency expenses, accidental deaths and provide COVID-19 assistance. Offered completely online, the product features a simple and quick **3-minute application journey with fast disbursement of funds within 48 hours**.

First made available to merchants within the Axiata ecosystem, Aspirasi Assist was later extended to all MSMEs. As at **31 December 2020, 9,473 loans have been granted to MSMEs with upwards of RM43.4 million in micro-financing, helping to support their business aspirations during this challenging period**. Beneficiaries of the financing, including restaurant owners, small vendors and kindergarten owners, have credited the product for its convenient application process, contribution to their business continuity and role in alleviating their financial stress.

 For more information on Aspirasi Assist, visit <https://www.aspirasi.co/assist>

Digital Inclusion

Uplifting Communities (cont'd)

Digital Wallets

Robi and Nagad



- ▶ Bangladesh Post Office's financial service, Nagad, partnered with Robi to enable Robi's customers a faster, easier process journey to opening a Nagad account, driving financial inclusion in Bangladesh
- ▶ Recorded 3.3 million in customer acquisitions for Nagad during this partnership

SmartLuy and Pi Pay



- ▶ Smart's digital wallet, SmartLuy, merged with digital wallet Pi Pay in 2020
- ▶ The merger exercise will greatly increase its customer base as well as combine technologies for greater efficiency of the digital wallet system

Our Malaysian e-wallet, Boost, aligns to the government's agenda of a cashless society and aims to drive adoption of a cashless ecosystem through simple transactions and reward programmes such as loyalty points or cashback. Moving forward, Boost, together with the Group's other digital financial services, aims to expand its services for underserved and unbanked Malaysians and is in the midst of applying for a digital bank license. This also follows the positive trends in cashless payments due to COVID-19 while also building on the Group's micro-financing and micro-insurance offerings.



2020 achievements:

Driving cashless payments

- ▶ **1.7 times increase** in users to **8.8 million**
- ▶ **1.8 times growth** in merchants to **224,000**
- ▶ **2 times growth** in gross transaction value (GTV)
- ▶ **Introduced e-wallet integration** for a local council, Majlis Bandaraya Seberang Perai, to bring tax assessment, stall rental and parking compound payments online
- ▶ Enabled **cashless** Zakat payment

Supporting digital wallet adoption

- ▶ Selected by the Malaysian government to carry out four key national initiatives:
 - **e-Tunai Rakyat RM30 incentive**
 - **RM50 ePENJANA credits programme**
 - **MSME e-Commerce campaign**
 - **Shop Malaysia Online campaign**
- ▶ **Partnered with Celcom** for MDEC SME Digitalisation Grant following the conclusion of PENJANA programme

Partnering for digital financial inclusion

- ▶ **8 digital insurance** products launched in partnership with Great Eastern
 - Introduced "**Pay with Boost Coins**" for redemption of insurance policies
- ▶ **Partnered with 15 financial institutions** for digital payments

Live.On and GoPay



- ▶ Partnership to enable e-wallet payments during the GoPay Online Festival 2020, one of Indonesia's biggest e-commerce festivals
- ▶ XL customers were able to maximise value from the festival and enjoy cashback

Next Generation Digital Champion



Digital Inclusion

Uplifting Communities (cont'd)

▶ Empowering businesses – transforming agriculture and fishery practices

Our digital services and solutions assist the day-to-day activities of farmers and fishermen who make up some of the poorest members of their communities. Due to the service and tools we provide, these farmers and fishermen are able to access real-time market prices, establish digital payment processes and marketplaces and modernise their work, enabling greater income generating opportunities.

Agriculture

▶ Dialog – Govi Mithuru



- ▶ Sri Lanka's largest mobile agriculture service providing personalised information to farmers
- ▶ Helps smallholder farmers secure their crops by sharing agricultural advice along each stage of the farming process
- ▶ Govi Mithuru interactive voice response service has a total of **660,000 users**
- ▶ Govi Mithuru App has a total of **41,000 active users**



▶ Dialog – Saru



- ▶ An IoT-based **technology low-cost automated "smart farming"** kit, that is engineered to maximise productivity and efficiency
- ▶ Enables farmers to remotely control and monitor their yield through their smartphones
- ▶ Utilises low-cost sensors and actuators developed in partnership with the Dialog Mobile Communications Research Lab at the University of Moratuwa
- ▶ **Potential increase in yield of between 150-300%**



Dairy Farming

▶ Dialog – Saviya



- ▶ Saviya provides customised, commercially valuable advice via text and voice, to improve dairy farmers' production capacity, quality of milk produced and health of livestock
- ▶ Enables best practices in dairy, cattle and calf management through tips sent to the farmers' mobile phones
- ▶ Respondents reported an **increase in milk production**
- ▶ **Total users in 2020 reached 10,000**

Fisheries and Aquaculture

▶ Dialog – Sayuru



- ▶ Provides accurate weather information and advisory for fishermen, including weather warnings of sea conditions, automated daily weather forecast dispatch, and use of outbound dialling technology for extreme hazard weather alerts
- ▶ **Benefited 25,000 fishermen**
- ▶ 1.5 million calls made and 7.5 million SMS sent reaching **48,600 fishermen per day**

▶ XL – Smart Aquaculture



- ▶ An IoT-based precision farming solution aimed at improving the quality of fish and shrimp cultivation by monitoring pond conditions
- ▶ Monitors and processes water quality data automatically through IoT providing real-time information on pond conditions, allowing them to take necessary measures such as disease prevention, avoid over-feeding and optimising pond capacity
- ▶ **Productivity level increased to an average of 20%**, based on the grouper and shrimp farmers who have adopted this in East Java

▶ XL – Laut Nusantara App



- ▶ App that aims to increase the livelihood of fishermen while improving their safety when out at sea
- ▶ Provides access to database on fishing grounds, accurate weather forecast, and fuel consumption data calculation
- ▶ **45,000 downloads**
- ▶ **31,721 active users**

Next Generation Digital Champion



Digital Inclusion

Uplifting Communities (cont'd)

▶ Empowering women and girls

In developing countries, women and girls are hampered by lack of affordability and access to technology and the Internet, hindering their inclusion and introduction into the emerging digital economies and societies. We are committed to providing them with access to technology and the Internet to enable them to improve their lives. This is in line with our partnership to the GSMA

Connected Women Commitment Initiative. We are also working with partners to provide women and girls with access to educational content, employment and financial services, in addition to providing multilingual digital health and wellness messaging platforms aimed at empowering them to seek information needed to improve their quality of life.

Connectivity designed for women

Robi Ichchedana is a comprehensive service pack for women in Bangladesh and a first-of-its-kind in the Bangladesh telecom industry, addressing issues for women’s safety and privacy, increased connectivity, access to telemedicine, health and nutrition information and location of nearby pharmacies and ambulance services.



The service features:

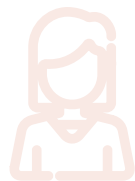
- ▶ **Emergency Location Tracker** – One-of-a-kind feature for location sharing with trusted family and friends in case of emergency
- ▶ **Private Recharge** – Recharge privately by sharing the PIN instead of the actual mobile number
- ▶ **Free Emergency Minutes** – Free minutes on demand in case of emergency

Women employment

Robi and NGO CARE Bangladesh have collaborated to develop female retailers in their effort to reduce the digital gender divide and expand nation-wide access to digital technology.



- ▶ A day-long **“Mobile Retailer Training” for 50 girls** was provided to women in the Kurigram district to equip them with the necessary skills and tools in retailing digital telco products
- ▶ Under this initiative, CARE Bangladesh provided the equipment (smartphones) and assistance (seed capital) to kick-start their retailer journey in selling the various mobile service packs and mobile financial services of Robi



XL Sisternet is a self-development, education, career and lifestyle platform for women in Indonesia through offline and online content and activities.



- ▶ Since its launch in 2015, Sisternet now has more than **30,000 members**
- ▶ **Sispreneur initiative**, in collaboration with the Ministry of Women Empowerment and Child Protection, was launched and serves as a business incubator for women, with the aim to **foster 200 women micro-entrepreneurs**
- ▶ In 2020, Sispreneur held a one-month business mentoring class with **65 participants** in West Nusa Tenggara and Bali
- ▶ XL participated in the international G20 forum called **Empowerment and Progression of Women’s Economic Representation (EMPOWER)** where XL shared experiences in managing a women-dedicated empowerment programme, Sisternet. XL’s participation in the G20 EMPOWER forum reflected the trust of the Ministry of Women Empowerment and Child Protection and its appreciation of XL’s commitment to promote gender equality



Next Generation Digital Champion



Digital Inclusion

Uplifting Communities(cont'd)

▶ Empowering women and girls (cont'd)

Digital skills gender gap

Celcom partnered with the **IbuDigital** and **IbuPJ programmes** which provide women, including single mothers, with training on entrepreneurial, financial and marketing skills geared towards digital business.



- ▶ IbuPJ **benefited over 100 women** through a four-week programme tailored to equip single mothers with entrepreneurial, financial and marketing skills
- ▶ IbuDigital, a 2-day virtual platform to **uplift and upskill Malaysian womens' digital skills** to increase their skills as micro-entrepreneurs



The **Women Adult Literacy Programme** at Ncell is aimed at supporting women from marginalised communities with access to education.



- ▶ **Provides literacy classes to 200 women from three districts** over a one-year literacy class where women will learn reading and writing
- ▶ This initiative also **aims to increase the digital literacy of women**, enhancing their skills and ability in the use of the internet and smartphones



Robi bdapps addresses the gender digital access gap with the launch of a Women Community Leadership Programme in 2020 to enable and empower women entering the digital ICT workforce and becoming financially independent.



- ▶ **Over 500 women achieved financial independence** through revenue generation in bdapps
- ▶ **20% female representation** among developers in bdapps, higher than the industry average of 16%
- ▶ Within six months of initiative's launch, **18 selected Women Community Leaders recruited 20-60 female developers** to upskill in app development



Ncell's **GGO SIM** is a women-focused SIM designed exclusively for women and ensuring the safety of women.



- ▶ Includes a special pack with bundled services and a bonus on every recharge
- ▶ Provides **connectivity support during emergencies** such as emergency talk time, SMS on credit, and free access to key numbers in the case of an emergency



Women safety and wellbeing

Yeheli/Thozhi connects individuals with qualified virtual advisors or confidants to allow anonymous enquiries on social and medical issues.



- ▶ The platform empowers women through digital means to address their health and online safety needs, covering general physical and reproductive health, mental health, social issues and lifestyle
- ▶ Available in three languages on the web and app
- ▶ In 2020, there were **23,836 total active users** on the app, while the web platform reached 5,138 total users
- ▶ The number of queries raised via both platforms in 2020 amounted to **6,338**



▶ Empowering diverse users

In our commitment towards digital inclusion, we strive to make our technologies accessible to all groups of users. Digital technologies have also proven vital in uplifting groups with limited mobility and disabilities by providing:

- ▶ Access to remote working
- ▶ Online communications to assist communications and interactions
- ▶ Text-based digital apps
- ▶ Read-aloud apps

Deaf users

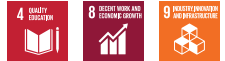
Dialog, in partnership with Petrallex, the global leader in smartphone-based hearing enhancement solutions, introduced the Petrallex app in 2019. The app **pairs mobile devices with a regular wired headset**, where unlike traditional hearing aids, the solution is operated by the mobile app itself. Further **increasing accessibility** of the app, users may subscribe to the app at a subsidised rate of LKR 180+ taxes per month, lower than the usual price of the app. The app has now reached **5,000 downloads**.



For 2021, Dialog is working on a new version of the app to include a call amplification system which would allow users to communicate through normal phone calls without any limitations. Dialog also aims to include a virtual hearing test feature to enable users to connect with a qualified audiologist virtually. It also targets to expand the service across the Group.



Next Generation Digital Champion



Digital Inclusion

Providing Digital Access to Vital Services

Digital access is vital in delivering access to services, such as education and healthcare, to communities.

▶ Access to education

As we have developed a strong presence in South Asia, where half of the world’s illiterate population resides, one of our key focus areas is the provision of digital tools and technology to children in this region. Through digital solutions, these children have the ability to improve their quality of life and

contribute towards socioeconomic progress. Furthermore digital technology also enables rapid and cost-effective scaling up of education services.

Providing access to resources

Radio Outreach Programme



The nationwide COVID lockdown led to the closure of schools across the country. While most schools adapted to the new normal through virtual learning, the rural and remoter parts of Nepal had limited access to reliable internet, digital skills and facilities.

In response, Ncell collaborated with Association of Community Radio Broadcasters Nepal (ACORAB) and Community Information Network (CIN) in designing a **radio programme for primary level children**. The objective was to ensure the continuity and access to learning to these students, thus reducing the impact of being away from school.

- ▶ Since mid-2020, the programme was aired twice a week from across **200 community radio stations**
- ▶ Estimated to have reached **over 1.2 million children**



Robi-10 Minute School



The largest digital school of the country, Robi-10 Minute School has emerged as the most effective platform to ensure inclusive and equitable quality education, promoting lifelong learning opportunities for all in alignment with SDG 4. The app has university courses which contains tens of thousands of premium skills courses, quizzes, videos, SmartBooks and blogs.

- ▶ **Over 1 million learners every day for its free “MasterClasses”** programme featuring experienced professionals from the industry
- ▶ Largest educational channel on YouTube in Bangladesh with **1.5 million learners** every day and **5,610 videos viewed over 90.25 million times**
- ▶ Largest education app in Bangladesh with **over 2 million app downloads** in less than two years and **over 22,000** academic videos covering the national curriculum
- ▶ 3,300 students participated in 358 online classes provided during three months under “Lockdown Live” project
- ▶ Over **7.7 million views** on “Government Live” initiative providing classes for students during lockdown



Contributions to education



In providing students with continued access to education during the pandemic, Celcom supported the following initiatives:

- ▶ Tuisyen Pintar 2020 – A collaboration with Yayasan Pelajaran MARA on providing free tuition for B40 SPM students
 - **Participated by 1,400 students from > 75 schools.**
- ▶ Debat Rakan Muda BM & EN online – A collaboration with the Ministry of Youth & Sports
 - **Participated by > 120 students from > 20 schools**
- ▶ Mahir Tutor – participated by **1,400 students** from 89 community internet centres
- ▶ Young Digital Innovator Programme – A collaboration with UiTM involving **690 participants from 265 schools** to equip the future generation with innovative mindsets and understanding of IoT concepts and digitalisation
- ▶ Young Educators Challenge – Participated by **66 students**
- ▶ Sponsorship of C3 Challenge – A digital content competition for primary school students under the ICSR CEO @Faculty Programme 2.0 Cycle 3



Next Generation Digital Champion



Digital Inclusion

Providing Digital Access to Vital Services (cont'd)

Access to education (cont'd)

Empowering digital and virtual classrooms

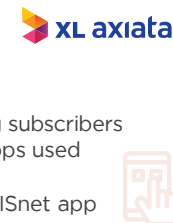
- ▶ Launched “Mobile Class Data Pack”, in collaboration with Tribhuvan University
- ▶ **Providing data packs to university students** with either 16GB or 10GB data volume to facilitate online remote learning



- ▶ Provided **exclusive offers for students and online community** to conveniently continue with their class/meetings/learning activities from home
- ▶ 100,000 subscribers purchased the offers daily
- ▶ Robi-Airtel YOLO POP launched for students, providing full freedom to plan, create and purchase their own data and voice deals

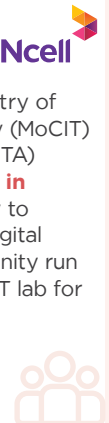


- ▶ Provided **Internet access facilities for students** across various regions - Initiated by XL, the GDK (Gerakan Donasi Kuota) programme aims to ensure all schools and students have internet access. This programme is the first of its kind in the world. The programme successfully donated **425 routers and 96TB quota**. Beneficiaries from GDK programmes include **121,200 students from 438 schools**
- ▶ Introduced the new AXIS BoostrEdukasi and Conference to support the activities of students across all levels, providing subscribers with access to the main work and study apps at low prices. These plans ensure that students can access educational apps used across the country
- ▶ College students can use the plan to access the learning modules of the 39 Indonesian universities registered on the AXISnet app



Strengthening digital infrastructure for education

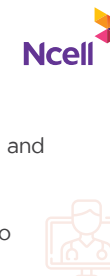
- ▶ Digital Labs in Community Schools to **foster quality education and capacity enhancement** of community schools
- ▶ The project is in collaboration with the Ministry of Communication and Information Technology (MoCIT) and Nepal Telecommunications Authority (NTA)
- ▶ Started establishing **modern digital IT labs in 60 community schools** across the country to contribute towards the national vision of “Digital Nepal” by enabling government and community run schools to be equipped with hi-tech digital IT lab for enhancing quality of education
- ▶ Ncell Digital Labs will **benefit over 30,000 students**



Access to healthcare

Our efforts to provide communities with access to healthcare are anchored on the provision of telemedicine and general health and hygiene programmes.

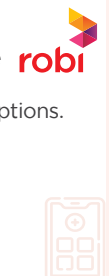
- ▶ **Telemedicine and Health Informatics Programme** in collaboration with Dhulikhel Hospital to serve remote and underserved communities through quality healthcare services, using technology and data-driven healthcare methods
- ▶ Under this project, Ncell provided **telemedicine equipment and connectivity support to four community health centres that serve more than 15,000 households**
- ▶ **Free Ncell Hotline Service** allows customers to seek free teleconsultation from doctors on COVID-19 symptoms and general health and wellbeing matters
- ▶ **Call to Doctor Service**, in collaboration with Hamro Patro App and Nepal Medical Association, enabled the general public to seek non-prescription based teleconsultation with doctors via video calls. **More than 50 doctors were onboarded** during the lockdown period to provide the services via the app 24/7



Robi

Provided telemedicine access during the pandemic through Robi’s LifePlus app, including consultation, diagnosis, prescriptions.

- ▶ **Onboarded over 100 medical professionals**
- ▶ **Recorded more than 1,500 downloads**



Access to employment

In recognising the power of digital connectivity to improve outcomes for our customers and communities, we have developed digital platforms which provide access to employment and business opportunities.

- ▶ **Ncell Jobshop** allows job seekers to receive instant notifications on employment opportunities in the area. This **digital job marketplace** has proven vital amid the job losses resulting from COVID-19 pandemic. To date, the marketplace has recorded **18,000 active users**.



- ▶ **Cholbe Robi** provides the opportunity for **Robi’s own subscribers to become sellers** of Robi products and services. The solution is aimed at including subscribers into the digital ecosystem, for digital skills empowerment and entrepreneurial spirit.



Next Generation Digital Champion



Digitisation And Modernisation

As part of our vision of becoming The Next Generation Digital Champion, we recognise the critical role of innovation and technology in our Triple Core Business. Towards this end, we strive to integrate digitisation and analytics to achieve functional and operational excellence as well as competitive

advantage. Our Digital Transformation Roadmap will steer transformation through the adoption of IR 4.0 principles and technologies across five cores of digitisation along our value chain.

APPROACH

In 2019, we appointed an Executive Vice President for Technology at the Group level to drive greater technological synergies between our OpCos and different segments of the business. As we mature as a digital organisation, we see ample opportunities for cross-pollination of ideas, knowledge and initiatives which can be harnessed to improve Group efficiency.

Operationally, we have implemented vibrant initiatives to ensure we remain at the cutting edge of technology. These include applying artificial intelligence, robotics, and other IR 4.0 principles across our digital products and services, external interfaces, internal processes, as well as infrastructure and platforms as part of an ongoing Group-wide digitisation exercise.

▶ Establishing Centres of Excellence for Digital Technologies

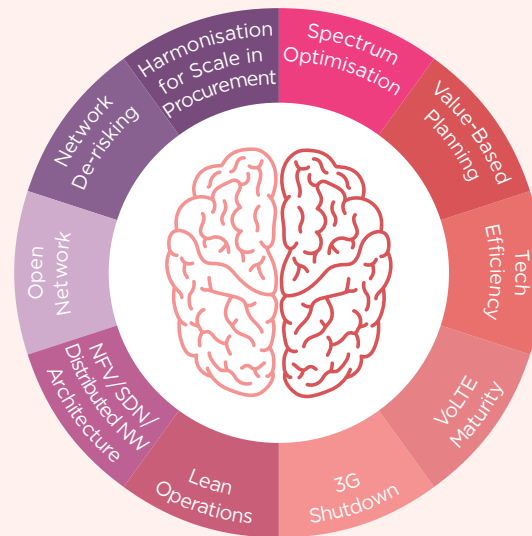
Axiata Digital Labs and Axiata Analytics Centre serve the digital and analytics requirements within OpCos - these units within the company enable us to attract and develop digitally skilled talents to support our aspirations of being at the forefront of digital innovations.

OUTLOOK

We are adopting an impact-oriented model to measure our progress, as well as developing a “Digitised Telco Model” to enhance the focus of our digitisation efforts towards achieving quantifiable business and economic impact.

Collective Brain

Our aggressive pursuit of technology transformation is driven by our Collective Brain initiative, which is focused on virtual centralisation to unlock optimum Group-wide synergy. This effort is targeted to unlock cumulative savings of between RM3-4 billion by 2024.



▶ The Collective Brain

- ▶ Leaders collectively making Group-wide Tech decisions
- ▶ Resources taking on Group targets (Financial & Strategic)
- ▶ Resources involved in end-to-end execution

The cost savings targeted by our Collective Brain effort are anchored on our objective of becoming a low-cost producer through our unrelenting commitment to operational excellence. To date, this has helped reduce our cost per GB by 35%, putting us on a positive trajectory towards achieving a cost per GB of USD0.10 by 2024.

Following the results delivered from our Collective Brain initiative in 2020, we will continue to leverage on the initiative to ensure the effective execution of our refreshed Axiata 5.0 strategy, emphasising on harnessing Group synergies and unleashing operational excellence to strengthen our long-term resilience.

Next Generation Digital Champion



Digitisation And Modernisation

LEAP Programme

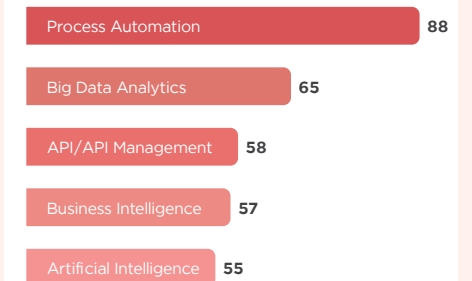
Our digital transformation is supported by the execution of our Learn, Engage, Accelerate and Perform (LEAP) Programme, which aims to nurture a “digital-first” mindset shift, accelerate digital maturity across our OpCos and validate their progress as well as drive intra and inter-OpCo collaboration.

In 2020, our LEAP NOW Programme **received 150 submissions from our OpCos**, aligned to our 5 cores of digitisation.

5 Cores of Digitisation	celcom	xl axiata	Dialog	robi	Smart	Ncell
Products and Services	<ul style="list-style-type: none"> Connected Cars just4ME - Prepaid personalised offers 1GB Project (MCO) 	<ul style="list-style-type: none"> Everywhere Personalisation: Personalised Promotion for Subs on e-commerce O2O Physical Goods via Grabmart 	<ul style="list-style-type: none"> AI driven NBO Engine Sri Lanka Pensions Mobile App Customer Micro & Persona Segmentation Nenasa App 	<ul style="list-style-type: none"> AI-based bundle promo Doctor Uberisation Project Treasure Wars Multiplayer Gaming 		<ul style="list-style-type: none"> Micro Market Model DRIP Voice and Data Segmentation Model Gifting Platform
External Interfaces	<ul style="list-style-type: none"> BeBoZz: Digital Self - Onboarding for Dealers Petronas 5G Test Bed 5G Langkawi - Safety & Security 	<ul style="list-style-type: none"> 3in1 Ultimate MyXL App Project Manhattan Optimal locations for Retail Outlets acquisition Smart Aquaculture 	<ul style="list-style-type: none"> CX Pulse - CX Management Platform IPay by Genie - One Click Pay Solution Door to Door Sales Planning 	<ul style="list-style-type: none"> CONNECT customer in new normal Digi TM POSM Module Distribution Next 		<ul style="list-style-type: none"> Dynamic Chatbot Loyalty Management System (LMS) Real-time Commission Single Retailer App
Internal Processes	<ul style="list-style-type: none"> e-Groceries Project Wings: Big Data Analytics & Automation of Monthly edotco Billing Dashboard 	<ul style="list-style-type: none"> Enterprise Bullseye API and Data Insight “Transforming XL as the new Modern & Agile “Oil” company” 	<ul style="list-style-type: none"> Identification of suspicious sales activations Automation of Non PO based payments 	<ul style="list-style-type: none"> Admin Operational Modernisation using IoT and Cloud based automation technologies 	<ul style="list-style-type: none"> AI Driven automated Service Operations Center 	<ul style="list-style-type: none"> Revenue Assurance Integrated Payment Gateway (Payment Aggregator)
Infrastructure and Platform Transformation	<ul style="list-style-type: none"> Security Orchestration, Automation & Response (SOAR) with AI iVERITAS Cloud Based Microwave performance monitoring 	<ul style="list-style-type: none"> Intelligent Bot operation supporting system Capex Planning 2020 Go Tower Go Grab Revenue 	<ul style="list-style-type: none"> PS-Watch: AI Enabled Dashboard for PS Network Performance Monitoring Next Gen IR 4.0 Smart Infrastructure Monitoring Automation 	<ul style="list-style-type: none"> RPA and AI based Caller Robot for Network Surveillance “Zero Touch” SOC Management RPA & Predictive Maintenance in DWDM Fiber Network 		<ul style="list-style-type: none"> Integrated Payment Gateway (Payment Aggregator) Open Source DevOps tools for monitoring Security exception process digitisation
Organisation and Culture	<ul style="list-style-type: none"> Higher Education Virtual Learning We@Celcom Employee App Celcom got Ethics 	<ul style="list-style-type: none"> XLIFE digital internal communication platform My Flexpro Advanced Thermal Imaging 	<ul style="list-style-type: none"> Digital Onboarding Employee Attrition Risk Analytics Automating the frontline assessment 	<ul style="list-style-type: none"> Digital Recruitment and Onboarding Solution HRIS - self service HR solution Digital Guru Sales Academy 		<ul style="list-style-type: none"> COVID-19 Safety Tracker E2E digitisation of recruitment & exit process Employee engagement portal

Outcomes from LEAP initiative

Top 5 Tech Enablers¹:



Top 5 Business Benefits¹:



Note:
¹ By number of projects

A man wearing a white hard hat, safety glasses, and a high-visibility yellow vest over a grey shirt is holding a tablet. He is standing in front of a large array of solar panels. In the background, there is a tall metal tower and a blue sky with white clouds. The scene is outdoors, likely at a solar farm or power plant.

P T Pawar
Head, Engineering Design (Energy)
edotco Group

Installing renewable energy systems
to also benefit families through
“Tower to Community”.

#ItBeginsWithUs

ENVIRONMENT

WHAT YOU'LL FIND IN THIS SECTION

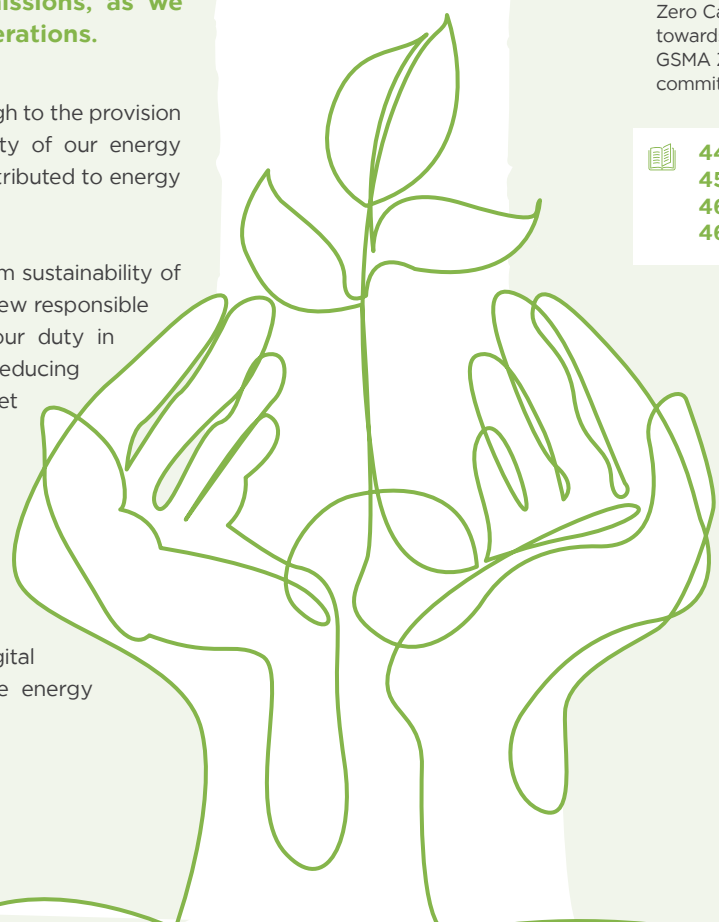
Environment

The acceleration of climate change has driven us to focus on balancing expansion of our services and network with our impact on our planet and society. In view of this, we continuously seek ways to reduce our operational footprint and emissions, as we aspire to pass on a healthy planet to our future generations.

Our digital services, from telecommunication connectivity through to the provision of digital ecosystems, are reliant on power. Currently, majority of our energy consumption, and thus greenhouse gas (GHG) emissions, are attributed to energy required for our network ecosystem.

Climate risks have the potential to impact not only the long-term sustainability of our business, but also the wellbeing of local communities. We view responsible climate action and environmental management as part of our duty in delivering our purpose of Advancing Asia and are committed to reducing the environmental impact of technological advancement to meet social and environmental needs and expectations.

The Group's climate action and environmental management is driven by our Sustainability Steering Committee, with each OpCo executing their own localised environmental agenda in line with local regulations, policies and systems. Collectively, our efforts across the Group aim to deliver responsible operations that reduce negative impacts on the environment for our Digital Telcos to operate on greener, more efficient and sustainable energy and systems.



▶ Climate Action

Key Highlights:

- Developing our Net-Zero Carbon Roadmap towards meeting GSMA Zero by 2050 commitment
- Progressively finding ways to improve energy efficiency, use more renewable energy and reduce carbon intensity
- Greater collaboration among OpCos and integration of climate considerations

- 44 Minimising our Carbon Footprint
- 45 Increasing Renewable Energy Operations at our OpCos
- 46 Harnessing Energy Efficiency Opportunities across Group
- 46 Monitoring Energy Consumption and Carbon Intensity

▶ Resource and Waste Management

Key Highlights:

- Adopting a holistic approach to environmental management including the responsible use and disposal of materials
- Strengthened e-waste management at OpCos with efforts including public outreach
- Increasing sustainability awareness and advocacy on employees' environmental responsibilities

- 47 e-Waste Management
- 48 Driving Environmental Awareness and Mindfulness within our Organisation

Environment



Climate Action

Corporations play a key role in the mitigation of global warming and to keep global temperatures from rising by 1.5°C, through decisions they take to invest in researching and implementing new energy technologies and energy efficiency measures. At Axiata, we are committed to contributing to carbon reduction as we operate in a region particularly vulnerable to the impacts of climate change which can potentially affect the long-term sustainability of our business.

APPROACH

Our carbon reduction strategy focuses on areas of operational control. Across the OpCos, we pursue a concerted effort supported by resources spanning multiple departments and specialities, from our technology to energy personnel, up to senior level management and support, as well as industry collaboration, partnership and climate reduction frameworks.

Additionally, we remain committed to the GSMA Zero by 2050 target which calls for GSMA members to commit to setting verifiable Science Based Targets (SBT) at 1.5°C, or a target that aligns and meets national commitments. The global telco industry has committed to this target, making the industry among the first major sectors to voluntarily set a target for emissions reduction.

Axiata Net-Zero Carbon Roadmap

The focus on reducing our carbon footprint reflects our cognisance towards the need to reduce our emissions, which form the biggest contributor to our environmental impact due to the energy needed to power our network infrastructure and connectivity ecosystem.

In line with our aspirations in climate management, in 2020 we took considerable strides in starting the process to align our OpCos towards a single trajectory that benefit the positioning of not only one, but all OpCos towards industry-led climate action. A key component of our effort to strengthen the alignment includes the development of our Net-Zero Carbon Roadmap.

During the year, we commenced a carbon inventory exercise, which will continue into 2021. The exercise enhances previous efforts as we took further steps to audit, assess and capture the full impact of our operations and its value chains on the ways in which we use energy.

The carbon inventory will enable us to develop Group and OpCo targets, to be achieved in phases, to:

- reduce our energy intensity**
- improve our energy efficiency**
- make use of off-grid, renewable energy solutions** as viable, feasible ways to offer our customers network affordability and accessibility

This roadmap will allow us to map changes in technology and innovation, service delivery, regulatory and industry advancements to drive our operations towards greater sustainability.



GSMA Zero by 2050



SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Science Based Targets Initiative (SBTi)

Towards realising our aspiration towards net-zero carbon, we enhanced efforts towards a strategic approach to managing our carbon emissions.

- ▶ **Enhanced internal mechanisms, controls and reporting** of our carbon inventory
- ▶ **Ensuring internal readiness and sound data** to formulate the targets in reaching realistic carbon reduction goals

OUTLOOK

As our network footprint expands to connect more people across Asia, we are committed to working with partners, vendors and peers across our industry to explore innovative measures to improve our emissions management. Our long-term goal consists of reducing overall emissions and demonstrating overall regional leadership in telco environmental stewardship.

Environment



Climate Action

Minimising Our Carbon Footprint

edotco: Championing green tower infrastructure solutions

edotco is a provider of best-in-class tower infrastructure which has transitioned towards building environmentally-friendly telecommunication structures. edotco undertakes a lifecycle approach to assess how they build green infrastructure, improve energy efficiency and invest in renewable technologies. Electricity grid improvements in some of their market countries have also contributed to reduced fuel required for back-up diesel generators of edotco towers.



edotco is able to quantify the reduction of carbon from their carbon reduction strategy, tracking and monitoring these internally, with third-party verification for assurance since 2016. For the next four years, edotco has identified the following targets for activities to be undertaken towards carbon reduction:

Reduction in Carbon Footprint

54%	58%	70%
2018	2020	2023

Solar Sites

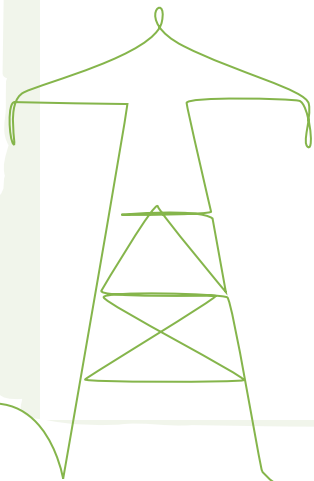
982	1,677	5,500
2018	2020	2023

97% electrified and **90% Lithium battery sites** by 2023

50k trees planted,
100 tonnes site waste reduced/reused,
100% Green Office
by 2023

▶ Building Green Telco Structures

edotco builds leaner and lighter structures by using building construction alternatives which reduce the amount of steel needed for the structures. It also invests in renewables and focuses on increasing efficiency so that collectively, edotco has recorded a **58% carbon reduction per site** from a 2013 baseline, with the goal of 63% carbon reduction per site by the end of 2021.



Design and construct 3-legged towers, which use **30% less steel**

↓ **25% reduction** in carbon emissions per site

Sleeker and innovative tower designs using less materials

↓ **30%-60% reduction**

19 carbon fibre towers

↓ **20%-39% reduction** in carbon emissions per site

35 towers built using bamboo

↓ **70% reduction** in carbon emissions per site

▶ Switching to renewables

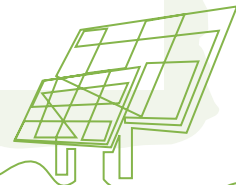
Where commercially viable, we use renewable energy to power our telco networks, with edotco's Bangladesh operation accounting for the majority of our renewable sites. We have also been able to continuously invest in and work with partners to test hybrid systems by leveraging advancements in renewable energy technology and cost efficiencies. edotco plans to achieve **3,000 renewable sites by the end of 2021**.

1,677 solar-powered sites

1 on-site hydrogen generation fuel cell site

12 wind turbine sites

2 methanol fuel cell sites



Environment



Climate Action

Increasing Renewable Energy Operations at Our OpCos

Our Digital Telcos champion the use of more renewable energy for their operations in each of their markets. This is in line with our support for the energy industry's transition towards a greener grid, with our Group identifying ways in which our OpCo markets can utilise the evolving energy landscape to incorporate a higher proportion of renewables into their energy consumption.

All of our OpCos already incorporate renewable energy in their operations in some way and continue to assess opportunities to grow the proportion of renewable energy solutions every year, in collaboration with industry bodies, regulators and players along the telco value chain.

Increasing renewable energy generation for Robi will allow for **more continuous supply** to its towers, reducing reliance on the grid therefore allowing the grid to have strengthened reliability to users who may experience power disruptions. It also enables Robi to transition to a **higher proportion of a cleaner, renewable energy mix** across its operations and reduce its carbon footprint.



- ▶ Robi has grown the proportion of solar powered sites with **4.3MW capacity panels**
- ▶ In 2021 **Robi will increase the number of its solar base stations from 1,200 to 1,485**

Further to the deployment of solar base stations across Robi's operations, it has also proactively engaged with the relevant local energy authorities and telco industry bodies on ways in which telco towers in Bangladesh can **collectively deploy large 5-10MW solar plants** as a more efficient option for solar energy for its towers, increasing the proportion of renewables in the industry and community as a whole.

Cambodia has witnessed growth in the availability of solar technologies, with solar showing higher conversion efficiency and lower cost of operation and maintenance now compared with five years ago.



Against this backdrop, **Smart expanded on its solarisation plans in 2020**. During the year, its efforts focused on integrating solar to existing grid and diesel sites, **transforming them into solar-grid and solar-diesel sites**.

- ▶ Installed **110 sites for solar-grid and 100 sites for solar-diesel**
- ▶ This reduced energy consumption of grid by about 386MWh, **representing an 8% reduction in grid usage**
- ▶ Also resulted in lower fuel consumption for diesel sites, equivalent to a **17% reduction in CO₂** from the average generator use

The solarisation programme not only resulted in a decrease in energy and fuel expenses, but demonstrated the growing feasibility and opportunities of renewable energy in reducing telco carbon footprint effectively.

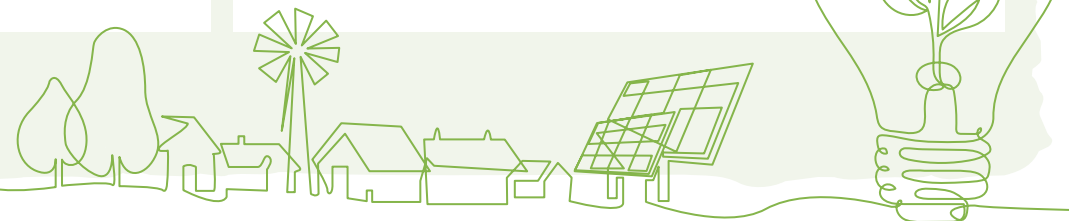
Dialog delivered significant energy savings during the year, mainly due to the procurement and integration of highly efficient transmission systems and hardware, as the core network strategy moves to devices that consume less energy per unit bandwidth.



The **expansion of solar power production systems** across its networks and facilities are part of a long-term plan by Dialog to gradually move towards an eco-system of **tower sites powered primarily by solar power** including:

- ▶ Solarisation of generator huts
- ▶ Implementation of CDC cyclic setups at full-time generator off-grid sites toward optimising the efficiency of Lithium-ion batteries
- ▶ High-capacity net metering introduced at sites with large rooftops

As a result of these efforts to increase solar implementation, improve efficiency, and proactive intervention to increase efficiencies across the network ecosystem, Dialog yielded GHG savings of approximately **2,261.45 tCO₂e** over the course of 2020, with cost savings amounting to over approximately SLR120 million across all areas of operation.



Environment

Climate Action

Harnessing Energy Efficiency Opportunities across Group

In addition to finding ways to add renewable energy to our energy mix, the Group continues to practice energy efficiency towards reducing our emissions. To this end, energy consumption is included as an indicator of our operational excellence, with each OpCo having determined reduction targets and the performance of senior management tied to environmental KPIs.

Our efforts to maximise energy efficiency include activities undertaken by edotco as follows:



- ▶ 58% of edotco sites are monitored by ECHO, a centralised monitoring system which ensures energy efficiency of passive infrastructure
- ▶ Progressive transition from diesel sites to grid-powered sites
- ▶ **41% reduction** in carbon emissions per site
- ▶ Energy efficiency as part of **sourcing criteria**
- ▶ Installing **natural air cooling and outdoor cabins**

Dialog continued to use cutting-edge IOT-based technology:



- ▶ More effectively **monitor energy performance**
- ▶ Accurately measure **live monitoring**, for quicker turnaround
- ▶ Moving forward, **plans to expand these technologies** to a larger share of office locations and tower sites

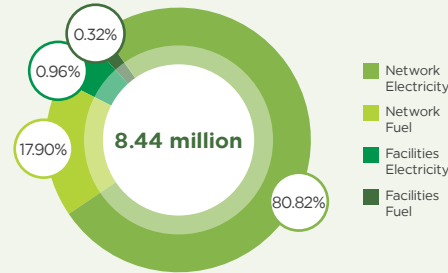
XL energy efficiency opportunities explored, implemented and integrated:



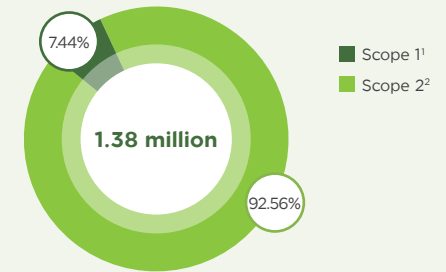
- ▶ Installation of Intelligent Ventilation Cooling System (IVS), DC fans and air conditioning
- ▶ A cooling system in the BTS, **reducing air conditioning by 30%**
- ▶ The BTS Single RAN, which combines several types of BTS into one, to **reduce energy consumption by 60%**
- ▶ Network modernisation with the latest technological devices to support Green BTS, capable of **providing 50% savings in energy usage**

Monitoring Energy Consumption and Carbon Intensity

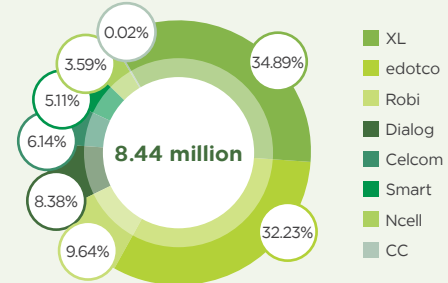
Total Energy by Source (GJ)



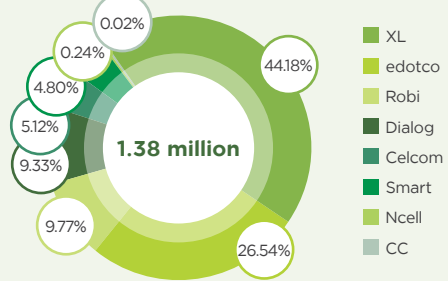
Total Emissions (tCO₂e)



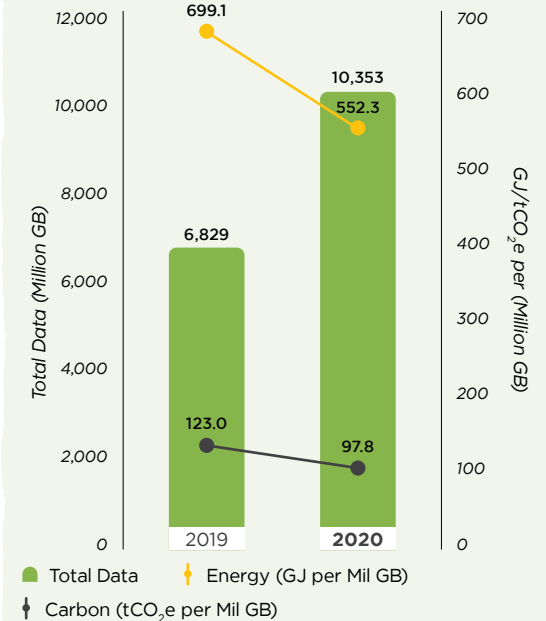
Total Energy by OpCo (GJ)



Total Emissions by OpCo (tCO₂e)



Energy and Carbon Intensity (Digital Telcos Only)



Notes: ¹ Scope 1: Direct GHG emissions from sources that are owned or controlled by the Group
² Scope 2: Indirect GHG emissions resulting from the generation of electricity, heating and cooling or steam purchased by the Group
 * Axiata's current figures for direct energy consumption (GJ), and scope 1 emissions (tCO₂e) use a standard emission factor for diesel (10.58kWh/l) which does not consider the efficiency of diesel generators
 * We are currently undergoing an exercise to enhance our collection, analysis and assurance processes of our energy and emissions data, and this will continue throughout 2021, as we enhance the reporting accuracy of carbon data towards a strengthened Net-Zero Carbon Roadmap

Environment



Resource And Waste Management

As our business continues to grow, we have become more conscious of our resource consumption and the need to address it with increasing urgency. We have started to adopt a holistic approach to environmental management as we not only consider our actions to reduce our carbon footprint through energy consumption reduction, but also include efforts to procure, use and dispose of materials responsibly. These efforts are executed across our network and at corporate level.

APPROACH

Each of our OpCos implement various measures and systems to the management of waste and resources according to national and international regulations and standards. In 2020, Dialog worked towards receiving the ISO 14001 Environmental Management System (EMS) certification across its operations. The certification marks a step towards mitigating its potential adverse environmental impacts, including managing its consumption, emissions and waste disposal through revamped policies and processes, guided by the precautionary principle.

Generally, across our OpCos, the management of resource consumption and waste is divided between network equipment or non-network IT equipment, in which an e-waste agency or vendor is usually appointed for its disposal, adhering to formalised SOPs and procedures for handling waste between the waste generation site to the method and site of waste disposal.

OUTLOOK

As waste increasingly becomes an area in which the industry, including telcos and wider digital ecosystem participants, seeks to manage, we recognise that partnerships with specialised waste disposal authorities, as well as working with our wider stakeholders (customers, suppliers and regulators) will lead to a more concerted and effective approach.



e-Waste Management

During the year, our OpCos strengthened e-waste management efforts.

The **edotco Green Framework** provides guidelines on site waste management initiatives, including outlining types of e-waste, such as batteries and rectifiers, and other waste such as paper and plastic to be collected for **recycling, recovery, refurbishment and reuse** to minimise landfill waste and reduce its environmental impact. Waste management is also undertaken responsibly in adherence with the OHS Environmental Management certification, with site waste management initiatives tracked as part of each of its operating country's Green Scorecard.



e-waste collection bins are stationed at our Malaysian offices in collaboration with the Malaysian Communications and Multimedia Commission (MCMC)'s Mobile e-Waste Collection programme. e-waste collected from offices is subsequently sent for material recovery.

Dialog's waste management programme, launched in 2008 endorsed by the Central Environmental Authority of Sri Lanka, was formed with the objective of **recycling all forms of mobile waste generated by customers** around the country. The programme includes spreading awareness and educating the public on the improper disposal of mobile waste and the ways in which these impacts can be alleviated by responsible e-waste disposal and recycling. The programme **recycles the customers' old phones and accessories**, through **collection boxes stationed at all Dialog arcades and certain franchise outlets**, creating an attitude shift among mobile phone users to become more cognisant of the impact of improperly disposed mobile-related devices on the environment and on public health.

In 2020, Dialog **expanded the remit of the service to collect a wider variety of e-waste**, given the increase in public awareness surrounding the topic, and the severity of environmental degradation due to improper e-waste disposal. The initiative, now known as "e-Kunu" – a play on the Sinhalese word for "garbage" or "waste", is at the forefront of Dialog's revamped company-wide waste management effort.

Environment



Resource And Waste Management

Driving Environmental Awareness and Mindfulness within Our Organisation


Towards internalising climate action at our workplace, we conduct awareness programmes and engagements with our employees. In 2020, these activities included:

Axiata Corporate Centre's drive for sustainability culture in the workplace

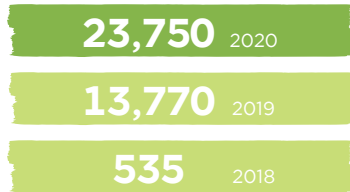


- Increased sustainability awareness and advocacy on employees' environmental responsibilities for the organisation and society as a whole, through **more consistent forms of communications** to employees on Axiata's sustainability agenda and current sustainability-related information. This included **promoting the internalisation of values of our Net-Zero Carbon Roadmap**, in which our employees have a significant role to play
- Setting up **physical spaces in our offices as green spaces** which symbolise our sustainability agenda while also representing a space for knowledge and information sharing. The space also functions as a place that encourages our employees to resonate with the meaning of sustainability and applying it to their lives in and out of the workplace

edotco tree planting



- In addition to its green tower infrastructure, **edotco has undertaken tree planting across its footprint** since 2018 as the second pillar of its sustainability efforts. The initiative, which supports our carbon neutral ambition, is undertaken via our Employee Voluntary Engagement activities
- As of 31 December 2020, edotco has planted more than **38,000 trees**



Smart's transition towards eliminating single-use plastic waste



- In the transition towards executing a single-use plastic reduction strategy and campaign, at the end of 2020 Smart appointed an external consultant to **assess the current consumption of single-use plastic within the company** and the attitude of staff towards single-use plastic
- This study, which will be completed in the second quarter of 2021, is expected to provide informed recommendations on the next strategic step for the **implementation of its strategy on single-use plastic reduction**

Ncell Green Belt Initiative



- Ncell have taken up the responsibility for **building and maintaining the greening of Koteswori-Kalanki Ring Road stretch** in collaboration with the Department of Forest and Soil Conservation (DoFSC)
- The project will cover approximately **10.2 kilometers** in which Ncell aims to transform this segment into an exemplary green belt area, supporting the **plantation and maintenance of more than 6,000 trees** along this stretch for five years





Nurturing young talents
to become future CEOs.

#ItBeginsWithUs

Axiata Young Talent Programme
for Haris Amin Nunis,
AYTP Alumni

SOCIAL

WHAT YOU'LL FIND IN THIS SECTION

Social

With the pandemic's social impacts weighing on the current climate, we have been inspired to intensify our contribution to the betterment of all our stakeholders.

Beginning within the walls of Axiata, we have supported our employees on the digitisation pathway to transform how we work, communicate and engage to nurture career development and safeguard their wellbeing. We've also introduced digital online learning platforms to provide employees with access to learning across the region. This is in line with our goal to create a Modern, Agile and Digital (M.A.D.) culture among our employees.

For our customers who represent the heart of our business, we've adopted tools such as process automation data analytics and intelligence. This forms part of our customer promise to continuously improve our customer service by enhancing digitisation of the customer journey.

We've also worked closely with our suppliers to elevate their performance and empower them with development programmes and catalyse socioeconomic multipliers. Our Vendor Development Programme (VDP) which began in 2016, aims to develop capable and competitive suppliers, complementing the Group's ecosystem and equipping vendors to succeed in IR 4.0.

In fulfilling our responsibilities to create value for society, we have invested in developing the various communities we engage with. This includes our flagship Axiata Young Talent Programme (AYTP), where we have committed RM100 million over 10 years to develop young talent towards leadership positions.

To meet the unique socioeconomic needs of each country we operate in, we have also undertaken various community development programmes across our Group, from providing access to education, basic utilities and healthcare, among others.

In terms of COVID-19-specific mitigation, we've taken action through cash and in-kind contributions to frontliners and at-risk groups. We have also facilitated ICT support for governments to respond to the crisis, leveraging on our capabilities as a telco.



▶ Employees

Key Highlights:

- RM190 million spent on talent development since 2009
- Continued commitment to the development of a diverse workforce
- OpCos comply to international health and safety standards and management systems, including ISO45001:2018
- Provided tools and support systems including COVID-19 programmes to safeguard mental wellbeing

52 Fair Employment And Welfare
54 Talent Development
56 Employee Health, Safety And Wellbeing

▶ Customers

Key Highlights:

- Responded to customer needs during the pandemic - focusing on providing data at affordable prices and ensuring continuous connectivity
- Commitment to cyber security to ensure the privacy of customers is safeguarded
- Improved customer on-boarding experience, enabling shorter turnaround time through process automation, data analytics and intelligence

60 Customer Service

▶ Suppliers

Key Highlights:

- Upskilling suppliers through regular training and engagement
- Provided COVID-19 awareness and ease of movement during lockdown
- Over 50% of total procurement spending on local suppliers
- Screen and monitor suppliers' adherence to ESG issues

62 Supply Chain Management

▶ Society

Key Highlights:

- Contributed cash and in-kind aid to support governments and communities battle the COVID-19 crisis
- Commitment to continue investing in young talent development programmes across our markets
- Broadcasted alerts and channeled relief aid for natural disasters in our markets
- Over 1,800 people and 1,700 families in our markets benefited from access to basic utilities and disaster relief aid

66 Community Development
70 Emergency And Disaster Response

Social



Employees

Material Matters:

- Fair Employment and Welfare
- Talent Development
- Employee Health, Safety and Wellbeing




Our Workforce in Numbers

 **12,683** employees

 **69%** male

 **31%** female **17%** women representation in leadership

 More than **40** nationalities employed across the Group

Our international workforce enables us to provide best-in-class digital experiences for our customers. Driven by our culture of high performance and accountability, we have been able to attract, develop and retain top talent to support the execution of our business strategy.

We regularly engage with our employees through activities such as our annual Employee Engagement Survey, quarterly Townhalls and through digital platforms. In continuously engaging employees, we ensure a holistic approach in response to their expectations on Group’s long-term business strategies and performance, career and talent development opportunities, work-life balance and pay and remuneration. To this end, we strive to provide job opportunities to locals as well as access to Group and OpCo talent development programmes. These activities drive the Group’s transformation into a M.A.D. organisation.

Impact of COVID-19 on Our Employees

Like other businesses around the world, the COVID-19 crisis has created lasting effects on the way we work. In addition to prioritising their health and safety, we have ensured our employees are provided with the necessary tools to continue working effectively amid the new normal of working from home. Furthermore, we have also provided avenues to safeguard their mental wellbeing, in response to the toll the pandemic has taken on mental health.

To this end, our methods of communicating with our employees during the pandemic has become increasingly important. We have strived to address their overall wellbeing and ensure they feel connected, safe and heard during this prevailing period of uncertainty and anxiety. Furthermore, we have provided organisation-tailored awareness messages and news on COVID-19 in their OpCo markets. These initiatives include:

- ▶ Provision of special training courses to support employees’ adoption of virtual collaboration tools to adapt to remote leadership
- ▶ Implementation of strict SOPs to ensure employees’ health and safety, including appropriate social distancing measures when they are required to come to the office
- ▶ Using mobile apps or our workplace social media platform (Yammer) to send and receive updates, perform check-ins and provide COVID-19 assistance, access to resources and the latest official statistics. Other activities undertaken through the apps or social media platform include:
 - **Mandatory health declarations** via app or online forms
 - **COVID-19 hotlines or helpdesks**
 - **Precautionary measures during lockdown** (Work-in-Office policies, travel restriction policies)
 - Boosting morale and **sharing tips and tricks to maintain productivity** at home
 - **Awareness on COVID-19-related scams and alerts**
 - Activities to **provide guidance and support** during these trying times

SNCR More details on the ways in which our OpCos workplaces ensured safety to its employees during COVID-19 can be found on page 57 of this SNCR 2020

Social - Employees



Fair Employment And Welfare

As a responsible employer which values our workforce as our greatest asset, we ensure that we recruit, retain and compensate our employees in a fair and equitable way. We recognise that our investments

in our employees are a vital enabler for the sustainability of our business and strive to put in place the appropriate environment and processes to facilitate a high-performance culture.

APPROACH

The management of our people is governed by Group policies and standards, although where appropriate these are localised for each OpCo. Generally, these policies and standards cover:

▶ Recruitment

Fair and non-discriminatory recruitment practices, recognising the opportunities and changing skill profiles of functions across the organisation

▶ Performance Management

Tools and access for employees to resources that provide them with fair opportunities to grow and excel within and across the organisation

▶ Working Conditions

Fair working conditions that enable individuals to flourish, governed by our core values and code of conduct

▶ Compensation and Benefits

Provisions for full-time employees which ensure their wellbeing and contribute to fair workplace conditions

Guided by our UI.EP values, which form the foundation for our ethical principles and actions, our **Axiata Code of Conduct** governs our behaviour and how we treat our colleagues and stakeholders in our value chain. The Code of Conduct also takes into account universal human rights and the International Labour Organisation (ILO) Core Labour Standards.

Respect for the ILO Convention

- ▶ Freedom from **Forced Labour**
- ▶ Freedom from **Child Labour**
- ▶ Freedom from **Discrimination at Work**



- ▶ Freedom to **form and join a union**, and to **bargain collectively**



3 digital telcos have employee unions



Unions represent **4.67%** of our employees

To support our Code of Conduct, our **Speak Up hotline** facilitates the reporting of actual or suspected misconduct and illegal or unethical behaviour. The hotline is available to all stakeholders to whistle-blow on any employee across Axiata at no risk of victimisation, retribution and retaliation. It is available in all local languages and accessible via the Web as well as a toll-free number.

OUTLOOK

We will continue to implement fair employment and welfare conditions as we strive towards being a top talent brand and an Asian Talent Factory, through investments in our workforce.

Culture of Integrity in the Workplace



We continue to embody our UI.EP core values on ethics and high-performance.

The core values demonstrate our commitment to upholding the highest standards of lawful and ethical conduct through honesty, fairness and accountability in all our dealings, always doing the right thing and fulfilling promises made to earn the trust of our stakeholders.



In 2020, we conducted a series of UI.EP workshops for all employees Group-wide. The workshop included situational judgement questions to assess what our employees would do, or how they would react, to particular scenarios ranging from everyday workplace activities to broader external-facing relationships, that would demonstrate our UI.EP values at play.

Employee Satisfaction

Every year, we conduct employee surveys across our OpCos to gain employee feedback, determine ways to improve the employee experience and to assess whether, as an organisation, we are addressing the needs and expectations of our people.

Group-wide, we utilise different ways of collecting employee feedback, including pulse surveys taken throughout the year, an annual formal employee satisfaction survey and smaller, more intimate channels of appraisals, reviews and Townhalls.



96% Average Response Rate



92% of Axiata Group Employees are sustainably engaged

Social - Employees



Fair Employment And Welfare

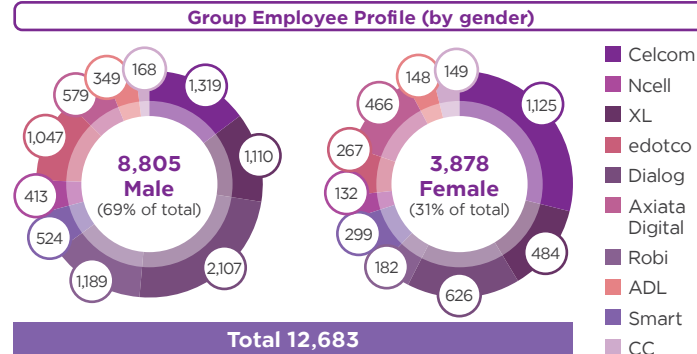
Diversity and Inclusivity

At Axiata, we aim to provide a workplace environment which facilitates collaboration and excellence Group-wide. We believe in building an ecosystem of a differentiated workforce with unique perspectives, backgrounds and life experiences united by our core values. As part of our Code of Conduct, which prohibits discrimination, we embrace respect and consideration among all employees regardless of gender, age, ethnicity, language, cultural background, physical ability, religious belief and lifestyle choice. This philosophy is further extended to all our other stakeholders, thus also governing how our business partners are expected to operate when doing business with or for us.

In April 2021, Axiata's Board of Directors was ranked first among 312 companies listed on Bursa Malaysia that were assessed in the inaugural Malaysia Board Diversity Study and Index. Conducted by the Institute of Corporate Directors Malaysia in collaboration with Willis Towers Watson, the Study and Index measure Board diversity in relation to organisations' performance as well as in enabling good corporate governance. Criterion for the study:

- ▶ Gender
- ▶ Age
- ▶ Tenure
- ▶ Board Independence
- ▶ Cultural diversity
- ▶ International expertise
- ▶ Domain expertise
- ▶ Industry expertise

Gender Diversity and Inclusivity



31% Female employees Group-wide

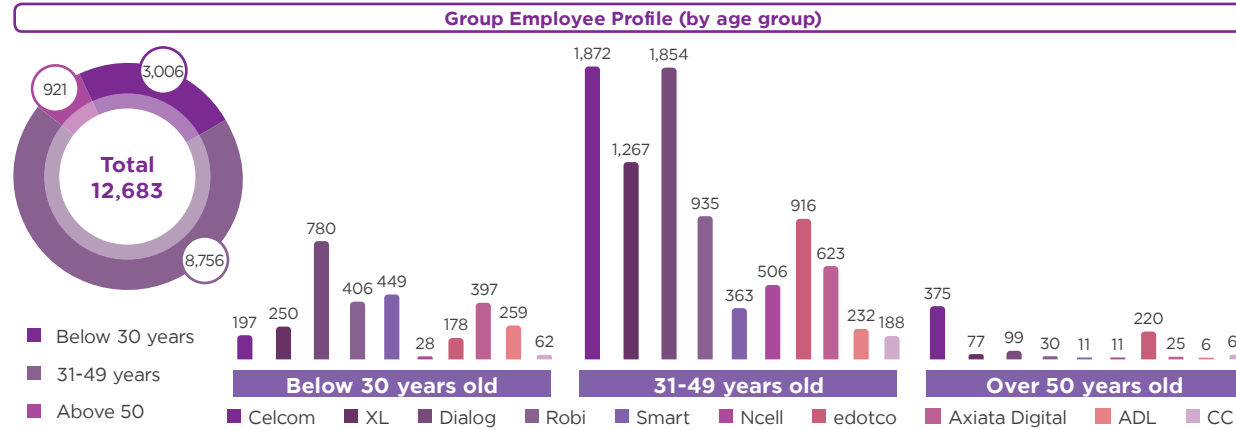
17% Leadership positions held by women

1.3:1 Average Group-wide ratio of standard entry level wage vs local minimum wage for women

In line with the SDG 5: Gender equality, all genders are empowered within our organisation, with support given to increase women representation. At the Group level, our Chief People Officer continues to advocate for gender inclusivity with the launch of a new Group-wide initiative in March 2021 called "Women of Axiata and Male Allies" (WAMA). In addition to this, Axiata Group, Celcom, ADA and edotco became corporate members to the Malaysian 30% Club. The initiative aims to elevate equality, equity, diversity and inclusion across our Group by:

- Building and expanding networks
- Enhancing workplace experiences
- Accelerating progress and development

Age Diversity and Inclusivity



We strive to empower young talents while also nurturing our intellectual capital from other generations. Objectives and pathways of our programmes such as AYTP, XL Future Leaders and SmartEdu aim to empower and nurture budding CEOs even beyond the walls of Axiata. Through these programmes, we have taken the opportunity to apply and implement our workplace framework of building future leaders. This is in line with our belief that nation-building begins with nurturing young talented individuals into the CEOs of tomorrow.

Skills Diversity and Inclusivity

Skills diversity is vital to achieve our goal of becoming The Next Generation Digital Champion. Recognising this, our recruitment practices focus on finding the right talent with the appropriate skills and values who will provide the greatest value to the workforce. We nurture skills development with opportunities for our employees to expand their skills outside of their function or subject-matter. This ensures our employees gain skills that will add value to their career progression within the industry, as well as managerial skills relevant to all industries. Through this approach, we have provided pathways to nurture our workforce's skills towards a digital future.