



Advancing Asia

SUSTAINABILITY & NATIONAL CONTRIBUTION REPORT 2021

Creating Value For All In 2021



Our Impact To ASEAN And South Asia

Total GDP contribution of
USD11.1 billion

Total capital and operating investment of
USD5.0 billion

13,181
total direct employees

Approximately
700,000
jobs supported in the region

USD1.7 billion
total taxes and fees paid



Next Generation Digital Champion

Various key
engagements with regional policy-makers and industry bodies on advancing ESG

Overall **enhanced 4G** coverage, with 3G sunset in most markets

Strengthened national
readiness for 5G adoption

edotco
increased tower portfolio by **34%** in 2021

Achieved
3rd best performing in Southeast Asia for the Digital Inclusion Benchmark for 2021

Achieved cost excellence with RM2.0 billion in savings, including
RM1.1 billion from Collective Brain initiatives

LEAP NOW Programme enabled more than **70 programmes**



Environment

Committed to achieving
net-zero no later than 2050 and to reach halfway by 2030

Developed
Axiata Net-Zero Carbon Roadmap, with carbon emissions reduction pathway to 2030

Strengthened
carbon data governance and capabilities

Increased energy efficiency across operations through initiatives including **electrification, artificial intelligence and IoT, and tower site optimisation**, among others

Increased deployment of **on-site solar adoption**, at towers for higher proportion of renewable energy consumption

Gearing up effective
product end-of-life circularity programmes for material efficiencies and managing e-waste



Social

Launched
Organisation 5.0, supporting a future-ready mindset

Inculcated responsible behaviours with Axiata
Code of Conduct training

Enhanced
digitised customer experience, from sales to after-sales support modernisation

Conducted virtual supplier forum
'Collaboration to Unlock Value' with Group's 33 key suppliers

Spent
52% of total spend on **local suppliers**

Refreshed
Axiata Foundation

Strengthened
community contribution in disaster response and relief



Governance

Revised
Axiata Code of Conduct and Axiata Supplier Code of Conduct

Executed
Privacy Commitment across OpCos

Conducted mandatory training and awareness on
updated data privacy policies

Completed year-1 execution of
Digital Trust and Resilience 2023 [DT&R2023] Strategy

Strengthened regulatory and political risk management at Group and OpCos, with
strengthened risk governance frameworks

Table of Contents

Creating Value For All In 2021

Our Business

- 5 This Is Axiata
- 6 Our Investor Proposition
- 7 A Conversation On Sustainability With Our President & Group Chief Executive Officer

Approach

- 11 Championing Sustainability To Create Long-Term Value
- 13 Sustainability Governance Structure
- 14 Materiality
- 16 Responding To Our Stakeholders
- 19 Our Impact To Asean And South Asia

21 Next Generation Digital Champion

- 22 Sustainable Business Growth
- 25 Network Quality And Coverage
- 29 Digital Inclusion
- 42 Digitisation And Modernisation

47 Environment

- 48 Climate Action
- 55 Resource And Waste Management

58 Social

- Employees
- 59 Fair Employment And Welfare
- 65 Talent Development
- 67 Employee Health, Safety And Wellbeing

Customers

- 69 Customer Service

Suppliers

- 72 Supply Chain Management

Society

- 76 Community Development
- 82 Emergency And Disaster Response

86 Governance

- 88 Business Ethics And Compliance
- 91 Data Privacy And Cyber Security
- 94 Regulatory And Political Risk

National Contribution Report

- 96 National Contributions Across The Group
- 97 Malaysia
- 100 Cambodia
- 103 Indonesia
- 106 Sri Lanka
- 109 Bangladesh
- 112 Nepal
- 115 edotco
- 118 NCR Methodology

Appendices

- 120 About This Report
- 121 Our Sustainability Matters
- 124 Management Of Material Risks And Opportunities
- 125 List Of Abbreviations
- 126 Data In Numbers
- 127 GRI Content Index
- 130 Independent Limited Assurance Report

Enabling Smart Security

Utilisation of 5G technology to provide IoT solutions to enhance island-wide security in Pulau Langkawi, Malaysia

CELCOM'S 5G SAFETY AND SECURITY SMART CITY SOLUTIONS



FACIAL RECOGNITION

Our Business

This Is Axiata

As a regional mobile telecommunications and digital conglomerate, Axiata is in a prime position to empower entire societies across our footprint of 11 countries in ASEAN and South Asia to seize the opportunities of the digital age. Our role is integral in helping Consumers, Homes and Enterprises

navigate the new normal towards a more sustainable future. We have developed differentiated and segmented offerings across our three core businesses of Digital Telcos, Digital Businesses and Infrastructure based on our deep insights into our customers' needs.

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 mobile telecommunications and digital groups in all financial metrics as we grow in market capitalisation and generate strong Return on Invested Capital against Cost of 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 and environmentally sustainable society

Our Footprint Across ASEAN and South Asia



Malaysia



Indonesia



Sri Lanka



Bangladesh



Cambodia



Nepal



Pakistan



Myanmar



Laos



Thailand



Philippines

Shareholding Structure

(As at 31 March 2022)



36.74%

Khazanah Nasional Berhad

18.39%

Permodalan Nasional Berhad

17.03%

Employees Provident Fund Board

10.92%

Foreign Shareholdings

16.92%

Others

Digital Telcos



Our Digital Telcos are leveraging the digital ecosystem to provide differentiated and segmented digital products and solutions for Consumers, Homes and Enterprises. They are answering Consumers' need for unlimited and nomadic digital mobility, providing

digital and technological convergence solutions as Homes shift to become the new centre of gravity, and enabling Enterprises to digitally transform in their quest to drive their growth.

Digital Businesses



Our full spectrum fintech player in Malaysia, with a growing presence in the Indonesia market, is helping grow the digital economy by advancing digital and financial inclusion for micro-SMEs via fully digitised financing, payments and insurance based on rich transaction data.



Our Data and Artificial Intelligence company designs and executes integrated digital, analytics, marketing and eCommerce solutions, and is helping brands drive their digital and data maturity towards achieving their business goals.

Infrastructure

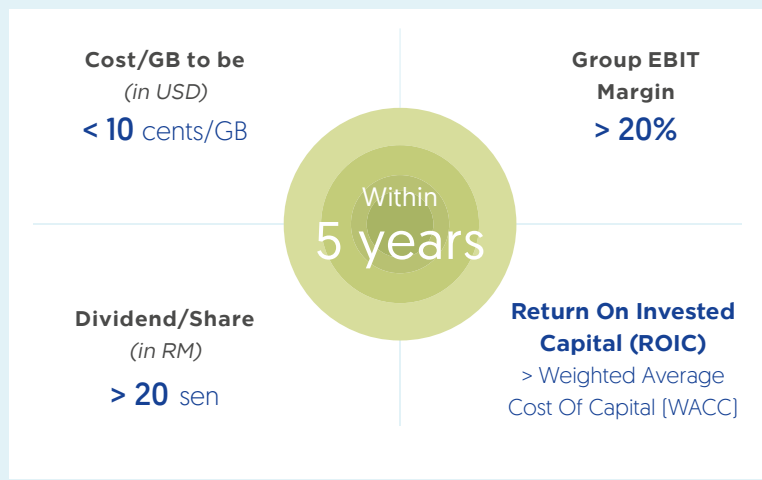


As at the end of 2021, edotco is the 7th largest TowerCo globally. Named the "2021 Asia Pacific Telecoms Tower Company of the Year" by Frost & Sullivan for the fifth consecutive year, it is acknowledged by Credit Suisse as one of three Malaysia-based ASEAN unicorns.

edoto is championing regional connectivity and bridging the digital divide in eight countries through next generation technology to provide seamless connectivity and contributing to the climate change agenda through green tower designs and renewable energy use.

Our Investor Proposition

On track to reposition as a High Dividend Company, driven by disciplined execution



📌 IAR, In Conversation With The PGCEO and Financial Resilience on pages 14 and 52 to 61

A financially resilient business

- Operating Free Cash Flow of **RM1.9 billion**
- Strong cash balance of **RM7.0 billion**
- Resilient balance sheet
 - Gross debt/EBITDA of **2.6x**
 - Net debt/EBITDA of **2.0x**
 - Dividend per share of **9.5 sen** in 2021, progressing towards becoming a High Dividend Company by 2024
- Boost's maiden tranche of Senior Class A Medium Term Notes (MTN) rated **A1** by RAM Rating Services Berhad on the back of a commendable non-performing financing (NPL) rate of less than 3% from funds disbursed to finance SME's working capital, supply chain and invoice financing to help them grow their businesses

📌 IAR, Outcome 1 on page 40

Driving structural changes to future-proof the Group

- Proposed Celcom-Digi merger
- Boost-RHB consortium formed for Digital Bank licence application in Malaysia
- Acquisition of majority shares in Link Net Indonesia
- RM246.4 million SoftBank Corp. investment in ADA
- ADA's acquisition of Awake Asia to deliver end-to-end eCommerce solutions
- Celcom's acquisition of Infront and Bridgenet, Dialog's of H One and XL Axiata's of Hipernet to strengthen Enterprise market proposition
- edotco's acquisition of Touch Mindscape and D'Harmoni assets to strengthen its presence in Malaysia, and proposed acquisition of approximately 1,000 towers from XL Axiata in Indonesia

📌 IAR, In Conversation With The PGCEO and Our Operating Companies on pages 15 and 64 to 81

Acknowledged as an industry leader in ESG

- ESG Ratings on the FTSE4Good Bursa Malaysia Index **upgraded to 4-star¹**
- MSCI ESG Rating upgraded to **'AA'**
- **3rd place** in PwC Malaysia's Building Trust Awards 2021
- Committed to the United Nations Women's Empowerment Principles
- Established the Axiata Net-Zero Carbon Roadmap aligned to GSMA industry decarbonisation by 2050
- Signed the Science Based Target Initiative Business Ambition Pledge for 1.5°C
- Commence the adoption of Task Force on Climate-related Financial Disclosures' recommendations in 2022
- Axiata's Board of Directors ranking in Malaysia Board Diversity and Study Index 2021 conducted by the Institute of Corporate Directors Malaysia in collaboration with Willis Towers Watson:
 - **1st** in the Overall Top 312 Bursa-listed Companies category
 - **1st** in the Top 10 Companies by Market (≥ RM2 billion) companies

📌 IAR, Chairman's Message on page 11

Harnessing the strength of our diverse talents across our regional footprint

- Highly skilled and capable leadership across all our regional businesses
- Regional Group-wide collaborations towards becoming The Next Generation Digital Champion via:
 - LEAP Programme
 - Collective Brain
- Continuously enhancing driving digital skills in line with IR 4.0 advancements as a Modern, Agile and Digital workforce
- Strong Employee Value Proposition - recognised by LinkedIn as one of the **Top 15 Companies** in Malaysia as the Best Place to Grow Your Career

📌 IAR, In Conversation With The PGCEO on page 24

📌 SNCR, Employees on pages 59 to 68

Continuously delivering value and growth

- Axiata's investor proposition ensures shareholders derive returns from growth and yield

Revenue ▲ 7%	EBITDA ▲ 7%
RM25.9 billion	RM11.4 billion
PATAMI ▲ 100%	
RM818.9 million	
- Achieved Cost Excellence - total savings of **RM2.0 billion**
 - Opex savings - RM696 million
 - Capex savings - RM1.3 billion

📌 IAR, Chairman's Message, In Conversation With The PGCEO and Financial Resilience on pages 10, 13 and 52 to 61

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



Dato' Izzaddin Idris
President & Group Chief Executive Officer

The new normal has seen Axiata Group Berhad (Axiata) asserting its role of providing connectivity and digitalisation to empower societies, address stakeholders' needs and respond to the planet's needs more urgently. The Group has responded with enhancing its Environmental, Society and Governance (ESG) practices, based on the conviction that its license to operate is rooted in serving and uplifting society and the environment as a whole.

Against these shifts, Axiata emerged from the financial year ended 31 December 2021 (FY2021) with a strong financial position, once again demonstrating its readiness to rise to the accelerated demand for data,

connectivity and digitalisation across its regional footprint. The encouraging results reflect the Group's organisational resilience and preparedness in meeting the accelerated demand for digitisation, coupled with OpCo efforts in delivering solid operational performance in executing the Axiata 5.0 Vision.

Axiata's President & Group Chief Executive Officer, Dato' Izzaddin Idris, provides more insights on the Group's progress in addressing an evolving landscape of stakeholder expectations and accelerating its sustainability ambition.

What were Axiata's ESG highlights for 2021?

As a Group, we recorded significant milestones during the year. A key moment was our signing of the Science Based Target Initiative (SBTi) Business Ambition Pledge for 1.5°C. This formalised our commitment to reach net-zero emissions no later than 2050. In tandem with this Sustainability and National Contribution Report 2021, we have developed our Net-Zero Carbon Roadmap which sets the direction for the Group to achieve our Advancing to Zero climate ambition.

Overall, our ESG highlights across the Group also included continued efforts in championing digital inclusivity and enabling opportunities for empowering society through digitisation and modernisation. Conscientiously, we take due care in ensuring socioeconomic contributions to the markets we operate in are consistent, enabling sustainable business growth for the Group as a whole.

As a testament to our collective efforts in 2021, we saw improvements across the Group's ESG ratings and indexes. Our MSCI ESG Ratings improved from 'A' (Average) to 'AA' (Leader) and our FTSE ESG Russell rating from 3.1 to 3.4. These improvements have largely been driven through enhanced transparency on corporate governance, responsible practice adoption and strengthened climate action. Our improved ratings from investors and analysts validate our overall efforts towards advancing our sustainability performance and management. Concurrently, our stakeholder engagements and response to stakeholder expectations earned us the top three position in PwC's Building Trust Awards in 2021.

We are encouraged to embark further on our ambition this year, leveraging on developing organisational readiness and strengthening investors' trust along the way.

ESG HIGHLIGHTS ACROSS THE GROUP

Increased collaboration through the Axiata Sustainability Steering Committee with engagements through the year focused on our net-zero journey with support from key operational functions such as Strategy and Technology

Axiata Group scored **third-best performing in Southeast Asia for the Digital Inclusion Benchmark**, ranking in the top third of companies assessed

Achieved cost excellence with **RM2.0 billion in savings**, including RM1.1 billion from Collective Brain initiatives

Contributed to society empowerment by supporting approximately **700,000 employment opportunities** and **contributing USD11.1 billion to GDP** in the markets we operate in

Signed the Science Based Target Initiative (SBTi) Business Ambition pledge for 1.5°C

Committed **to reducing emissions by 45% by 2030** across operations and formalised with the launch of **Axiata's Net-Zero Carbon Roadmap**

Axiata Foundation pledged RM115 million in investments over the next 10 years through a refined structure focused on Education, Environment and Community Investments

Rolled out a risk-based approach to managing cyber security and maintaining digital trust through **Digital Trust and Resilience 2023**

Enhanced digitisation and modernisation efforts by supporting **70 employee-led projects as part of LEAP NOW**

Increased on-site solar adoption compared to 2020 driven by increased uptake of on-site solar solutions to replace diesel generators

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

The events of the past two years have underscored the inevitability of change. How is Axiata responding to change, particularly at the accelerated pace observed during these times?

We view evolution as part and parcel of our industry and business streams. We support the need for digital infrastructure through our network and digital services that play an important role in providing continuous and reliable access to connectivity. The advancements in our industry, and the rising prominence of sustainability which we have seen in recent years, fuel our continued efforts to adapt to change through a fair and inclusive sustainability journey.

We have and will continue to ensure that our goal of Advancing Asia is balanced by ESG elements, focusing on our net-zero commitment and sustainable development.

One change in particular that has emerged at the forefront is the all-of-organisation approach in managing sustainability. Now more than ever, sustainability has become a key contributor to value creation across our business operations. Through the adoption of sustainable business practices across functions throughout the organisation, we aim to incorporate sustainability into the daily operations and long-term goals of our diverse business.

Supporting this transition are our sustainability values, 'It Begins With Me, It Begins With Us'. These values encompass how we, as individuals of Axiata as well as through collective action, can enable purposefulness in progressing sustainable development. We have also relaunched our Axiata Foundation which will enable greater involvement from our employees at a personal level, relating back to 'It Begins With Me, It Begins With Us'.

Good governance also forms part of our corporate values to operate responsibly, specifically in the areas of data privacy and cyber security. As a digital company, we recognise that protecting the data privacy of our customers, employees and other stakeholders is paramount. Throughout our organisation, both internally and externally, we ensure data is handled with the highest level of care and diligence.

How has Axiata 5.0 integrated sustainability into its goals and ambition, and how will it continue to evolve?

Sustainable practices are a crucial component to deliver our business strategy. Our climate ambition towards net-zero demonstrates our commitment to deliver value to our stakeholders in response to the urgency of climate action. Through our Operational Excellence pillar, we foresee net-zero playing a crucial role in enabling competitive advantages across all OpCos. For example, energy saving and solarisation initiatives implemented across our networks have already lowered our operating costs and improved our carbon intensity performance by 24% from 2020.

Furthermore, by driving innovations in green tower infrastructure, inclusive connectivity and digital business opportunities, we aim to contribute to a sustainable digital economy in line with our purpose of Advancing Asia.

How has the Group's sustainability governance and agenda benefitted OpCos' performance in their respective markets?

Good governance is the bedrock of a responsible and sustainable business. With direction from our Board and support from the Group, our OpCos are empowered to serve as a conduit for value creation for our other stakeholders. Strong governance towards ESG enables processes and systems that seamlessly ensure efforts towards realising our vision and business strategies, as well as providing returns on investment for our OpCos and to the Group.

At the Board level, we've actively promoted responsible oversight into sustainability issues and sustainability management. Following key awareness engagements with the Board on sustainability, we strive for more active and meaningful collaborations leveraging our diverse Board to advance Axiata's sustainability goals.

As Group CEO, in August of last year I had committed to the Board a sustainability KPI to reinforce the Group-wide commitment towards our climate ambition. OpCo CEOs have joined me in this effort and have also adopted sustainability-related KPIs to drive action across our footprint.

At the Group level, through leadership and accountability, we drive and execute OpCo localised strategies in line with our Axiata 5.0 Vision. We also pursue Group-wide synergy towards operational excellence through the Collective Brain platform to unlock opportunities for success. These efforts have enabled us to deliver on our promise while promoting the business case for operating smarter for the future.

Along this journey, the lessons we learn continuously shape our efforts as we adapt and mature our governance and strategies for inclusive value creation.

What have been the most challenging and rewarding aspects of stakeholder collaboration in driving Axiata's ESG agenda?

We recognise that we cannot work alone to achieve our sustainability aspirations. We see our pursuit of meeting our ESG agenda as an opportunity to build transformative partnerships internally and externally through collaborations to collectively drive bigger impacts.

Internally, the collaborations and synergies within the Group have enabled improved operational efficiencies as we unlock collective opportunities for value creation.

Through our **Group People Division**, the implementation of Organisation 5.0 is set to provide the environment for an inclusive and winning culture for our people. Focus areas include high organisational effectiveness, nurturing capabilities and maximising our potential to become a Digital Champion that positively impacts communities. A particularly rewarding aspect of involving our workforce was our strengthened commitment in understanding and adopting ESG principles across our respective businesses.

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

What have been the most challenging and rewarding aspects of stakeholder collaboration in driving Axiata's ESG agenda? (cont'd)

Collaborations between the **Chief Technology Officer (CTO) Council and Group Sustainability** have enabled the Group to work towards operational excellence targets of the Collective Brain, with a view to improve our carbon emissions performance. Overall, the exercise enabled us to take a more rigorous approach to energy and carbon data analytics, supporting the development of a strategy towards energy efficiency and renewable energy which forms part of our Net-Zero Carbon Roadmap.

Externally, across our stakeholder groups, we actively gather, respond, and interact with our stakeholders on ESG. This approach offers valuable insight into opportunities to evaluate, reassess and improve our ESG practices.

Through these engagements, we continue to build strong stakeholder trust through transparent communications and disclosure, affording us with greater insight and stronger relationships with the stakeholders we impact. Regular and active dialogues with **Governments** across our footprint also help influence policy, encourage national efforts towards regulated climate action and drive an inclusive climate agenda.

A number of our key engagements with **regional policy-makers, local collective corporate groups, and industry GSMA Ministerial Events** that I had the opportunity to be a part of, centred on one common agenda: urgent corporate climate action. These had propelled the Group's voice, representing digital telcos in ASEAN and South Asia, in strengthening efforts to reduce emissions in line with the science.

Together with our OpCos, the Group contributes to national socioeconomic development across the markets we operate. Our digital inclusivity and connectivity agenda empowers communities as well as contributes to national GDP growth and job creation. In 2021, we provided 13,181 direct opportunities across the Group, and supported approximately 700,000 employment opportunities indirectly across the markets we operate. Overall, the Group contributed USD11.1 billion to GDP during the year, contributing to economic, social and environmental development in our respective footprint countries.

Our philanthropic outreach to **communities**, through the relaunch of our Axiata Foundation, has also expanded to now cover three areas (Education, Environment and Community Investments). The Foundation's new structure enables us to collaborate with **Governments** and **NGOs** to empower communities in these areas towards shared value creation.

How does Axiata's Next Generation Digital Champion ambition contribute to value creation for our stakeholders?

Our vision of becoming The Next Generation Digital Champion is anchored on enabling our business and society to leverage opportunities and capabilities of a digital future. These form the core of delivering our ESG ambition and vision of Advancing Asia.

For our employees, we encourage an innovative mindset as an imperative of a future-ready workforce. In this respect, digitisation efforts such as our LEAP NOW programmes and workstreams, that seek to modernise internal and external processes, bring forth efficiencies throughout our business in the face of digital disruption.

For societies across the countries we operate, we hope to empower positive change by enabling inclusiveness in an all-of-society approach towards combating climate change and social challenges. Digital connectivity and modernisation form key enablers for this change.

For our customers, we prioritise cyber security and data privacy risk management for safe, responsible and reliable connectivity. The execution of the first year of our Digital Trust and Resilience 2023 (DT&R) strategy rooted on our T.R.U.S.T principles also addresses growing consumer demand for data governed by safe and responsible management of data privacy.

For our suppliers, we cascade our vision of Advancing Asia in balance with ESG principles across our supply chain operations. Collaboration, through ESG empowerment and carbon management, will be a potential avenue for a greater value chain approach with shared benefits to our industry and region as a whole.

What can we expect in 2022 in terms of the Group's sustainability outlook?

As we take our next steps, we remain committed to furnishing our stakeholders with the strategies required to execute our commitments and targets. **Having spent the past year establishing foundations and inculcating awareness across the Group, in the coming year we will focus our efforts on refining and strengthening our sustainability framework and strategy while enhancing our net-zero carbon agenda.**

Establishing our sustainability framework and strategy will entail identifying specific objectives and targets aligned with existing ambitions, our stakeholder expectations and contributing to the United Nations Sustainable Development Goals.

Enhancing our net-zero carbon agenda in 2022 will involve efforts that leverage on the climate governance and targets established in 2021. The addition of our Scope 3 inventory in the year, together with embarking on our Task Force on Climate-related Financial Disclosures (TCFD) journey, will help us understand the implications, risks and opportunities that climate change could have across our markets and outside of our operational boundaries.

With the fundamentals of our sustainability goals and initiatives now firmly in place, as well as the results to date which reaffirm the trajectory we have charted thus far, we look forward to delivering greater sustainable value to our stakeholders and for our planet in the year ahead.

Providing Secure Access to Financial Services

In Cambodia, Smart has collaborated with ABA Bank to introduce IPification; a seamless authentication and registration solution for ABA mobile banking users

SMART'S MOBILE AUTHENTICATION SOLUTION AND IPIFICATION



Good afternoon
What would you like to do?



Transfer to Own Account / Loan



Transfer to Other Account



Western Union Transfer



Credit Card

Approach

Championing Sustainability To Create Long-Term Value

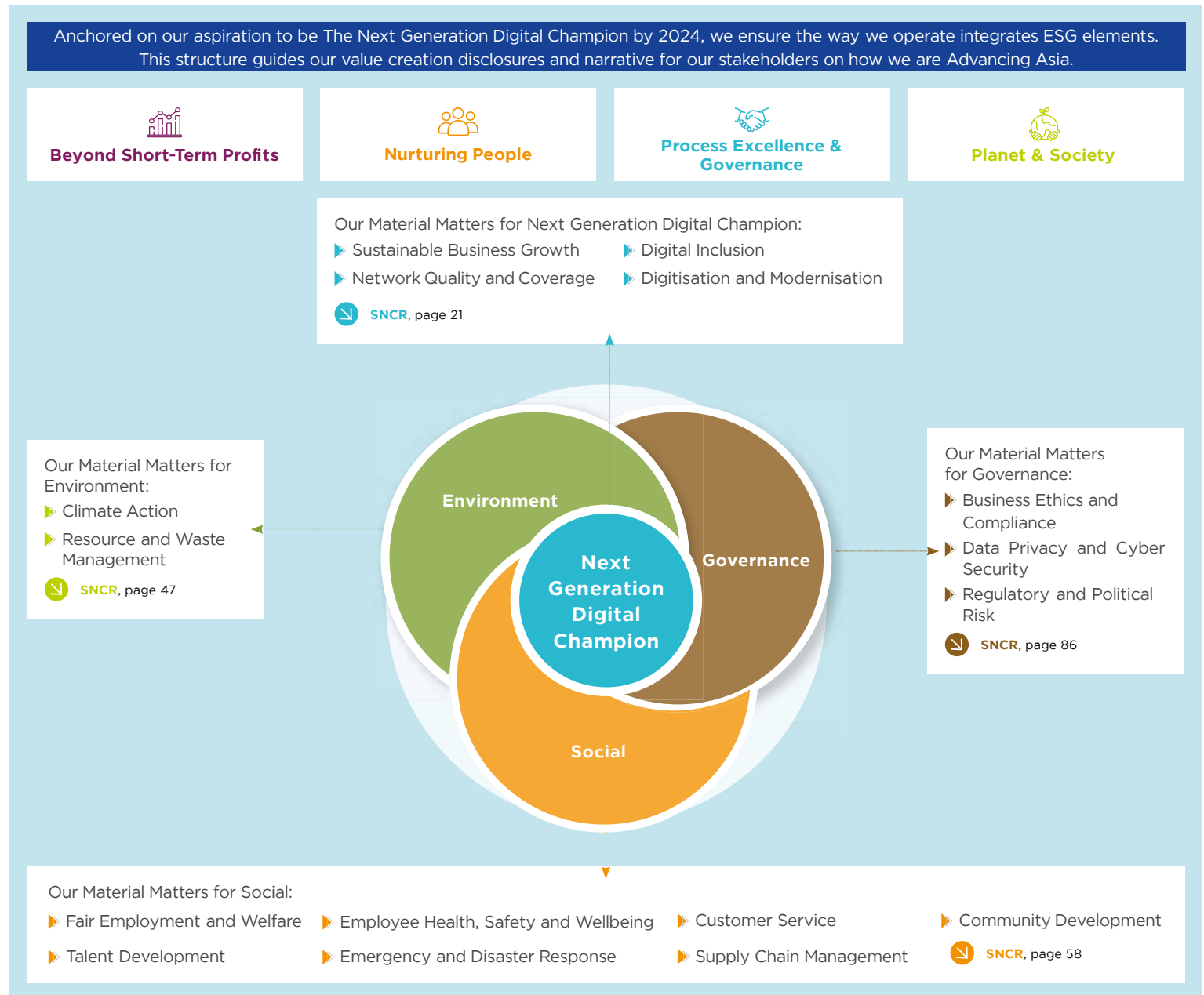
Guided by Axiata’s purpose of Advancing Asia, we are determined to improve the quality of life for stakeholders across our footprint. With the aim of providing digital connectivity to support the growth of societies and economies, we seek to embed ESG values in fulfilling our role as a regional digital business.

By understanding and managing our material matters, we are able to take a long-term and holistic view to create value for our stakeholders. Across the year, we took into account the changing sustainability landscape, stakeholder concerns, organisational environment as well as existing or emerging risks and opportunities.

As a leading regional ICT and telecommunications organisation, we will strengthen how ESG is embedded across our organisation aligned with our aspirations and commitments. Integrating ESG risk into our Risk Library recognises the importance placed on sustainability matters by regulators and investors. Moving forward, with our TCFD journey, we aim to better understand these risks and opportunities more meaningfully and holistically. These ongoing engagements will contribute to the confidence and support in the commitments we make. Among our new sustainability commitments are Axiata’s move towards net-zero by 2050 and towards fostering growth, equality and equity in the workplace.

Read more on our net-zero and SBTi commitments in **Climate Action** and our aspirations on diversity and inclusivity under the **Employees** section of this SNCR 2021.

In the coming year, we will review and enhance our sustainability framework to better guide our actions and further embed sustainability within our strategy, business model and operations. This is essential for us to meet our commitments and to be The Next Generation Digital Champion across Asia. This focus is aligned with our approach to sustainability built on our **4P Pillars** and our **material matters**.



Championing Sustainability To Create Long-Term Value

Enhancing our Environmental, Social and Governance (ESG) Disclosures

Sustainability reporting combines economic performance, social responsibility and environmental commitments. This requires an organisation to have a business strategy that incorporates ESG elements to drive sustainable long-term growth. To this end, our sustainability practices and reporting are aligned with the following standards and market-led measurements:



The United Nations Sustainable Development Goals (UN SDGs)

We remain committed to the UN SDGs, and doing our part in alleviating global environmental and social issues as a leading regional telecommunications and digital conglomerate. Through various sustainability initiatives we are contributing to advancing SDG 4 on Quality Education and SDG 13 on Climate Action as key impact areas throughout our footprint.



FTSE4Good Bursa Malaysia (F4GBM) Index

Axiata remains a constituent of the F4GBM Index series following our December 2021 review which resulted in a 4-star ESG Grading Band¹. Similarly, our FTSE Russell ESG score improved from 3.1 to 3.4 during the year. 2021 was also the year which saw Axiata's inaugural listing as a constituent of the FTSE4Good Bursa Malaysia Shariah Index.



Global Reporting Initiative (GRI) Standards

We align our sustainability disclosures with GRI Standards and continue to be guided by GRI sustainability disclosure reporting principles in terms of content and quality. Our aim is to provide transparent, cohesive and comprehensive disclosures to our regional stakeholders.



Science Based Target Initiative (SBTi)

Axiata is the first telecommunications company in Malaysia to commit to SBTi corporate net-zero standards. We have undertaken the setting of long-term science-based targets to reach net-zero emissions no later than 2050, with an intermediate target of 45% reduction in operational emissions by 2030.



Carbon Disclosure Project (CDP) Worldwide

Each year, Axiata participates in the CDP assessment. As of 2021, Axiata's CDP rating was D, reflecting further areas to improve on. We are leveraging our insights on best practices and have identified areas to improve our climate action efforts. The launch of our Net-Zero Carbon Roadmap in 2022 and alignment with SBTi is a significant step towards this end.



MSCI ESG Rating

Our focus on maintaining our MSCI ESG Rating has enabled us to retain our reputable ranking on the global index. In 2021, our MSCI ESG rating increased to 'AA' (Leader) from the position of 'A' (Average) which we had held for a five-year period previously.



Sustainability Accounting Standards Board (SASB)

We have committed to working towards aligning our sustainability disclosures according to the SASB Standards for the Telecommunications Industry. In line with this, we have begun organising our SASB Telco indicators in order to publicly disclose SASB standards in our future reports.



Task Force on Climate-related Financial Disclosures (TCFD)

We look forward to embarking on our TCFD journey in 2022 to help us understand the implications, risks and opportunities that climate change could have on our business operations across our regional markets. Through the adoption of TCFD recommendations, we seek to further advance our robust and future-proofed investment proposition and use our insights to guide the execution of Axiata's Net-Zero Carbon Roadmap.

FTSE4Good Bursa Malaysia Index constituent since 2014

Upgraded to top 25% by ESG Ratings among public-listed companies in FTSE Bursa Malaysia EMAS Index

MSCI ESG Rating upgraded to AA (Leader) in 2021

Received CDP rating of D in 2021

Achieved 3rd place in PwC Malaysia's Building Trust Awards 2021

Winner in Energy Management category at the Sustainable Business Awards Malaysia 2020/2021

Achieved third-best in Southeast Asia and ranked in the top-quartile for World Benchmarking Alliance Digital Inclusion Benchmark 2021

Note: ¹ The 4-star ESG Rating refers to the Top 25% by ESG Ratings amongst public listed companies in FBM EMAS

Sustainability Governance Structure

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



* The Board Annual Report Committee was rescoped, remodeled and renamed as the Board Sustainability Committee effective 8 April 2022 to provide enhanced oversight on ESG management across Axiata Group

Overall, **Axiata Board of Directors** is accountable for Axiata's sustainable approach and practices. At the Board level, we've actively brought forward topics of key sustainability issues and management across the Group including development and implementation of the Net-Zero Carbon Roadmap, with emphasis on 2022 being the planning year that brings together a collaborative effort in organisational readiness. This top-down approach marks our commitment to embracing sustainability as a Group-wide agenda.

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.

The management of sustainability at Group is driven and supported by **Axiata Sustainability Steering Committee**, established in 2020, which further strengthened sustainability governance at the Group.

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

- monitoring and managing business sustainability practices and targets
- keeping abreast of latest developments, e.g, global sustainability trends, sustainability related guidelines, standards and frameworks
- ensuring management of ESG risk on our Group Risk Profile, assessed and evaluated every quarter
- 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
- continue to collaboratively work with functions across Axiata to further integrate ESG considerations into our risk management processes

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 **OpCos' sustainability teams** engage with local stakeholders to identify material issues that align with Group Sustainability Framework for local relevance. The OpCos are responsible for the governance, daily management and operations, programme implementation as well as data collection as identified by the Group's material matters. OpCos are also encouraged to produce their own Sustainability Report in accordance with the GRI Standards.

Materiality

Our material matters provide the Group with a deeper understanding of how our internal and external stakeholders perceive and respond to the key sustainability issues that we face, along with its importance to our business.

Our methodology for materiality assessment is guided by Bursa Malaysia's Sustainability Reporting Guidelines and Toolkits as well as the GRI Standards. We conduct an in-depth materiality assessment every two years, or as and when there is a significant change in our business or operating environment.

The latest assessment conducted in 2020 and led by an independent consultant, took into consideration the emerging risks as well as the increased attention on climate action and wellbeing of our communities. Kindly refer to last year's Sustainability and National Contribution Report 2020 for more information.

For the year 2021, Group Sustainability conducted an internal annual review of our material matters to ensure its continued relevance to the Group. The internal review reaffirmed that there were no changes to the material matters and its prioritisation.

Materiality Assessment Approach

1

REVIEW OF MATERIAL MATTERS

We review and update our material 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. Our review also incorporates peer benchmarking.

2

STAKEHOLDER ENGAGEMENT

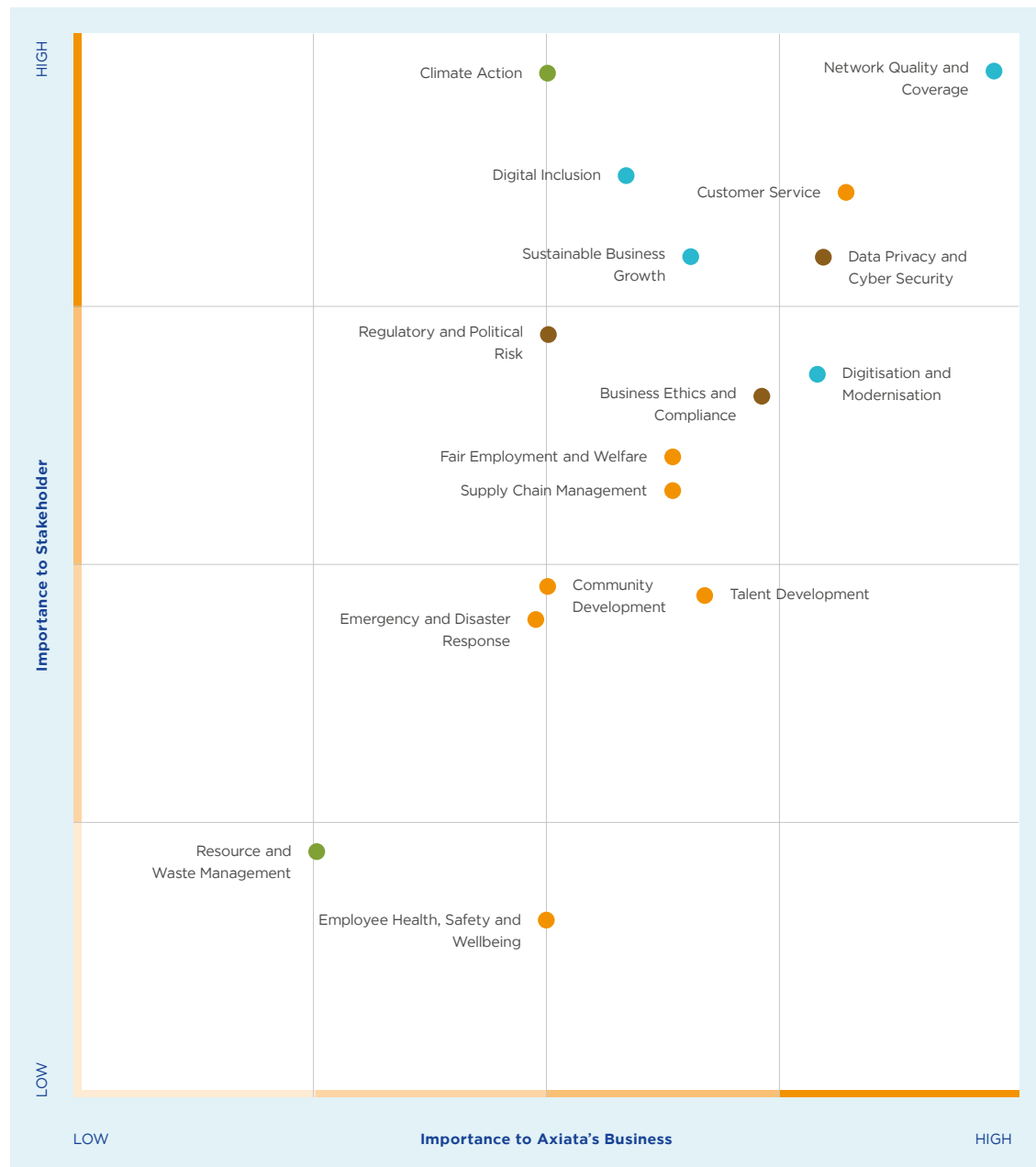
We conducted a structured stakeholder prioritisation exercise by leveraging insights from our dialogue with various stakeholders on our material matters. This allows us to identify the influence and dependence of key stakeholders on the Group. We then engage with the prioritised stakeholders to obtain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

3

SUSTAINABILITY IMPACT ASSESSMENT

Upon identification of our material matters, we conducted workshops within the Group to further prioritise materiality 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 and Cyber Security	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

Responding To Our Stakeholders

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



Regulators and Government

Why They Are Important

Our regulators and authorities specify the national laws and regulations that determine the licence and scope of our activities in 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
- Taxation and industry long-term sustainability
- Compliance with regulations and customer service standards
- Information security and data protection
- IR 4.0 and digitalisation towards the Digital Economy
- Developing local digital talents and national talent pipelines
- Integration of ESG matters into the business operations, particularly climate change

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



Shareholders

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 which include management of climate-related risks
- Share price performance and outlook
- Support of the UN SDGs

- 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

CASE STUDY



CEO Action Network in Malaysia

CEO Action Network (CAN) is a closed door peer-to-peer informal network of CEOs and Board members focused on sustainability advocacy, capacity building, action and performance. Through dedicated working groups, workstreams, and active members driving bespoke initiatives, CAN aspires to catalyse its members towards shaping future ready and ESG integrated business models and ecosystems.

In 2020, Axiata Group was accepted as one of the members of CAN. We have also confirmed our active participation in the Policy Advocacy workstream. As a member, we are committed to engage with various stakeholders including our supply chain, regulators and policy makers, government, as well as our peers across various sectors to forge partnerships that are committed to responsible business practices and sustainable development. In the process, we will not only exchange industry best practices, but also share proven strategies and ideas with CAN participants.

Most recently, in September 2021, we joined CAN members to pledge and publicly announce 14 Collective Commitments to be achieved under three categories, namely environment, people and governance by 2023 or within three years of signing up with CAN.

Responding To Our Stakeholders



Customers



Suppliers



Employees

Why They Are Important

We value each of our customers and the experience that they have on our network, and impact of our solutions and services. We are committed to delivering optimum performance to meet our customer's expectations and user experience.

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.

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.

How We Engage

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

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.

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

Topics Raised

- Network quality and availability
- Improving customer experience
- Price of packages, products and service differentiation

- 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

- 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

Our Response And Results

- 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

- 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

- 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

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.

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.

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 the pandemic

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

Media

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

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

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

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

CASE STUDY

Engaging with our community on ESG topics and our sustainability agenda is important for ensuring and enabling a holistic approach to sustainable development. Throughout 2021, the Group and OpCos had participated in engagements, talks, webinars and forums to support national level agenda for sustainability. Notably, key engagements include within and among the telecommunications industry community such as GSMA.

CASE STUDY

With the launch of our net-zero carbon commitment last year, our **Group-wide campaign 'Advancing to Zero'** rallied our workplace and our customers in an engaging series of inspiring sustainability stories. With #ItBeginsWithMe and #ItBeginsWithUs as proactive engagement and advocacy for change. Axiata was awarded by Twitter as Malaysia's Winner in Best Campaign for Driving Positive Change in Society.

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.

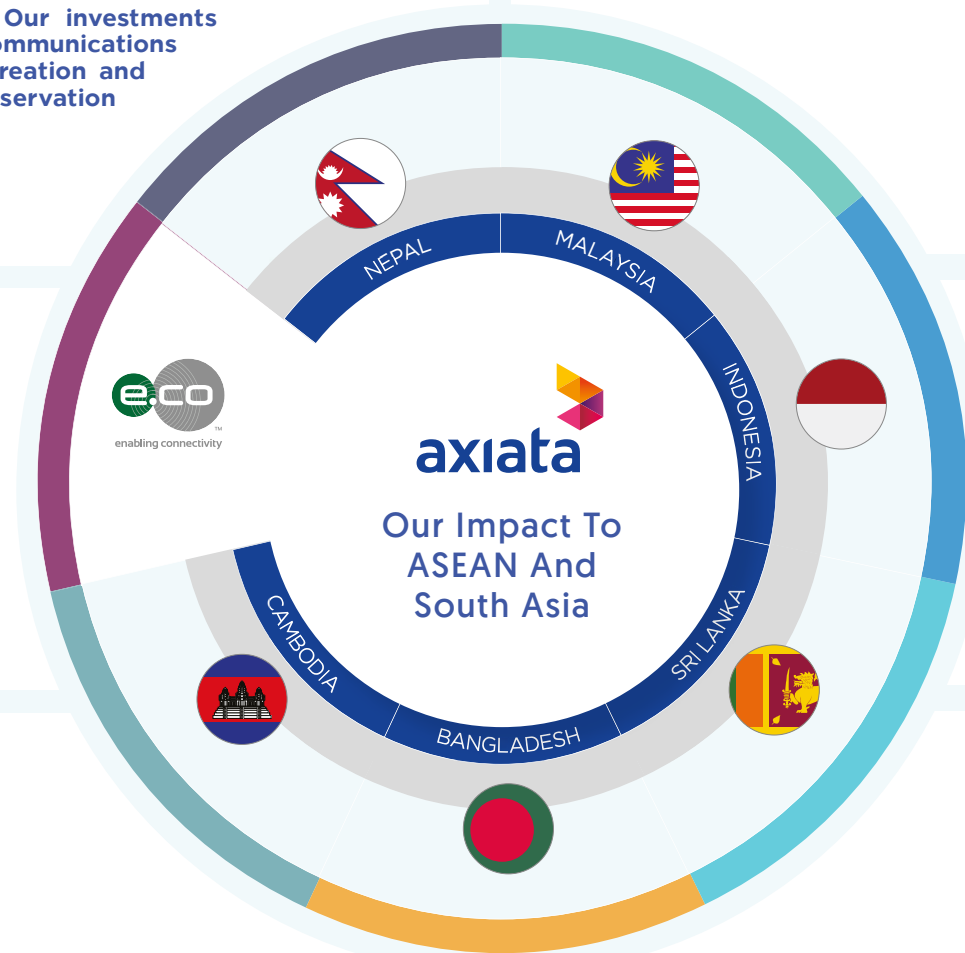
SNCR, National Contribution Report 2021, page 95



Total GDP contribution of **USD11.1 billion**



Total capital + operating investment of **USD5.0 billion**



13,181
total direct employees



Approximately **700,00** jobs supported in the region



USD1.7 billion total taxes and fees paid

Building Future Visionaries

Fostering curiosity, nurturing ambition and empowering young minds in Indonesia to create a better and brighter tomorrow with critical awareness and insightful questions

XL AXIATA FUTURE LEADERS



Next Generation Digital Champion

Next Generation Digital Champion

With our three core business streams encompassing digital telcos, digital businesses and infrastructure, we occupy a unique position to respond effectively to accelerated digitalisation needs across our footprint. With an increasing demand for data and converged services, coupled with fintech solutions and increasing enterprise digitalisation, the Group continues to evolve towards our ambition of becoming The Next Generation Digital Champion in line with our purpose of Advancing Asia.

As part of our Axiata 5.0 Vision, we recorded significant milestones during the year across our key focus areas of portfolio optimisation and value illumination, by entering into strategic partnerships with credible players harbouring similar ambitions as ourselves. We have expanded our presence in high population markets within our regional footprint, to further entrench ourselves as one of the region's leading digital players.

Our short- and medium-term strategies solidify our ability to accelerate digital transformation by advancing lives and livelihoods throughout the region. We believe that our robust business fundamentals and steady performance track record, combined with our empathetic approach to become The Next Generation Digital Champion, will bring meaningful value to our customers, communities and the planet.



Sustainable Business Growth

Key Highlights:

- Contributed USD11.1 billion to GDP across our operating markets
- Supported approximately 700,000 jobs across our footprint
- Participated in a number of key engagements with regional policy-makers and industry bodies on advancing ESG

[SNCR, page 22.](#)



Network Quality And Coverage

Key Highlights:

- Enhanced 4G coverage, with 3G sunset in most markets
- Strengthened national readiness for 5G adoption
- edotco increased tower portfolio by 34% in 2021

[SNCR, page 25.](#)



Digital Inclusion

Key Highlights:

- Heightened efforts on empowering SME and start-up resilience, through digitalisation
- Achieved 3rd best performing in Southeast Asia for the Digital Inclusion Benchmark for 2021

[SNCR, page 29.](#)



Digitisation And Modernisation

Key Highlights:

- Achieved cost excellence with RM2.0 billion in savings, including RM1.1 billion from Collective Brain initiatives
- LEAP NOW Competition received 70 submissions in 2021, leveraging multiple technology levers with the highest lever being 'process automation'

[SNCR, page 42.](#)



Sustainable Business Growth



Sustainable business growth for Axiata relies on the consideration of investments and decisions built for a future-ready workforce. This includes managing our ESG factors and positive direct and indirect value creation across our strategic investment decisions to enhance our shareholder returns. In an increasingly digital economy, it also involves agility in adapting our business strategy to harness opportunities and respond to connectivity, data and digital requirements.

APPROACH

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

OUTLOOK

Looking ahead, we are determined to sustain our growth momentum for navigating short-term uncertainties and the world's continuous adaptation in preparing for endemic-phase transitions. Axiata will continue riding the momentum already built in the Group-wide execution of Axiata 5.0 to deliver value for both our business and stakeholders by executing the strategic priorities of our 10 Key Focus Areas. At the same time, we will augment our ESG proposition as a responsible and sustainable organisation.

OUR KEY INITIATIVES

Investing Long-term in Our Markets

Axiata recorded robust growth in 2021, on the back of solid operational performance from all OpCos as they pivoted to cater to accelerated data demand, connectivity and digitalisation needs across the region.

Across our regional footprint, and in maintaining the stakeholder trust in ensuring value creation to society, we continue to strengthen the direct value we generate from our provision of digital and connectivity services. Furthermore, in recognising our value chain impact, we support our OpCos' success in their operating markets, fuelled by local economic empowerment, local job creation and contribution to public finances that support socioeconomic growth.



Our National Contributions to the Countries We Operate in

<p>USD11.1 billion GDP contributed</p>	<p>USD1.7 billion total taxes and fees paid</p>	<p>Employed 13,181 employees across ASEAN and South Asia</p>
<p>USD5.0 billion capex + opex investment</p>	<p>Supported approximately 700,000 jobs across Asia</p>	

We measure the economic impact and value creation in the markets and communities we serve, representing the long-term value we create through our investments in the local telecommunications industry, network infrastructure, talent development, environmental conservation and in society.

Revenue	RM25.9 billion (+7.0%)
EBITDA	RM11.4 billion (+7.0%)
PATAMI	RM818.9 million (++)100%
Underlying PATAMI	RM1.3 billion (+57.5%)



Sustainable Business Growth



OUR KEY INITIATIVES

Meaningful Partnerships Supporting Axiata's Digital Ambition

Growing digitalisation across our operating markets in 2021 were enabled through strategic partnerships with credible players across the digital ecosystem to collaborate and excel in digital transformation together.

- The proposed **Celcom-Digi merger seeks to create a telco** that incorporates the market knowledge of two well-established Malaysian companies
- **XL's proposed joint acquisition of Link Net**, an established high speed broadband and cable TV provider, will drive future growth by leveraging on synergies and combined positions in wireless communication services, sharing backbone and transmission networks and an extensive customer base
- **Axiata's Enterprise business gains stronger traction** establishing aggressive synergy multipliers by combining capabilities with the extensive go-to-market reach of our OpCos
- **Axiata Digital's fintech holding arm was rebranded as Boost Holdings Sdn Bhd**, unifying all fintech businesses into five core brands to serve regional consumer and enterprise customer bases. The five brands encompass Boost Life (eWallet business), Boost Biz (merchant business), Boost Credit (micro-financing and micro-insurance business), Boost Connect (API-based payment facilitation business) and Boost Indonesia
- **SoftBank Corp.'s investment in ADA** will leverage on SoftBank Corp.'s network of portfolio companies to provide digital marketing solutions
- **edotco's acquisition of Touch Mindscape** secures a strategic fibre network in the East Coast of Malaysia, backed by long-term customer contracts

Axiata Representation in Industry and Leadership Associations

In a fast-paced industry such as ours, we believe that partnerships and associations – whether public-private, industry-agnostic or leadership-driven – are key to unlocking value through collaboration. Partnerships play a vital role in progressing on the collective corporate, national or regional ESG agenda. Representing the company in leadership forums and associations, we contribute to UN SDG Goal 17 - Partnerships for the goals.

Industry association: GSMA

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.

Leadership association: CEO Action Network Malaysia

At the Group level, we ensure we can support the ambition of Group and OpCos in driving a sustainable future, leveraging our business and footprint, to provide value for our stakeholders.

CEO Action Network (CAN) Malaysia is a coalition of leaders with a purpose to shape policies, engage stakeholders, and create a favourable ecosystem for sustainable businesses and sustainable development in Malaysia. Axiata's Group CEO is a member of CAN and Axiata's membership is active in promoting the drive for sustainability in Malaysia.

A key activity in 2021 within the policy advocacy stream comprised roundtable sessions. The outcomes of these roundtable sessions are tabulated as policy recommendations, supported by CAN members in the drive for reforms that enable sustainable development.



Sustainable Business Growth



OUR KEY INITIATIVES

Representing Malaysia as A Home-grown Champion

As an organisation with strong links to the socioeconomic development in 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.

RM4.78 million

in employee learning and development in 2021
(RM39.2 million since 2017)



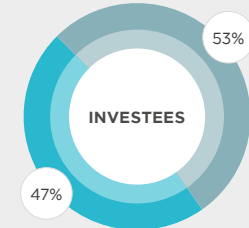
More than 6,000

e-entrepreneurs trained
(from Digitalpreneur, Google
Bootcamp and SiswaCommerce)

Tuisyen Rakyat has involved
more than 9,000
students since 2017

RM100 million

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



50 vendors

in Vendor Development Programme

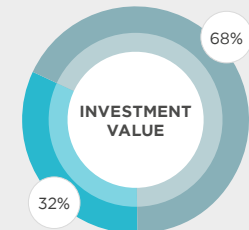
- 7 National Champions and 1 Global Champion from the programme
- RM595K value of training courses from technical agencies
- 10 business matching events organised for more than 120 vendors
- RM2 million in research and commercialisation grants awarded to three vendors

Procured

RM514 million

from Malaysian companies of which
70% or RM360 million was spent on
Bumiputera companies

Bumiputera Distributors have
recorded
RM340 million
in physical distribution



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

	2020	2021
Number of new social programmes developed to uplift the livelihood of Bumiputeras	4	5
Number of beneficiaries for the CSR programmes under Digital Entrepreneurship & Equity in Education	6,690	44,000 (approx.)
Internet access to rural communities	170,000	172,986

■ Bumiputera ■ Non-Bumiputera



Network Quality And Coverage



The success of our business depends on the coverage of our connectivity, the resilience of our networks and ensuring quality connectivity to individuals, businesses and organisations that rely on it. Our stakeholders deem network quality and coverage as the most important material matter of our materiality and stakeholder assessment, placing it as a priority in the areas we address.

APPROACH

In 2021, the Group standardised network planning methodologies and embarked on an ambitious Network Transformation Programme which leveraged on Open RAN as a key technology for mobile networks. Designed to narrow the digital divide and enhance rural connectivity across Asia, Open RAN represents the future of mobile networks, serving as a critical enabler for 4G expansions and 5G evolution that Axiata's markets are on the cusp of. It places Axiata in a strong position to better serve rising regional connectivity needs, and bridge the digital divide in rural and underserved areas.

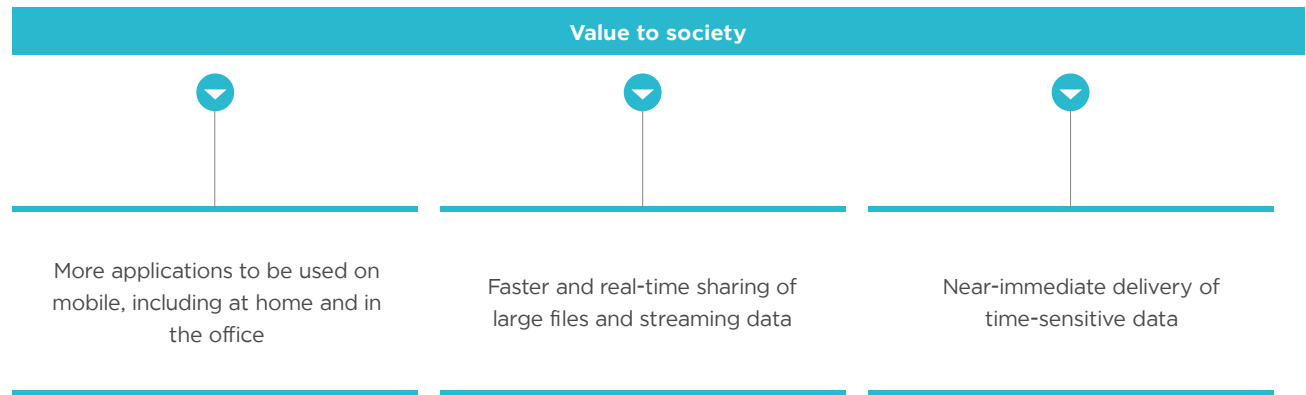
We also continue to ensure business continuity management amid crises or disruptions is implemented across the Group. The programme ensures the Group's robustness in addressing changes that may arise due to technological evolution or organisational adjustments.

OUTLOOK

We are anticipating higher demand for connectivity as well as data, especially in relation to growing 5G readiness. This will come part and parcel with increasing security, cyber security and protection of data privacy in adapting to this challenge across our industry. We leverage from GSMA benchmarking and research reviews that seek to ensure an industry-wide preparation for rising data demands.

Increase Network Coverage

Major advances in 2021 were made towards sunsetting of 3G networks to prepare for 4G and 5G spectrum efficiency. Collectively, OpCos have strengthened 4G coverage and quality across their operating markets to ensure advancements in digital connectivity throughout their respective countries, enabling more opportunities for society through the digital ecosystem. Strengthened 4G LTE resulted in improved performance, higher bandwidth for speed of transfer, faster response rates and improved spectrum efficiency, which improved overall network capacity.



Network coverage and reliability as a key driver for telecommunications sustainability

Over the past two years and as we are transitioning to the endemic phase, mobile operators have stepped up to enable business productivity and support to societies in need. Mobile operators use their platforms to advocate for support from the government to enable infrastructure and policies for operators to be able to deliver reliable connectivity for all.

Axiata had participated in many regional policy events including the GSMA's 2021 Asia-Pacific Mobile 360 conference, where Axiata shared the importance of remaining operationally agile during the pandemic and efforts to ensure the networks can cope with the increase in data consumption. The event highlighted the responsibility of the industry to do good and build sustainable networks to ensure sustainable business growth for the industry.

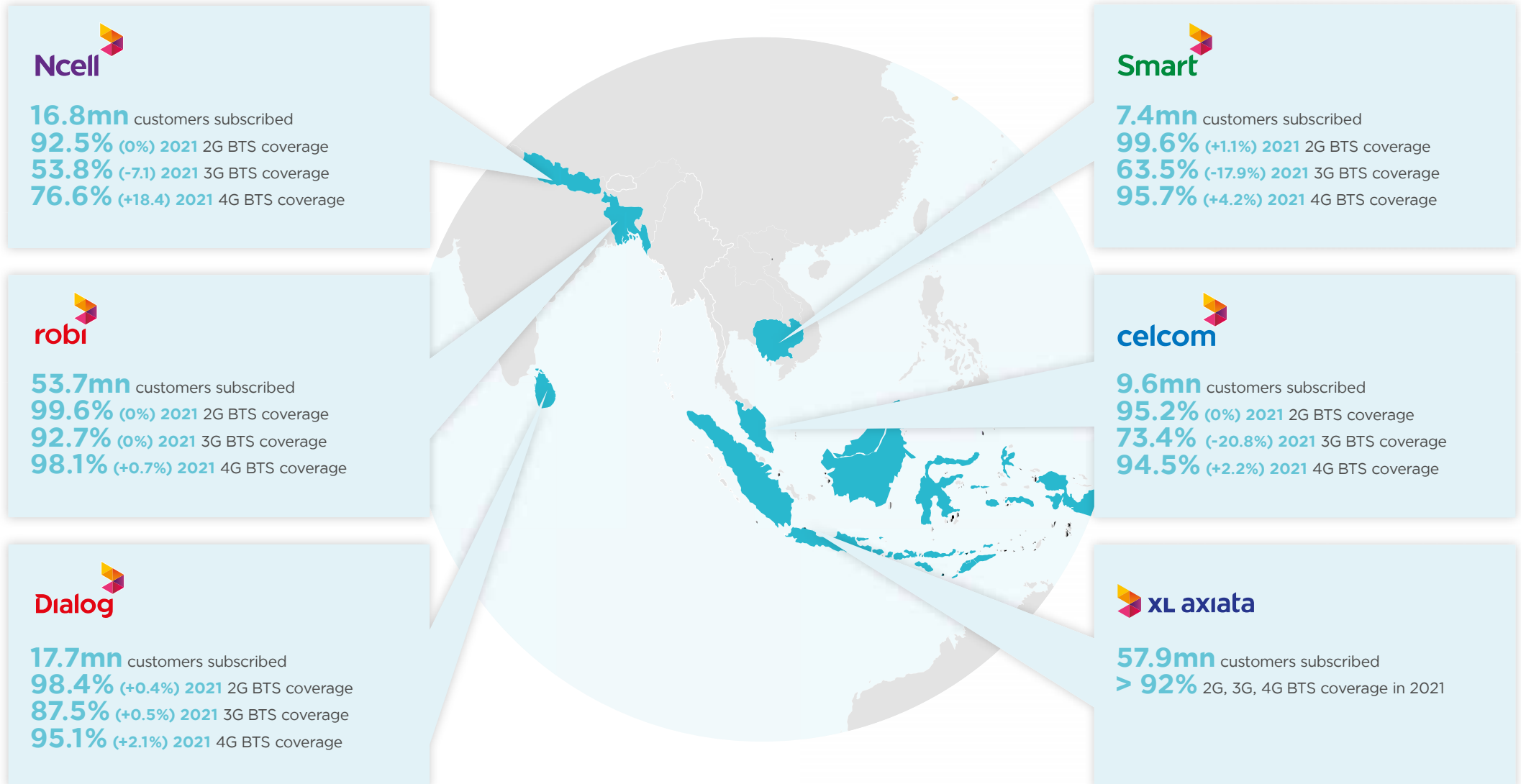


Network Quality And Coverage



OUR KEY INITIATIVES

Network coverage across our operating markets





Network Quality And Coverage



OUR KEY INITIATIVES



edotco Expansion of Tower Ownership Regionally

edotco's acquisition of Touch Mindscape has strengthened its aspiration to be among the Top 5 Global TowerCos by 2024 and cemented its leadership position as the largest independent tower company in Malaysia. edotco's tower market share increased from approximately 21% to 25%, growing its owned and managed tower portfolio across its eight core markets in ASEAN and South Asia.

edotco possesses a strong foothold of over 44,900 owned and managed towers across eight countries where it operates: Bangladesh, Malaysia, Myanmar, Cambodia, Pakistan, Sri Lanka, Philippines, and Laos.

- 25,898 are directly owned
- 19,084 managed through a range of services provided

edotco has increased its tower portfolio by 34%, whilst tenancy counts grew by approximately 16% from 2020 to 2021.

2021 KEY ACHIEVEMENTS

- 8% **reduction of single tenanted sites** across edotco operations in Bangladesh, Cambodia and Malaysia
 - Overall, average 7% reduction of single tenanted sites across entire footprint
 - 55% of colo achievements in 2021 are from single tenanted sites colo conversions
- Expanding customer base
 - breaking through build-to-suit and colocation, generating 10% increase in project inquiries and supplier requests
 - signing a master service agreement with Tier-1 mobile network operations
 - concluding strategic deals across footprint to enable opportunities toward regional towerco excellence (eg, Banglalink, DNB, Metfone, CamGSM, Smart PLDT, Mobitel, Airtel, Hutch, etc.)
- Diversifying the value chain by pursuing **Next Generation infra solutions** amid **5G readiness**
 - collaborating with local developers and regulatory authorities
- Successfully operationalised Network and Planning Analytics (NAPA)
 - Completed across 5 of edotco operating markets (Bangladesh, Cambodia, Malaysia, Pakistan, and Sri Lanka)
- Overall edotco group customer satisfaction remained high by managing customer expectations, focusing on providing service excellence to customers

edotco Group launches design competition with UKM

In October 2021, edotco Group organised an infrastructure design competition in collaboration with the University Community Transformation Centre under Universiti Kebangsaan Malaysia (UCTC-UKM), edotco's academia partner.

The first of its kind in Asia, the competition invites engineering students in their 3rd, 4th and postgraduate studies across universities based in Malaysia, Brunei, Cambodia, Indonesia, Laos, Myanmar, the Philippines, Singapore, Thailand, Vietnam, Bangladesh, Sri Lanka, Pakistan, Japan, Korea, and China. The programme was piloted in Bangladesh last year and based on the success received from 28 participants, edotco extended the programme to more regional universities.

Themed '**Infrastructure for tomorrow: designing the future**', the competition is edotco's programme to provide today's aspiring youths with a platform to engage with experienced leaders, gain industry knowledge and attain technology exposure while applying their skills to create innovative solutions. Teams were required to design a tower and foundation that fit the next generation of telecommunication infrastructure criteria based on the given technical framework, guided by a mentor from edotco over three months. The top five entries were assessed by a panel of experts in the field, and three winners were chosen.



Network Quality And Coverage



OUR KEY INITIATIVES

Future-ready: Enhancing 5G, IoT and Smart Capabilities Regionally

Preparing for 5G readiness across our different operating markets has enabled strategic partnerships with network and IT equipment manufacturers, as well as strengthened collaboration with universities and think tanks in developing and portraying the use case of 5G technology to society.



In building national readiness for 5G application and technological requirements, trials have been conducted and engagements are ongoing in Malaysia's

- developing 5G regulatory landscape. This is by:
- Working closely with vendors and industry partners for 5G technology trials and proof of concepts
 - Deploying of 4G upgrades that are 5G-ready at more than 20 sites
 - Engaging with the Malaysian Single Wholesale Network entity on the 5G rollout for Malaysia
 - Ongoing testing of 5G devices and verification to build readiness



Dialog began its expansion to 5G networks across the country in 2018 and are the first telecommunications service provider in the South Asian region to do so. This was achieved through:

- Implementing 5G trial network at 84 sites covering key areas across Sri Lanka, and opened to Dialog customers to experience 5G
- Implementation of 5G fixed broadband network over the same infrastructure and the network was opened for selected high-value home broadband and enterprise customers
- Carrying out research and development with both device vendors and network vendors to build 5G ecosystem readiness for future commercial deployment
- Launching of 5G innovation centres with 12 leading universities with industry participation to develop 5G use cases to empower businesses and industries for potential use cases of 5G for greater productivity opportunities



As one of the earlier operators to conduct 5G trials and pilots in Indonesia, in line with XL's ambition to Build a Digital Indonesia, the following have been accomplished to date:



- Passing the operational feasibility test (ULO) to deploy 5G networks in Indonesia, in August 2021
- Deployment of 5G networks and services in Indonesia, including gradually expanding its service area coverage. For the initial stage, XL Axiata's 5G network is available in four cities, namely Jakarta, Bandung, Yogyakarta and Surabaya, with limited area coverage starting mid-August 2021
- Accelerated the preparation of the required ecosystem, including the provision of adequate infrastructure including network fiberisation, collaborating with device providers in providing 5G smartphone devices for increasing access to 5G and providing education to increase public understanding of the benefits of 5G technology to support daily life

Conducted 5G test runs across Bangladesh and to-date Robi remains the only operator in Bangladesh to have successfully conducted 5G trials.



Working closely with the relevant authorities to enable widespread availability of 5G technological development in Cambodia.



Remains ready and willing to begin 5G across Nepal, awaiting regulatory approval.





Digital Inclusion



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

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

Access to information and technology can enhance lives through access to education, careers, and entertainment, and yet many still lack the opportunity or skills needed to navigate the digital space. 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 Axiata's aim for everyone to be able to participate in the digital revolution, we executed initiatives to drive promotion of digital inclusion.

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.

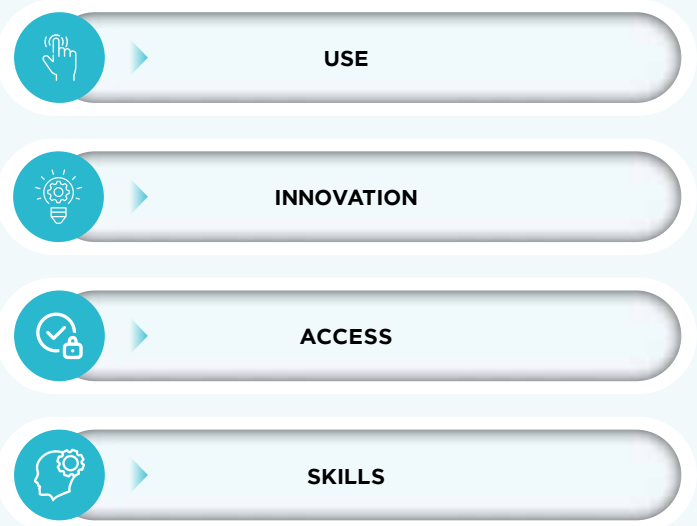
Strengthening our approach and value-creation in digital inclusion

In 2021, we maintained inclusion in the World Benchmarking Alliance Digital Inclusion Benchmark. This evaluation consists of 16 indicators equally divided across four measurement areas, with the aim of highlighting industries and companies that are currently leading the way in fostering digital inclusion.

Axiata is the third-best performing company in the benchmark headquartered in Southeast Asia

Axiata is ranked in the top-quartile of digital technology companies included in the benchmark

Four Measurement Areas Under the Digital Inclusion Benchmark





Digital Inclusion



Our digital inclusion achievements in 2021 cover three main areas: Driving the New Digital Ecosystem, Providing Access to Vital Services and Uplifting Communities. These initiatives are further detailed in the following pages of this Digital Inclusion section.



Driving the New Digital Ecosystem

Supporting Digital Skills Development and Responsible Use

More than **4,700** people were upskilled with digital skills across Malaysia

Axiata and its OpCos created programmes that promote skills and knowledge on **responsible use and navigation of online services safely** via data privacy and cyber security trainings

Supporting Businesses and Digital Companies

USD4.82 million contributed by Smart and Dialog for the Smart Axiata Digital Fund and Dialog Axiata Digital Fund with 15 start-ups selected for investment



Uplifting Communities

Empowering Communities through Digital Financial Inclusion

Across the Group, e-wallets across our footprint, including **Malaysia, Indonesia** and **Cambodia**, provide access to financial inclusion

Empowering Businesses

Dialog is transforming agriculture and fishery practices in Sri Lanka with their established platforms and programmes that serve more than **97,700 active users** utilising apps, IoT, interactive voice recordings, and mobile money services to provide farmers and fishermen with access to information and innovation

Empowering Women and Girls

More than **2,700 women** benefitted from OpCo programmes that support education, skills and jobs, better health, wellbeing and safety for women, and enable economic empowerment

Empowering Diverse Users

Dialog provided services to more than **52,460 differently-abled people** using technology such as apps, digital devices, and liaised with medical experts to provide training and therapy to improve their communications and interactions

PROMOTING DIGITAL INCLUSION ACROSS OUR FOOTPRINT



Providing Access to Vital Services

Providing Access to Education

More than **41,370 students** received access to digital tools, technology, and online platforms to facilitate learning through Axiata and its OpCos

Access to Healthcare

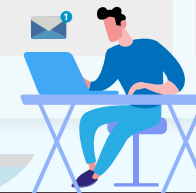
Our digital healthcare programmes across Bangladesh have aided around **348,300 people** in receiving better access to healthcare services

Access to Employment

bdapps launched by Robi was recognised as one of the Top Five Outstanding Contributors to UN SDG 8: Decent Work and Economic Growth by GLOMO awards in Mobile World Congress



XL is improving **“Smart Coffee Monitoring”** through its IoT-based solution to improve coffee product quality and operational cost efficiency





Digital Inclusion



OUR KEY INITIATIVES

Driving the New Digital Ecosystem

To drive the new digital ecosystem, and enable more of society to participate and benefit from it, we are focused on helping our customers and communities build their digital skills, as well as supporting digital businesses that provide products and services.

Supporting digital skills development and responsible use

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

Celcom SME Product Bundles

In 2021, Celcom designed and launched multiple SME product bundles tailored to support SMEs and digitalisation journeys for empowering growth in productivity. Digitalise with Celcom Business Suite is supported by the National PENJANA programme (the Short-Term Economic Recovery Plan). To support Malaysian SMEs, subscription fees were waived for the first three months for subscriptions to Celcom's Business Suite™ plans up to October 2021. Additionally, SMEs benefit from savings of 30% for a one-year subscription under the SME Digital Matching Grant of this PENJANA programme.



Digitalpreneur

Celcom's digital entrepreneurship training was delivered through digital and e-commerce platforms. In 2021, five programmes were delivered, with more than 500 participants.

Celcom Young Digital Innovators Programme (CYDIP)

Developed by Celcom in partnership with Universiti Teknologi MARA (UiTM). In 2021, activities included a CYDIP Teacher Webinar Series for teachers to enable support in delivering teaching online. This brought more than 4,000 participants nationwide from across 1,164 schools. The 2021 CYDIP Students Competition provided experiential learning to more than 250 students, with 110 innovative projects created.

Celcom Bebozz

An opportunity for Malaysians to work as digital entrepreneurs for Celcom's prepaid and postpaid products, easy and accessible on mobile with low start-up cost. Trainings were conducted at 11 universities, participated by 213 students and had 35 entrepreneurs onboarded.

Be Technology Wise (BTW)

Dialog's initiative to spread awareness and provide education on mobile safety and good digital etiquette through this programme has been ongoing since 2012. The programme is part of Dialog's product stewardship, contributing to addressing uninformed, unethical, or unknowing misuse of mobile phones



- In 2021, the BTW initiative spread awareness on safety during the pandemic and cyber-risks including sharing of personal devices, cyberbullying and safe use of Internet. The campaign was hosted on the Dialog Foundation social media platforms and received good engagement from the public.

Work from Anywhere initiative

In supporting business customers that require extended flexibility to adapt to hybrid working setups, Dialog offers data packs and bundles that support work-from-anywhere. This enabled continued productivity during lockdowns or in encouraging flexible working conditions for the new normal working conditions.

Dialog's research lab at Moratuwa University

Specialising in applied mobile telecommunication technologies research, the laboratory contributed to research including remotely-activated GSM alarm devices, learning management systems, and agri-automation.

Digital Literacy Programme

The programme was developed in collaboration with the Ministry of Post and Telecommunications, Ministry of Education, Youth and Sport and other partners. The programme aims to raise awareness on children's and adolescents' usage of digital tools in Cambodia. Parents were also welcomed, to enhance its success. These included talks on 'Online Safety and Protection for Adolescents in the Digital Age'. The programme is in partnership with Cambodia education and telecommunication agencies as well as supported by NGOs, and a guidebook on digital literacy which will be available online for high school students.



National app store bdapps empowering digital entrepreneurs

bdapps has over 45,000 apps developed by more than 25,000 developers since its launch. In 2021, bdapps launched the android app creation tool Appmaker+ to enable innovation in digital creation. This includes more than 3,000 developers that have developed more than 350 apps.



Google Workspace with BIZ Starter card

Through XL Axiata Business Solutions, the BIZ Starter Card provides business solution features from Google Workspace for SMEs, promoting business productivity, hybrid-working, and cloud-based collaboration for the growing SME market, driven by digitalisation.



Ncell Pathashala

Pathashala is a digital learning management system that enables e-learning, management and delivery of content and resources to anyone. Delivered through web platforms and apps, this encourages society to leverage on digital ecosystem for supporting skills development. A range of courses are available, from general, vocational to technical, to contribute to skills and society empowerment.





Digital Inclusion



OUR KEY INITIATIVES

Supporting Businesses and Digital Companies

Over the years, we have become a major enabler of technology innovation in developing country markets by promoting innovation, entrepreneurship and start-ups. We do so by funding and providing digital services capabilities and opportunities for business.

Digital Innovation Funds

We actively fund and partner with tech start-ups to encourage innovation across the digital ecosystem especially in the communities we operate in. This is essential towards bottom-up innovation for local technology industries, which in return, propels business incubation and innovation industry-wide.

Since 2014 we have continually invested in digital venture funds in Malaysia, Sri Lanka and Cambodia. We work with local strategic partners to identify, fund and coach local start-ups that are able to demonstrate high potential for growth as well as contribute to the national landscape.



Digital Innovation Funds

15 start-ups received funding from SADIF and DADIF in 2021

USD4.82 million contributed from SADIF and DADIF to date



Axiata Digital Innovation Fund (ADIF)

Digital Innovation Funds (Active)

Smart Digital Innovation Fund (SADIF)

Launched in 2017 and developed in collaboration with Forte Insurance as co-investor, Smart Axiata Digital Innovation Fund (SADIF) is a USD5 million venture capital fund that aims to spur the digital ecosystem in Cambodia. Together with the joint venture fund partner, Smart contributed USD3.0 million to this fund to date.

Investee companies

10

2021 Outcomes

In encouraging growth, SADIF has further invested in three of its investee companies, demonstrating how potential can be further garnered during this fund relationship.

Most of the investee companies have expanded in its coverage and impact. For example, the service coverage of Nham24 has expanded to cover 16 major cities, and GoGames has expanded to 28 countries. Okra, a solar energy digital start-up has expanded its software for off-grid solar to four countries.

New products across its investee companies have been developed. These cover digital innovation such as enterprise planning software, accounting platforms and a university-specific app for end-to-end guidance and support for students.

Dialog Innovation Fund (DADIF)

In line with Dialog's aspirations to advance digital services in Sri Lanka, DADIF was established to create a platform that works closely with digital startups and facilitate investments into potential digital ventures. Dialog has disbursed LKR 546.0 million (USD1.82 million) to this fund to date.

5

One of the bigger outcomes from DADIF had been encouraging digital healthcare, with the merger of Health Solutions and Digital Health, to deliver end-to-end digital health care solutions to individuals and corporates. The company is geared to achieve higher growth in 2022 with the synergies of integrated solutions expected to be further exploited.

Funding in smart, digital agri-tech solutions had also been a focus area for Dialog. An investee company Agrithmics received funding that will propel its IoT-enabled agri solutions for the farming industry to promote better productivity.

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.

Contributed RM63.2 million (2015-2021)

Invested in 17 companies recording an average YoY revenue growth of 34%

Bumiputera companies made up more than 50% of investee companies



Digital Inclusion



OUR KEY INITIATIVES

Providing Access to Vital Services

Providing Access to Education

In line with striving towards Advancing Asia, we believe education plays a vital role to improving quality of life, contributing to socioeconomic progress and enabling empowerment. We contribute to providing access to education through the provision of digital tools, technology and access to online platforms to students and children in this region.

Enhancing Access to Digital Resources and Learning

Providing free connectivity for students in community housing

Celcom provided free internet access and free tuition content for students living in community housing schemes nationwide. A total of 58 community homes across nine states benefitted, enabling access for close to 1,500 students that had been learning from home during the lockdown.



Bantuan Peranti Prihatin (BPP)

Through BPP, Celcom distributed refurbished laptops, new tablets and smartphones to students from lower income families to facilitate their online learning. Additionally, router equipment and accompanying devices were provided to schools across Malaysia.

Tuisyen Pintar

Distribution of tablets, SIM cards and access to free data to 60 SPM candidates across Malaysia through the Mahir Tutor platform in collaboration with State Zakat Authorities.

Mahir Tutor for SPM candidates

Free access was given to SPM candidates across four months in 2021 through the Mahir Tutor platform. This benefitted more than 600 students.

Nationwide Collaboration in Malaysia

CERDIK Programme

A Malaysian Government Linked Company (GLC) and Government Linked Investment Company (GLIC) initiative to provide digital access comprising laptops, tablets, and data connectivity to assist students from lower-income families to adapt to virtual learning during the COVID-19 pandemic. Through this programme Axiata and Celcom provided more than 21,000 SIMs and 300 laptops and dongles to more than 21,000 students nationwide.

#MyBaikHati

#MYBaikHati is a crowdsourcing initiative facilitated by Celcom and the telecommunications industry to narrow the digital learning gap in Malaysia.

Basic Education Equivalency Programme

The Basic Education Equivalency Programme (BEEP) is a collaboration between the Cambodia Ministry of Labour and Vocational Training, Ministry of Education, Youth and Sport and UNESCO to expand access to basic education through flexible, self-paced and blended learning. The programme provides an alternative education to out-of-school youths to complete lower secondary and basic education, with general knowledge and basic English language skills. It can also be pursued while continuing work - the flexibility of the programme enables anyone to participate.



- Under a new two-year partnership, Smart Axiata is committed to providing 350 Internet connected tablets and 350 SIM cards with unlimited data, Internet packages to allow 500 students to access courses free of charge, and five laptops for programme coordination purposes to the Ministries.

SmartStart Unipreneur Learning Platform (ULP)

This educational initiative, between Smart Axiata and Impact Hub Phnom Penh, is the first local online learning and interactive platform in Cambodia that introduces entrepreneurship to students through partnerships with universities. The goal of the learning platform is to develop the technical capabilities and entrepreneurial mindsets through the practical implementation of related concepts.

Mobile Library (with Sipar Cambodia)

The Mobile Library was an initiative established to encourage reading habits in isolated communities. Youths from targeted locations can access activities such as storytelling, individual reading, educational games, and creative activities as well as a lending scheme for themselves and their families.

- In 2021, 20 locations were chosen and 10,648 books were available for students to borrow. More than 5,372 kids borrowed books from the Mobile Library in 2021.



Digital Inclusion



OUR KEY INITIATIVES

Gerakan Donasi Kuota (GDK)

Through GDK, a national programme to ensure all schools and students have Internet access, a total of 13 schools benefitted from the programme in 2021 with 13 routers and a 9TB quota provided, benefitting more than 3,000 students. This marked our commitment to deliver more than 2,300 routers since the programme started in 2017. XL Axiata also provided Internet access facilities for students in various regions in Indonesia including Karawang, Purworejo, Padamawu, Cijarang and Jogjakarta.



Donation of devices to connect to Internet

Through “XL Axiata Baik” programme, XL Axiata and its employees donated routers, free Internet access and laptops to the AI-IBTIDA Islamic Boarding School in Tanjung Pakis, West Java. Some XL employees took the initiative to teach the boarding school students. This initiative will continue to take place in 2022 to contribute to building a Digital Indonesia.

Donation of laptops

XL Axiata also donated 100 laptops and Internet access facilities for 12 Islamic boarding schools in several areas. This donation was part of the “Digital Village” development programme initiated in 2020 to increase digital literacy in rural communities.

A suite of home-based, distance learning solutions

To minimise disruption of the education system from the pandemic, Dialog with its partners opened new platforms of e-learning and deployed a suite of free educational content and apps without any data charges for students to continue learning from home. These included Guru.lk and e-thanksalawa, initiatives to provide free access to connectivity. Dialog enables access to free education through Dialog TV, as well as the access to Hologo app, that utilises augmented reality to enhance the learning experience.



Nenasa has become one of Sri Lanka’s largest e-learning platforms covering local syllabuses from Grade 1 to 13. These are delivered through the Nenasa App, the 1377-Free Distance Learning Helpline, and Nenasa TV. These are partnerships and collaborations between the State Ministry of Education Reforms, Open Universities and Distance Learning Promotion, with Dialog.

Nenasa App

Nenasa Educational App is a digital learning platform that enhances the learning experience for primary and secondary school students in Sri Lanka, ensuring equity in access to quality educational material. All content on the platform was developed by trained teachers and third-party educators under strict supervision of the Ministry of Education.

Nenasa TV

Launched in 2008, the programme initially supported students preparing for the (G.C.E.) Ordinary Level (O/L) examination through a dedicated satellite TV channel streamed free-of-charge to 1,000 schools across the island. In 2013, phase 2 of the programme saw another channel and 1,000 more schools added to the initiative. As of 2021, over 2,150 schools were part of the programme.

In 2021, the Nenasa partnership between the Ministry of Education and Dialog added four new TV channels to the ecosystem, bringing the total to six channels with plans to add four more channels in 2022. As of December 2021, over 1.7 million homes were served by this free service via the Nenasa channels broadcasting credible and validated educational content produced by the National Institute of Education.

Robi-10 Minute School

Robi’s programme in providing access to education has become the largest digital school in Bangladesh. Providing inclusive and equitable quality education, and promoting learning opportunities for all, contributes to its commitment to SDG 4.



The app caters to varying levels of education, covering the full national curriculum from Grade 1 to Grade 12. There are various delivery tools that enhance user experience. The app also provides technical support to the Ministry of Education to broadcast educational content nationwide through national television. In 2021, the app benefitted students in completing their secondary and higher secondary examinations.

- “Lockdown Live” continued to be a supportive tool for students through the app and Facebook platforms, benefitting the app’s 3.4 million users and 13.5 million social subscribers
- Daily live classes delivered by more than 30 teachers with a reach of an average of three million viewers and 200,000 average viewers on the website per month
- Content on the platforms include more than 24,000 video tutorials, 85,000 quizzes and 1,250 smart books. Additionally, subscription-based content enables personalised learning objectives per student

Modern Digital Labs in Nepal

Ncell supports the Government vision of Digital Nepal by setting up modern digital labs in 60 community schools across the country in collaboration with the Ministry of Communications and Information Technology (MoCIT) and Nepal Telecommunications Authority (NTA). This benefits over 30,000 students.





Digital Inclusion



OUR KEY INITIATIVES

Access to Healthcare

Our connectivity as well as digital platforms and capabilities enable us to provide communities with better access to healthcare through telemedicine, insurance and digitalised healthcare solutions.

Dialog Axiata's contribution to digital and connectivity-enabled healthcare and infrastructure

To support teleconferencing coordination on virtual health consultations for the Ministry of Health, Dialog together with Huawei Technologies donated a fully-fledged Telepresence platform and connectivity solutions to 30 hospitals for a national collaborative e-Health system.



This centralised the healthcare, health education and health information services through remote collaboration technologies. Dialog also extended Critical Connectivity Solutions to essential medical services staff at the Institute of Infectious Diseases in Sri Lanka for real-time remote medical assistance to other hospitals and healthcare institutions

DigiCure: One-Stop Digital Diabetic Solution for All

This one-stop digital solution consists of unique features designed to ensure holistic care of diabetic individuals. Supporting as a digital caregiver, the app can allow users to book appointments, connecting with medical experts through live chats and renew e-prescription service and medicines. Patients can also upload data of their blood pressure and blood sugar level through bluetooth-enabled devices to ensure live monitoring 24/7.

- Since its launch in December 2021, DigiCure onboarded more than 20 medical professionals and garnered more than 5,000 downloads from those seeking medical attention and services.



Health Plus Insurance and Telemedicine with telco core bundles

Along with data packages, Robi also provided bundled packages with health insurance to customers under the El Deno packages and "one lakh taka" life insurance coverage. Through these, Robi made access to telemedicine and insurance free for close to 350,000 El Deno customers and 120,000 users for "one lakh taka".

Health Plus and Bloodman Joint campaign 'Tour for Social Goods'

Robi, in collaboration with the ICT Division and health partners, supported the initiative by Bloodman and Embassy of Republic of Turkey to promote a culture of safe travel by engaging youths in community development activities, whilst boosting the tourism industry through free access to telemedicine consultations.

Telemedicine and Health Informatics Programme

Ncell in collaboration with Dhulikhel Hospital (DH) set up a Telemedicine and Health Informatics Centre to serve remote communities through quality healthcare services in four outreach centres. Ncell provided telemedicine equipment and infrastructure to the local community health centres of DH and supported DH for procurement of local supplies and services needed for the execution of the project.



Health Plus

Launched in 2021, Health Plus provides customers access to doctor consultations through phone calls or video calls. More than 400 consultations were successfully recorded through this service.

Data Sangai Beema

A data pack provided by the Himalayan General Insurance offering free data valid for three days and hospitalisation insurance to customers.

Access to employment

We support the creation of high-quality jobs and the development of employability programmes, many of which are targeted towards youths, that can enable them to gain access to future opportunities and engage in local entrepreneurship.

bdapps: National App Store of Bangladesh

In partnership with the ICT Division of Bangladesh, Robi launched a platform where individuals can create mobile applications, host them using bdapps as well as gain income through the platform. The endorsement by the National App Store enabled Robi to be aligned with the National Agenda of a Digital Bangladesh. bdapps was nominated in GLOMO Awards 2021, ranked as one of the top five Outstanding Contributors to UN SDG 8 (Decent Work and Economic Growth).



Appmaker+: The Future is No-Code

Robi, in partnership with Dialog and Simato Solutions, launched Appmaker+, Bangladesh's only No-Code android app creation tool to improve job seekers' coding skills. This platform allows any individual to build their own app using a range of different templates.

YEC and EduKerjaya

This online youth employability programme for Form 4 students comprises four virtual Bootcamps and a paid internship experience. Edukerjaya benefitted 100 participants that met industry experts and attended workshops on self and career exploration.



YEC

YEC gives secondary school students the chance to design innovative online lessons, guided by mentors to plan, market, and facilitate these online experiences. With training delivery from 90 students, 30 innovative lessons were delivered to 725 participants.



Digital Inclusion



OUR KEY INITIATIVES

Uplifting Communities

We believe digital inclusion is for all and we always seek opportunities to reduce the digital divide. To this end, the Group recognises that there are various individuals, communities and businesses that can be uplifted and empowered by having access to the benefits of digital connectivity.

Empowering communities through digital financial inclusion

Axiata aspires to bridge the existing digital gaps and create an inclusive environment that promotes growth, where every individual can thrive through digital financial inclusion and e-wallets.

Boost



In 2021, Axiata Digital's fintech holding arm Boost Holdings Sdn Bhd, was rebranded to Boost, unifying financial services spanning payments, microfinancing, micro-insurance, cross-border content services and merchant solutions. The relaunched Boost brand, with the value proposition of being a full spectrum fintech player in the region, unifies all fintech businesses into four core brands to serve regional consumers and enterprise customer bases.

We combine deep fintech, in-house data and AI to meet the growing and diverse needs of our customers and merchants across the region, with the aim of becoming a full spectrum fintech player in Southeast Asia. Leveraging our full spectrum fintech presence in Malaysia, with a current growing presence in the Indonesia market (with more than 122,000 merchants), we help grow the digital economy by advancing digital and financial inclusion for micro-SMEs via fully digitised financing, payments and insurance based on rich transaction data.



Boost Life eWallet

Focuses on consumer lifestyle offerings such as online and offline retail payments, bill settlement, insurance and transportation and transit use cases with new features constantly introduced

Boost eWallet recognised as a **leading eWallet by the Malaysian Government** for its eBelia initiative to empower youth under the PEMERKASA economic stimulus package, offering RM150 eBelia credit

9.7 million
users

One of the top three
e-wallets in Malaysia



Boost Biz merchant solutions

Offers a payment platform for enterprises of all sizes, through selfserve online business tools and digitalisation solutions

Under the 2021 Belanjawan programme by the Malaysia Ministry of Finance and Malaysia Digital Economy Corporation, the merchants' business was **selected for Go-eCommerce Onboarding campaign and Shop Malaysia Online**

561,000
merchants



Boost Credit micro-financing and micro-insurance

Formerly Aspirasi, this houses the micro-financing and micro-insurance business and is a pioneering Digital Alternative financier in Malaysia and Indonesia

Embarked on the **region's first asset-backed securitisation programme** of Boost Credit loans to sustainably secure external funding and optimise cost of capital

Disbursed
> RM900 million
in loans in Malaysia and Indonesia



Boost Connect API-based payment facilitation

Formerly Apigate, this regional cross-border payment and customer growth platform ecosystem provider is driven by innovative products and services

Leveraging OpCo synergies to benefit telcos from Boost Connect, including a Bundling platform for Celcom for games and entertainment offerings, and Boost Connect Storefront housing top-ranked game titles

As a digital bank aspirant, we look forward to creating an inclusive financial digital ecosystem for users and merchants across the region and will continue to build Boost as an indomitable player that offers simplified financial services and innovative fintech solutions in Southeast Asia.



Digital Inclusion




OUR KEY INITIATIVES

Bantuan Komuniti Digital

This is a digital food pack initiative in collaboration with  Axiata. Recipients received RM60 in Boost Wallet credit to spend at local stores within the community. This programme was launched in December 2021 and piloted at five community housing areas in Klang Valley, which benefitted more than 300 lower-income recipients.

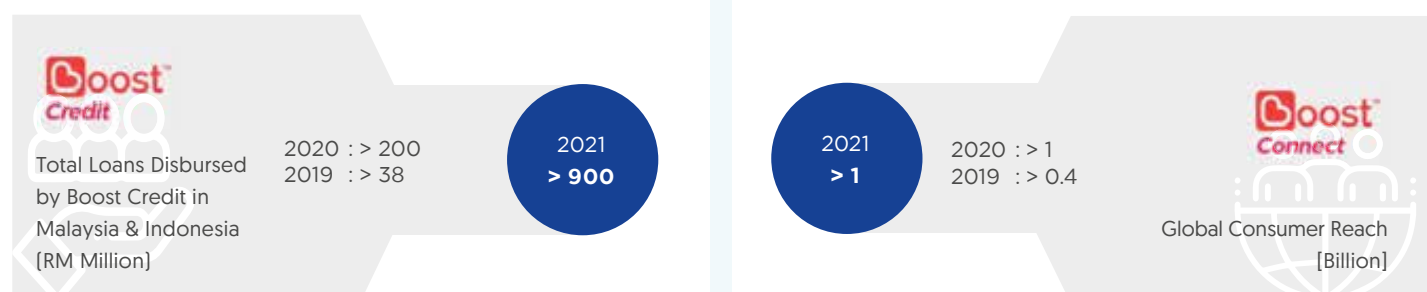
SmartPay

Customers can purchase any app on the App Store, Google Play or Codashop with their Smart main balance. 

Digital wallet partnerships

Live.On, Indonesia's digital telecommunications brand,  has collaborated with ShopeePay, Indonesia's leading digital payment provider, to add ShopeePay as a trusted digital payment method on the Live.On app. The collaboration will provide a 100% contactless and hassle-free digital telecommunication experience, equipped with seamless and convenient digital payment methods.

Driving Financial Inclusion





Digital Inclusion



OUR KEY INITIATIVES

Empowering the Agriculture, Fisheries and Plantation Sector across Sri Lanka



In Sri Lanka, farmers and fishermen make up some of the lower-income members of their communities. Due to the service and tools Dialog provide, these farmers and fishermen can establish digital payment processes and modernise their work, enabling greater income generating opportunities.

Govi Mithuru

- Launched in October 2015, Dialog's Govi Mithuru (Farmer's Friend or Uzhavar Thozhan) mAgri service was launched with the vision is to help smallholder farmers to "secure crop and family health" at the grassroot level. This was achieved by sharing agricultural advice for each stage of the farming cycle from land preparation to post-harvest support.
- Govi Mithuru boasts a wide range of indirect economic impacts that benefit subscribers as well as the nation's agricultural community.

Govi Mithuru Interactive Voice Recording (IVR)

- Govi Mithuru IVR, launched in 2015, continues to be the platform of Govi Mithuru sharing mass-customised, time-specified advice for farmers.
- Available in two languages, Sinhala and Tamil, the IVR service assisted more than 340,000 active users with crop-related information benefitting farmers' yield.

Govi Mithuru App

- Govi Mithuru is an app for farmers to access relevant and accurate information on their crop health. This is an innovative solution that empowers farmers to enhance the quality and quantity of their yield. Govi Mithuru app focused on providing personalised agriculture information such as agro-ecological zone, variety of crops planting dates, irrigation method, among others, to its users.

Govi Mithuru - Crop Pricing and Crop Look Service

- Crop Pricing and Crop-Look are additional features on Govi Mithuru that provide a crop forecasting system, in partnership with The Department of Agriculture.
- The system acts as an early warning to inform farmers on market price predictions prior to beginning a crop cycle.
- The service currently provides access to a wide range of information from sources such as the Hector Kobbekaduwa Agrarian Research and Training Institute (HARTI) and provides wholesale price information collected from major marketplaces and economic centres such as Pettah, Kandy, Dambulla, Meegoda, Norochcholai, Thabuthegama, Nuwara Eliya and Kappetipola.
- The service can be accessed through a mobile phone via the Govi Mithuru IVR or the Govi Mithuru App.

Saviya

- Saviya, a mobile-based advisory service, was designed to help the livelihoods of small-scale dairy farmers by improving production capacity, quality of milk produced, and livestock health. These enhance the small-scale farmers' ability to achieve business efficiencies, provide better animal care, empower its customers and the country's agriculture through novel digital technologies. Farmers receive daily voice calls and SMS's on personalised topics pertaining to farming and have 24/7 access to scientific dairy best practices, such as calf rearing, health and disease management, breed improvement, pregnancy, calving and clean milk production.

Saru

- An affordable Internet of Things (IoT) kit that automates "protected" (greenhouse) cultivation, enabling smallholder farmers to escape poverty and climate vulnerability.
- Extending the Agri-partner coverage - SARU ecosystem initiated 2 new Business Partnerships with established small- and medium-scale Agri Businesses across Sri Lanka.

- Agriculture Sector Modernisation Project - Welimada - SARU commenced the onboarding of 50 new farmers on the platform. Through the Agriculture Sector Modernisation Project, these farmers were provided with smart solutions enabling a high-productivity, climate-smart farming journey.

Sayuru

- A free trilingual and multi-platform weather and warning service for fishermen across coastal communities, powered by Dialog Axiata PLC to safeguard the lives of fishermen.
- Sayuru TV, an extension of the 'Sayuru' service, displays 24-hour weather forecasts in all three comprehensible local languages for local fishermen. Controlled remotely by the main Fisheries Department Operations Centre, with flash alerts in the event of an emergency according to locations.
- In addition, Sayuru's trilingual voice and SMS-based weather advisory services are free for all Dialog subscribers. The service can be accessed via call, texts or the MyDialog App. The service operates in collaboration with the Department of Meteorology and the Department of Fisheries and Aquatic Resources and currently serves over 70,000 registered fisherfolk.

GSMA Tea Value Chain Digitisation

- To drive rural adoption of the eZ Cash mobile money service, Dialog and the mobile-agriculture programme collaborated to develop a holistic agribusiness digital solution, which includes the facility for digitising smallholder farmer (SHF) payments.
- Services provided include:
 - Digitising procurement records and smallholder farmer profiles
 - Digitising procurement payments to smallholder farmers via mobile money
 - Offering digital advisory services, and
 - Providing digital financial services (loans, savings, or insurance)



Digital Inclusion



OUR KEY INITIATIVES

Contributing to Empowering Fisheries Industry and Smarter Coffee Production in Indonesia



XL contributes to improving the standard of living and safety of fishermen using the digital system.

Agriculture is an important sector for contributing to national GDP and providing employment. XL has contributed to enabling digital solutions to empower and improve productivity for the sector.

Empowering fisheries with Laut Nusantara Apps

With more than 57,600 app downloads and more than 48,500 active users, Laut Nusantara app continues to be a leading tool for the fishing industry in Indonesia

- XL Axiata continues to expand the introduction of Laut Nusantara application to the fishing communities in various parts of Indonesian waters.
- In 2021, XL Axiata introduced the latest version of the Laut Nusantara digital application in conjunction with the 2021 Advanced Fisherman Village (Kampung Nelayan Maju) event by the Ministry of Maritime Affairs and Fisheries (KKP) of the Republic of Indonesia in Belitung. The updated app shows the location of the fish in the sea, facilitating the work of fishermen. In addition, the use of digital marketing tools was also introduced to increase sales of processed marine products produced by fishing communities.
- XL Axiata partnered with Marine Research and Observation Office (BROL) - Marine Research Centre, the Ministry of Maritime Affairs and Fisheries of the Republic of Indonesia to enhance some features on the app. The latest features can detect the location of yellowfin tuna, bluefin tuna and albacore, all of which are high economic value fish. This new feature was made available to fishermen in July 2021.

Empowering villages through digital tools

XL Axiata launched a new programme called Desa Digital Nusantara (DDN). The programme aims to encourage the empowerment of villages and their communities through the adoption of digital technology for the livelihood and wellbeing of life in the village.

The programme aims to gear more villages to be equipped and able to participate in the digital economy and digital ecosystem. The programme is also a form of support for the government's efforts to accelerate digital adoption by the community in remote rural areas.

Through supporting digital literacy, the DDN programme contributes to digital literacy by supporting its communities through educational activities, public facilities construction, building digital infrastructure, as well as providing donations.

Enabling smarter, sustainable coffee with SCOPI

- XL Axiata Business Solutions implemented SCOPI (Sustainable Coffee Platform of Indonesia), an Internet of Things (IoT) based solution "Smart Coffee Monitoring" to improve coffee product quality and operational cost efficiency.
- This IoT solution also acts to guide coffee farmers in the fermentation and drying process. This device has notification and alert features to ensure the coffee beans are not over-processed or under-processed, especially if there are changes in climate and weather conditions. Users can monitor the data anytime and anywhere through their mobile devices.
- This product can improve coffee production processes according to its respective regions, further enabled by data collection. Furthermore, the data can be used to conduct further research in various scientific fields in the coffee production process.



Digital Inclusion



OUR KEY INITIATIVES

Empowering Women and Girls

Our digital programmes provide avenues for women to enhance their digital skills irrespective of age and background. We also aim to drive impact and visibility of women within the digital space.

Digital Access Gap – women and girls

Ichchedana

Ichchedana is a comprehensive service pack for the women in Bangladesh. All the features included in this service are centred around enabling digital inclusion for women as well as women's safety, connectivity, and privacy. Some features on the app include free life insurance, emergency location tracker, free emergency units, online medicines and home delivery, locations of nearby health services and health and nutritional information. Since its implementation in 2020, the programme grew by 15% by the end of the 2021, with 1.23 million monthly active users recorded.



Robi and CARE Bangladesh

Robi with an NGO called CARE Bangladesh collaborated to provide opportunities for 100 girls in Kurigram district with mobile retailer training. This is an effort to reduce the digital gender divide and expand nationwide access to digital technology.

Yeheli

Yeheli, or Thozhi, is a web and app-based free, anonymous expert advice service. The trilingual service, with the goal of supporting women and girls who find it challenging to seek advice in times of difficulty or personal crisis, saw approximately 700 queries posted per month which expert responses provided. The service showcases a series of previous anonymous queries and responses for first-time visitors to build confidence in the questions raised and responses received. The service offers advice from qualified experts in the fields of counselling, psychology, medicine, law, women's affairs and the local legal framework.



IDEAMART – Female entrepreneurship empowerment programme

Dialog promotes digital entrepreneurship among women towards improving technical skills through training and ICT facilities. The key objectives of the programme are to build financial independence and increase female participation in the ICT sector. In 2021, the focus was to continue providing technical support and mentoring to women entrepreneurs, start-ups, and students on improving ICT skills. Additionally, hackathons and virtual engagements were held to empower and upskill women entrepreneurs.

Digital Skills Gap - women and girls

Google Bootcamp

This collaboration with Google Malaysia equipped students from higher learning institutions with the necessary digital skills for employability and entrepreneurship. More than 2,300 female students participated in the programme.



Ibu Digital and Digitalpreneur for mothers

Through these programmes, engagements with mother entrepreneurs seek to provide skills and training using digital and e-commerce platforms as well as provide best practices from leading women entrepreneurs in Malaysia.

Sisternet

XL Axiata, through the Sisternet programme, collaborated with Bank OCBC NISP to organise a “Modal Pintar” competition in conjunction with International Women's Day. This competition aims to increase the level of women micro, small and medium enterprises (MSMEs) through good business management, including capital and financial management. More than 250 registrants took part in the competition and 25 participants selected to compete for over IDR150 million in business capital.



Women Adult Literacy Programme

To support women from marginalised communities across the country, Ncell collaborated with the Zonta Club to provide literacy classes to 200 women from three districts - Sarlahi, Chitwan and Rupandehi. At the end of the one-year programme, participants will attain basic literacy skills. This programme also enables them to utilise smartphones and obtain benefits from accessing the Internet in their everyday lives.



Women Empowerment Conclave

Ncell promotes topics related to diversity, equity and inclusion by partnering with stakeholders and authorities to engage on dialogue to bring about positive changes at the local and policy level for women empowerment.

Robi bdapps for women digital skills capabilities

As part of Robi's bdapps platform that empowers digital entrepreneurs, more than 5,000 active female app developers have benefitted from this programme, with 20% of the total app developers being women developers.





Digital Inclusion



OUR KEY INITIATIVES

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.

Krousar Thmey Foundation

The app “Words and Pictures” developed by Krousar Thmey allows children and youths, with and without disability, to access and learn over 500 words relevant to everyday life situations. The innovative application was launched in the context of COVID-19, as an educational and innovative tool designed to help children with hearing and speech impairments to continue learning at home. By linking words with images, text, sound and signs, the app facilitates communication with others.



The GSMA – Principles for Driving the Digital Inclusion of differently-abled persons

Dialog has committed to taking action to improve the digital inclusion of differently-abled individuals by joining the GSMA.



Ratmalana Audiology Centre- 2021

This non-profit social enterprise has lived up to its founding aspiration to be a centre of excellence in hearing and speech testing and therapy – supported by Dialog.

Shravya

Dialog, in partnership with the global leader in smartphone-based hearing enhancement solutions, launched the Shravya app in Sri Lanka. The app pairs mobile devices with a regular wired headset, where unlike traditional hearing aids, the solution is operated by the mobile app itself. In 2021, the app was enhanced where a new version was launched to strengthen the user experience and value add.

Jaffna Speech Therapy Centre

Dialog set up the first ever Speech Therapy Centre in Jaffna which is a state-of-the-art centre to serve the children of the Nuffield School and the lower-income individuals free of charge.

Vision 2020/Neth Suwaya

The Vision 2020 project was rebranded as “Neth Suwaya” in 2021. The programme aim is to eliminate avoidable blindness by raising awareness in Sri Lanka and promoting digital inclusion efforts across rural Sri Lanka.



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 advantages.

APPROACH

As we further intensify our focus on the Axiata 5.0 Vision, Group Technology will contribute towards driving 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.

Through our Collective Brain we have provided an enabling platform for us to integrate our collective knowledge, and leverage on each other's strengths to co-create solutions. The concept is the main driver of our Technology Transformation and Cost Excellence efforts. Through this initiative we are also centralising Procurement negotiations, streamlining and harmonising the Network and IT of the entire organisation. We have been able to drive vast improvements Group-wide as a result of collaborative decisions made by our OpCo leaders across ASEAN and South Asia.

Axiata's Digital Transformation Framework is a five core purpose-led strategy to accelerate our OpCos' evolution into an end-to-end digitised telco and drive effective sustainable solutions by leveraging IR 4.0 technologies.

Our five cores of digitisation



OUTLOOK

Harnessing our regional footprint, our businesses gain stronger traction as we partner with global technology powerhouses and hyperscalers to provide solutions that meet the digitisation needs of society in a sustainable manner.

Towards Becoming an End-to-End Digitised Telco

Over the past three years, by ramping up focus on our five cores of digitisation, we have shown significant improvements across all our key programmes and indices. As an example, all our OpCos are now at the highest tier on Big Data Analytics as defined by the TM Forum Framework.

<p>LEAP Digital Maturity (LDM) multi-year programme as a catalyst to drive digitisation across all OpCo functions, both front-end and back-end, as well as track its progress</p>	<p>Big Data Architecture (BDA) Index to assess our ability to process and analyse Big Data</p>	<p>Digital Telco Model (DTM), which charts the financial outcomes achieved through digital transformation across our OpCos</p>	<p>AI Maturity Index which determines our AI Maturity levels to create and scale business impact</p>
<p>LDM</p> <ul style="list-style-type: none"> 3 out of 6 OpCos at 'Digital Leader' stage 3 out of 6 OpCos at 'Driving Digital' stage 	<p>BDA Index</p> <ul style="list-style-type: none"> All OpCos are Innovative Leaders at Tier 5 for Big Data Analytics 	<p>DTM</p> <ul style="list-style-type: none"> Savings improvement of 54% from 2020 	<p>AI Maturity Index</p> <ul style="list-style-type: none"> 3 OpCos at Level 4 and advancing Group-wide average AI maturity increased from 27% in 2020 to 43% in 2022

Each OpCo champions strengths in enabling digitisation and modernisation of their operational, functional and service capabilities. For further details, refer to IAR 2021 'Delivering Our Strategy' page 62.



Digitisation And Modernisation



OUR KEY INITIATIVES

LEAP Programme

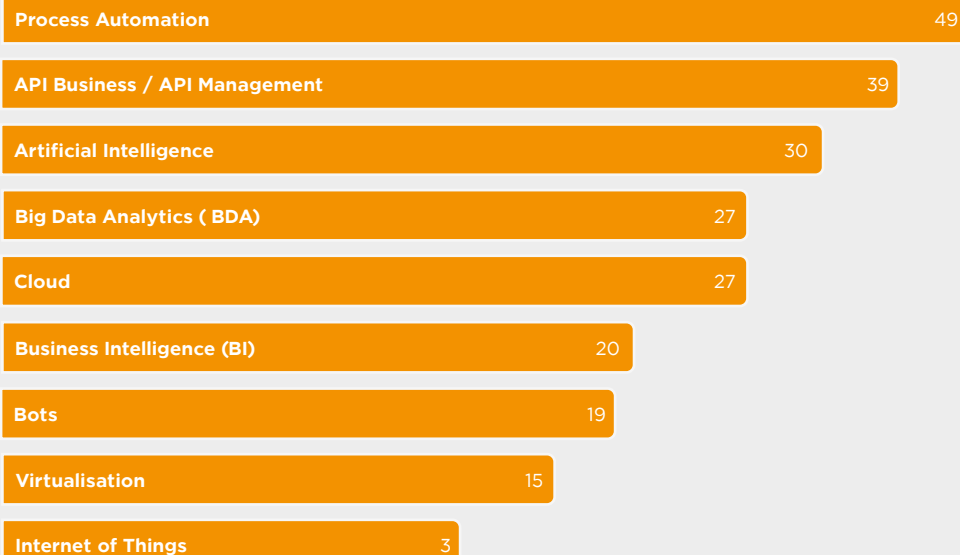
Digital transformation at Axiata is supported by the execution of our Learn, Engage, Accelerate and Perform (LEAP) Programme, which aims to nurture a “digital-first” mindset shift, accelerate digital maturity across our OpCos and validate their progress, as well as drive intra- and inter-OpCo collaboration.

LEAP NOW Programme 2021

The LEAP NOW competition is an initiative under the LEAP Programme to identify the best digitisation projects across OpCos and to accelerate OpCo adoption of innovative ideas through knowledge sharing. In 2021, 70 projects were submitted.

Technology Levers

More than 90% of the projects submitted leveraged more than one enabling technology lever. In 2021, the top three technology levers focused on were (i) Process Automation; (ii) API Business / Management platforms; and (iii) Artificial Intelligence.



Business Benefits Unlocked

Projects submitted under the LEAP NOW Programme delivered multiple benefits across the business with most projects focusing on (i) enhancing customer experience, (ii) improved decision-making and (iii) improving operational efficiency.



LEAP NOW 2021 Project Examples: Enabling sustainable development

IoT flood monitoring and data analytics in Jakarta by XL

As part of our product and services core, XL connected more than 170 IoT sensors across Jakarta for flood monitoring, leveraged analytics to provide solutions for early warning and preparedness for flood situations.

Enabling smart solutions to increase preparedness and understanding of climate-related risks

Distributing services and enabling data growth through social communities by Robi and Ncell

Through apps and digital channels, this social distribution initiative leveraged communities and social circles as resellers of Robi and Ncell products.

Empowering small sellers, entrepreneurs and communities to participate in digital economy

Self-Organising Networks (SON) by Celcom

As part of the “Infrastructure and Platform” core, Celcom deployed SON and automated RAN network configuration to help reduce network complexities and manual efforts as well as enhance customer experience.

Digital platform enabling power-saving features for energy efficiency



Digitisation And Modernisation



OUR KEY INITIATIVES

ADA Rapidly Growing Into the Largest Digital Services Provider in APAC



Driven by data and AI analytic capabilities, ADA designs and executes integrated digital, analytics, and marketing solutions for more than 3,300 clients across 10 countries in Asia Pacific. Leveraging diverse capabilities in marketing technology, eCommerce, digital media and Analytics, ADA also combines strengths through partnerships with leading brands to drive their digital and data maturity.

ADA aims to digitally transform the marketing industry where in today's marketing environment, digital innovation and the use of big data are key technology enablers for empowering businesses to deliver meaningful business outcomes and reach their marketing and business operations goals.

Cutting-edge capabilities enabled by data and digital solutions to deliver business growth

- Synergies with investors such as SoftBank Corp to develop AI models for precision targeting, investments in content analytics, establishing data platforms to deliver better insights and data solutions for clients to help their businesses grow
- Enhance capabilities by building strategic partnerships with various players in the digital landscape, including Facebook, Google and their ecosystem of telco partners

Guiding businesses in their digital transformation journey

Marketing technologies, together with eCommerce enablement, have been strengthened as capabilities of ADA towards enabling businesses to better navigate opportunities for end-to-end eCommerce solutions

Contributing to business recovery through data insights

Launched Southeast Asia's first ever Recovery Index Dashboard, a data-driven dashboard to help brands navigate post-pandemic recovery by measuring activity levels through footfall and app usage

Enabling meaningful business outcomes through digital, data and AI



Axiata Digital Labs - The technology hub for innovative digital solutions

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

Axiata Digital Labs works with the latest developments and advancements in technology to constantly innovate and provide solutions that enhance Axiata's service offerings.



Cloud resources and expertise in DevOps, IT infrastructure, Automation & Security



Track record with delivery of Cloud solutions in Telco, IoT platforms, fintech & applications



Equipped to provide range of Enterprise Cloud solutions including presales, demonstrations & workshops

Axonect contributing to digital transformation regionally

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

In 2021, ADL obtained 2 Catalyst Awards at TM Forum's Digital Transformation World Series for its Catalyst Projects:

- "Cross-industry marketplace for CSP collaboration, Phase 3" in Visionary Impact category
- "Measurements of Trust in AI" in Sustainability Leadership category



Digitisation And Modernisation



OUR KEY INITIATIVES

Smart Solutions across Our Business and for Society

We provide innovative enterprise grade solutions to digitise businesses and ensure they 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.

Opco Enterprise ICT and connectivity solutions

Through connectivity and the growing capabilities of our digital ecosystem, we aim to leverage on our value proposition as a digital telco and ICT business to enable and accelerate our stakeholders towards digitisation. We also seek to improve operational and resource efficiencies for environmental management, contributing in more ways digitally to advance socioeconomic developments. Additionally, we will ensure responsible and good governance is practised. This Enablement Effect potential for Axiata will be derived from the enterprise solutions that provide opportunities for, and solutions to, sustainable growth and development.

We leverage our presence across more than 185,000 enterprises towards building new capabilities to unlock opportunities, accelerate growth and meet evolving business needs. Driven primarily through IoT, cloud capabilities, cyber security and smart-enabled solutions, there are significant enablement factors from our business to the global ESG agenda.

Environment

Enhancing efficiencies in how businesses operate, resources are consumed and disposed, as well as how contributions to climate science can be made

Smart City

Jakarta Smart City utilises smart sensors and data analytics to monitor floodgates around Jakarta contributing to better flood risk management and flood response systems



Smart Buildings

Powering buildings with energy efficiency initiatives, programming and features for smarter consumption of electricity and water



Smart Fleet

Fleet management solutions with efficient routing recommendations for shorter journeys and faster delivery times



Smart Agriculture and Food

Leveraging IoT to improve production, crop performance, increase resource efficiency and reduce losses for the agriculture industry



Smart Grid

Lanka Electricity Company (LECO) includes Sri Lanka's first smart metering deployment for remote monitoring of distribution grid, smart meters and analytics to detect faults and reduce time to rectification, for grid efficiencies



Smart Supply Chain

Enabling smart cold storage solutions through automated monitoring to improve operational efficiency, ensure food quality, high safety standards and reduce food wastage



Social

Enabling society to prosper through digital inclusivity, digitised and modernised processes aligned with sustainable development

Digital Education

Collaboration with public and private sectors to enable access to education for students across varying levels



Smart Healthcare

Contributions to national healthcare hospitalisation management systems to efficiently distribute patients with bed capacity visibility and utilisation. Also, providing telepresence infrastructure to deliver centralised healthcare, and monitoring solutions for fitness analysis



Digital Inclusivity

Cloud partnerships to strengthen remote working capabilities and supporting SMEs and micro-SMEs during pandemic through digitalisation kits as well as digital matching grants



Smart Safety and Wellbeing

Vehicle telematics and drowsiness detection system to enhance road safety, driver wellbeing and reducing risks along logistics



Governance

Enabling safe, secure and responsible business practices

Smarter cyber protection

Leveraging data analytics to provide greater insights, and protection from, data privacy and cyber security risks



Bringing Smart Farming To Smallholders

Creating an IoT technology based low-cost automated "precision agriculture" kit that is engineered to maximise productivity and efficiency

DIALOG SARU



SMART FARM ENABLED
HUMIDITY : 41%
TEMPERATURE : 31°C

31
41

06:50 AM
07:42 PM



Environment

Environment

The climate science is clear and the call for climate action is undeniable. Environmental management has been part of our overall ESG agenda and responsibility towards our future generation. Since 2020 we have taken a heightened approach to climate action, knowing that the failure to react will be detrimental to the future generation. We aim to lead by example across our footprint as a digital company that proactively manages environmental risks and impact.

Our solutions - digital, connectivity and infrastructure - help society by providing access to digital opportunities. We are well positioned, as an enabler, to contribute to and encourage the transition towards a lower-carbon economy. The context of an evolving technological landscape provides opportunities for 5G, IoT, modernisation and innovation to further contribute to planetary solutions. Industry platforms and forums such as GSMA, UN ITU and GeSI drive, guide and bring together the insights and collaboration to enhance our industry's environmental response.

We operate with a responsible and risk-driven mindset on how we impact, or are impacted by, environmental issues. With the majority of our energy consumption attributed to our networks' use of electricity, we are also mindful of the natural resources we consume in tower development and seek to manage the waste we generate across our operations and that of our supply chain. But these efforts are not confined to the responsibility of our networks. Holistically, as an organisation, we encourage our workforce to participate within their respective capacities as employee and citizen, embodying a whole-of-society approach.

Axiata's commitment to transparent disclosure of our identified environmental material matters is supported with the ambition to do better. The commitments we have made in 2021 strengthen the actions that will follow in years ahead. Across our regional footprint, and in line with global and localised regulatory pressures and opportunities, our efforts across the Group aim to reduce our environmental impact and contribute to the climate agenda.



Climate Action

Key Highlights:

- Developed Axiata Net-Zero Carbon Roadmap, with carbon emissions reduction pathway to 2030
- Strengthened carbon data governance and capabilities
- Increased energy efficiency across operations through initiatives including electrification, artificial intelligence and IoT, and tower site optimisation, among others
- Increased deployment of on-site solar adoption at towers

SNCR page 48.



Resource and Waste Management

Key Highlights:

- Gearing up effective product end-of-life circularity programmes for material efficiencies and managing e-waste
- Strengthened employee awareness on waste management practices

SNCR page 55.



Climate Action



The impacts of climate change are becoming more evident each day, and the latest Intergovernmental Panel on Climate Change (IPCC) Report shares climate science showing the earth is close to exceeding the 1.5°C temperature limit beyond which there is irreversible impact on our climate.

The mobile sector directly contributes to 0.4% of global carbon emissions. Yet, as an industry, we have the ability to avoid emissions 10 times greater. Responsible climate action and environmental management include improving environmental outcomes across our regional footprint and reducing the impact of technological advancement on the environment while we continue to deliver on our purpose of Advancing Asia - balancing social and environmental needs and expectations. Through mitigation (reducing carbon) and adaptation (adjusting systems in response to risks of climate impact, enabling climate opportunities) we work towards an end-to-end approach.

APPROACH

Axiata's Sustainability Steering Committee oversees climate action and environmental management across the OpCos - where each OpCo is driven by their own localised environmental agenda, regulatory landscape, policies and systems nationally, to deliver responsible operations that reduce negative impact on the environment for digital telcos to operate on greener, efficient and more sustainable energy and systems. Our carbon reduction strategy focuses on areas of operational control.

OUTLOOK

As the footprint of our network expands to connect more people, we are committed to continue developing systems, processes, and cadence to strengthen our climate ambition and agenda, by collaborating with partners, vendors, peers, across our industry. In 2022, we aim to strengthen our Scope 3 management and embark on our TCFD journey to better understand the risks and opportunities to our operations in the face of a changing climate.

OUR KEY INITIATIVES

Strengthening Carbon Data Governance and Capabilities

In 2021, we focused on reviewing and updating our carbon inventory by using a newly developed Environmental Data System to ensure that our internal data collection process is standardised and regulated by Group. This data is critical to support the formulation of internal targets aligned with our Net-Zero Carbon Roadmap goals.

- 1 **Tracking energy consumption across the different energy sources in our operations**
- 2 **Tracking energy costs to keep an eye on regional electricity tariffs**
- 3 **Incorporates dynamic factors such as improved emission factors as regionally there is less fossil-fuel powered electricity**
- 4 **Managing single-source and multiple-source energy sites for site planning aligned to climate ambition at Group**

Our carbon data governance, and accompanying visual interactive dashboard, were strengthened as these form an important reference point to steer our short- and long-term targets as well as action plans. However, with increasing technology, digitisation and remote monitoring, we hope for our data collection, monitoring and tracking to continue to improve.

At Group level, oversight of all OpCos' emissions performance has been enabled with an interactive tool that facilitates the decision-making process. This helps in identifying what any given rate of increase in renewable energy or rate of energy efficiency improvement can contribute towards the 2030 target.

The dashboard will be a key communication platform that provides an overview of the sources and total amount of emissions from across the Group. It will also serve to create awareness amongst employees by helping them to understand emissions and measures required to reduce emissions towards net-zero.

Developing the pathway to a net-zero future for Axiata

As a company, we have pledged to set a long-term science-based net-zero target, in line with the Science Based Targets Initiative (SBTi). We are committed to achieving net-zero no later than 2050, and to reach halfway by 2030 with a near-term target to reduce operational carbon emissions by 45% from a 2020 baseline.

Leveraging the operational carbon inventory exercise conducted in 2020, we have enhanced data processes and credibility which enabled us to develop the three key objectives as part of our Net-Zero Carbon Roadmap, towards ensuring a pathway to net-zero no later than 2050.



Climate Action

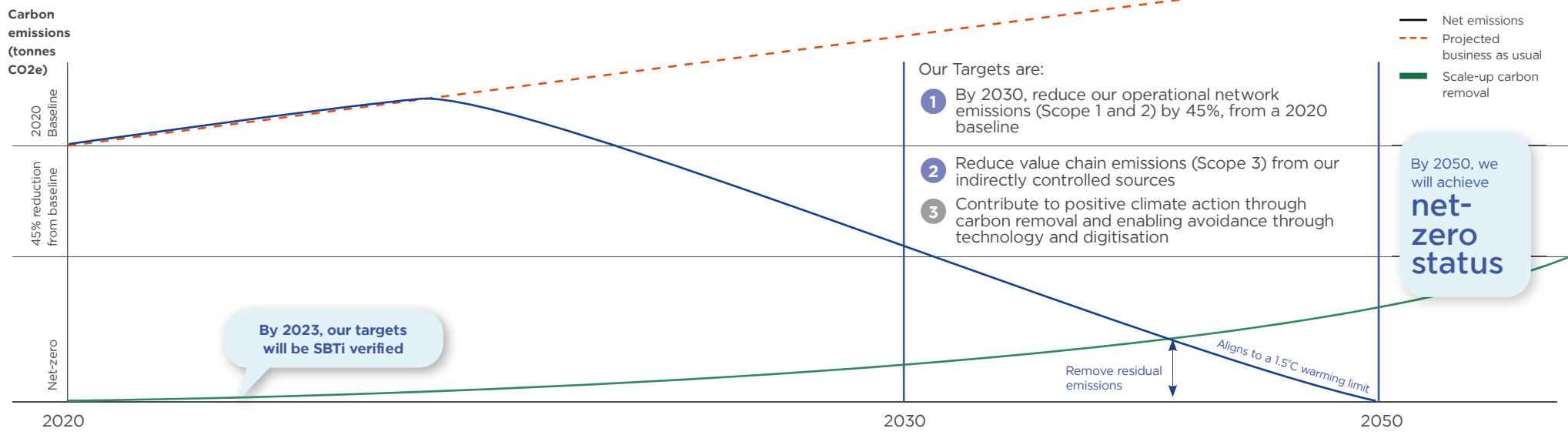


ADVANCING TO ZERO - OUR NET-ZERO CARBON ROADMAP

Axiata is committed to achieving net-zero emissions no later than 2050, and to reach halfway by 2030 with a near-term target to reduce operational carbon emissions by 45% from a 2020 baseline.

Our net-zero carbon pathway to reach our goal encompasses a three-objective strategy, including **carbon emissions reduction** and **carbon emissions avoidance and removal**.

NET-ZERO BY 2050	1 ACCELERATE DECARBONISATION OF OUR NETWORK OPERATIONS	2 ACCELERATE TRANSFORMATION OF OUR VALUE CHAIN	3 DELIVER AN INCLUSIVE CLIMATE AGENDA
	Target: Reduce our operational network emissions (Scope 1 and 2) by 45%, from a 2020 baseline by 2030	Target: Reduce value chain emissions (Scope 3) from our indirectly controlled sources	Target: Contribute to positive climate action through carbon removal and enabling avoidance through technology and digitisation
	Approach <ul style="list-style-type: none"> Reduce network energy consumption by enhancing energy efficiency Increase network renewable energy consumption from self-generation or purchased electricity 	Approach <ul style="list-style-type: none"> Contribute to positive climate impact across our value chain Include tracking of our supplier's operational carbon emissions (as our main focus) as we progress 	Approach <ul style="list-style-type: none"> Remove carbon emissions through natural or technological solutions Contribute to decarbonisation solutions by enabling efforts across society





Climate Action



OUR KEY INITIATIVES

Carbon Emissions across Group

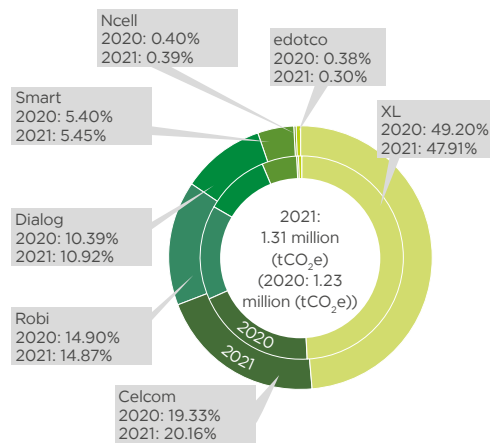
Although there was an overall increase in carbon emissions at Group in 2021 compared to 2020 (6%), these can be attributed to the efforts in the year to enhance 4G coverage and quality across our operating markets against the 2020 performance which was affected by the pandemic. There is continuous effort to ingrain energy efficiency into our network operations through technological advancements and the procurement of products and services that are more efficient. Where practical, increasing the use of renewables is an approach that the Group will assess for adoption where there are opportunities across our footprint.

Data Collection Enhancements

As part of our plan to continuously track and monitor our performance, in 2021 we reviewed the boundary and data collection of our carbon emissions. This resulted in a revised 2020 baseline that represents more accurately how we view emissions from a perspective of control across our OpCos.

Among material enhancements from this exercise was the exclusion of pass-through energy consumption from edotco's Scope 2 emissions in accordance with the definition of the Greenhouse Gas Protocol. The pass-through energy consumption represents the energy consumed by mobile operators through edotco's tower infrastructure. This will now be reported as part of edotco's Scope 3 emissions¹ and our mobile operators' Scope 2 emissions.

Total carbon emissions by OpCo (tCO₂e)



Group Total Carbon Emissions

2020	Scope 1: 47,864	Scope 2: 1,183,658	Total: 1,231,523 tCO ₂ e
2021	Scope 1: 74,017 [^] +55%	Scope 2: 1,235,817 [^] +4%	Total: 1,309,834 [^] tCO ₂ e +6% from 2020

Notes:

¹ We are in the midst of defining our Scope 3 emissions baseline value

[^] This data has been externally assured. Refer to the Independent Limited Assurance Report on pages 130 to 132

Energy Consumption across Group

Close to 99% of energy consumed across our operations is used to power our network. This encapsulates our Scope 2 emissions. Environmental performance across networks is measured in the KPIs of senior management as part of operational excellence.

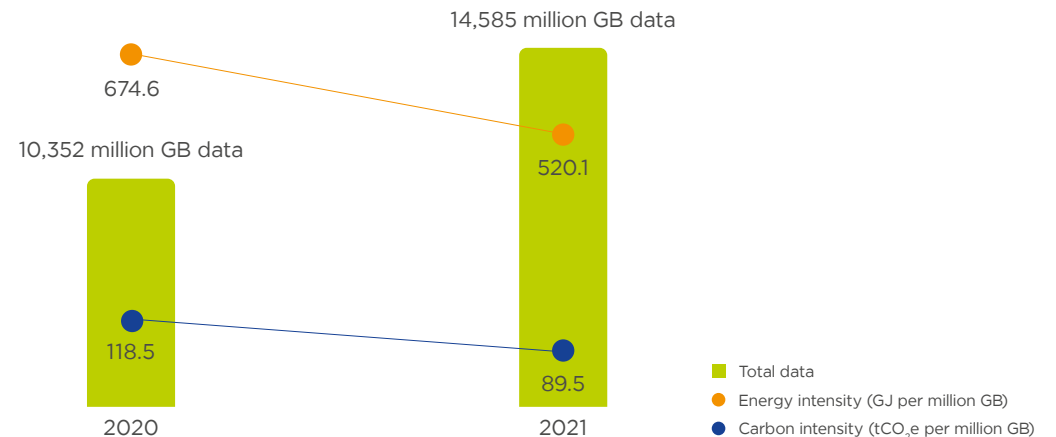
Total Energy Consumption by Source

2020: 6.98 million GJ		2021: 7.59 million GJ	
Direct: 0.55 million GJ	Indirect: 6.43 million GJ	Direct: 0.87 million GJ	Indirect: 6.72 million GJ
Network fuel - 7.88%	Network electricity - 90.92%	Network fuel - 11.32%	Network electricity - 87.84%
Facilities fuel - 0.04%	Facilities electricity - 1.16%	Facilities fuel - 0.09%	Facilities electricity - 0.75%

Energy and Carbon Intensity

In 2021, we observed an improvement in carbon intensity by 24% compared to 2020. The total data traffic grew by 41% in the year, but energy consumption, and thus emissions, was more efficient per bit of data produced.

Energy and Carbon Intensity (Digital Telcos Only)



■ Total data
● Energy intensity (GJ per million GB)
● Carbon intensity (tCO₂e per million GB)



Climate Action



OUR KEY INITIATIVES

Energy Efficiency Initiatives Strengthened across MNO Operations

Data capabilities - Data management guiding better decision-making across operational improvements is key to enabling progress based on an understanding of current energy consumption trends.

Digitisation - Remote monitoring sensor (RMS) technology will be deployed across areas of tower sites where feasible, to ensure remote capabilities of managing consumption and executing commands in real-time.

Artificial Intelligence and IoT - AI management software enables seamless, efficient operations including network maintenance. Leveraging innovative 'zero-touch provisioning' with data analytics, we identify anomalies in energy-intensive and energy-inefficiencies to remedy

Electrification - The phase-out of diesel consumption for back-up generators at remote and non-connected sites will be addressed through electrification of these sites and/or on-site small-scale solar generators for a zero-emissions energy alternative.

Tower-site optimisation - The phase-out of energy-intensive hardware equipment is a challenge due to the dependency of certain communities on legacy equipment and this may interfere with connectivity and reliability. The speed and intensity in which we replace these require a balance of social considerations to labour, e.g., battery regeneration and battery replacements, outdoorisation to reduce AC use.



Celcom: Energy savings and increased efficiency towards reducing carbon emissions

Energy-efficient practices and adoption of renewables to manage energy consumption

- Decommissioned 63 diesel generators
- Converted 24-hour generators to Commercial Power Supply (CPS) at more than 50 sites
- Installed Advanced Metering Infrastructure (AMI) at more than 150 sites for smart grid, reducing electricity consumption for better energy management
- Installed solar-hybrid solutions at more than 40 sites for significant savings in energy usage
- Installed charge-discharge (CDC) batteries for more than 20 sites to reduce diesel consumption



Ncell increasing efficiency of operational energy consumption

With grid electricity being mostly renewable energy, the focus in Nepal is on reducing diesel generators for sites and increasing energy efficiency

- Conversion of diesel generators to grid, reduced energy use with target savings from this energy efficiency initiative
- Optimisation of temperature at air-conditioned sites to set at optimal temperatures that will reduce energy consumption for cooling
- Enabled efficiency modes on rectifiers at sites and power-off features to conserve energy



XL representing telcos in a renewed national country commitment to net-zero by 2060

Contributing to the country's national commitment through increasing opportunities for renewable energy projects as well as with energy efficiency technology innovation

- Dismantling of unused equipments, antennas and towers - based on its utilisation and profitability. By 2022, XL expects to shut down 1,603 unused network elements (NE) as well as dismantling 1,000 antennas and 250 towers.
- Configuration of a power saving feature on equipments - to allow equipments to switch off automatically during idle traffic. XL targets to deploy the feature at 4,000 sites by the end of 2022
- Electrification of sites, converting the use of diesel generators to grid-connected BTS in remote areas.
- Outdoorisation; reducing usage of AC by modernising BTS RAN devices from those that need shelter and AC to RAN devices that can be installed outdoors



Climate Action



OUR KEY INITIATIVES

Renewable Energy Developments Regionally across MNOs

A transition to a net-zero future will require renewable energy to be adopted more aggressively, yet sustainably, across the board. Our MNOs are the consumers of high amounts of electricity from the grid, while our current regulatory landscape hinders the development of projects for large-scale renewable solutions in the required transition to cleaner energy.

However, there remain some projects across our operations in which the feasibility of increasing the adoption of renewable energy requires further study. Concurrently, we are advocating to policy-makers and decision-makers for avenues that could enable better feasibility of large-scale infrastructure for renewable energy.

Increasing on-site solar solutions atop towers to serve as:

- Back-up supply during grid power disruptions
- Wholly-solar operated tower sites in rural areas, with limited or no connectivity to grid
- Alternative energy solutions to grid – a direct contributor to reducing carbon emissions



Our OpCos are exploring and conducting feasibility studies and ROI assessments to ensure the adoption of the most viable renewable energy solutions per country, and per region

Advocacy towards regulations favouring renewable energy projects

- Telco as a user, and advocator, for lower carbon grid electricity
- Presence in decision-making level policy forums
- Presence in industry forums, devising regulatory reforms to encourage an uptake in energy market liberalisation

Increasing on-site solar adoption

Following the success of installing solar grids across identified sites in 2020, Smart continued to increase its adoption of solar last year. In 2021, solar was active across 615 sites. In 2022, Smart plans to install solar across 225 more sites as they continue to champion on-site renewable energy solutions to reduce electricity consumption for lower carbon emissions.



Increasing coverage supported by solar

Ncell's landmark base station situated at the Mount Everest base camp is powered mostly by solar energy and stand-by batteries. Strengthening energy sources through renewable energy enables continuous coverage to rural, or high-altitude, sites to ensure reliable mobile network services across Nepal.



Tower-mounted solar deployment

As part of Robi's efforts to increase its proportion of consumption of renewable energy, it was the first telecom operator in Bangladesh to introduce tower-mounted solar solutions to power their equipment. Deployed across 35 sites, these generate roughly a sum total of 195.5 kW, ranging from 4-6.6 kW per site based on the site's power requirements. In addition, Robi is also working on a project to ensure 3.8 MW solar deployment across its sites.



The value in solar deployment for operating its network has been contributing to:

- Optimum utilisation of space on towers from thorough tower strength analysis
- More sunlight clearance from towers, resulting in highest possible electricity generation
- Reduced and eliminated risk of theft and external damage due to the height of the solar technology placement on the towers
- Support of equipment load during daylight hours, resulting in enhanced back-up support

These efforts have contributed to Robi's recognition in the Innovation Leadership Award and Green Telecom Award at the 19th Global Edition of the Business Leader of the Year Award in India.



Climate Action



OUR KEY INITIATIVES

Provider of Greener Telco Infrastructure Regionally

edotco is a provider of best-in-class tower infrastructure which has transitioned towards building environmentally-friendly telecommunication structures. As part of taking ownership of environmental stewardship, edotco is also developing a preliminary Carbon Neutrality Framework in alignment with recognised standards.



For its tower build and use, edotco undertakes a lifecycle approach to assess how to build green infrastructure, improve energy efficiency and invest in renewable technologies. edotco's carbon reduction strategy tracks and monitors the reduction of embodied and operational carbon of their towers. These figures are compiled, assessed and verified externally.



Carbon footprint per tower

2021: 63%¹
2020: 58%



Solar adoption at sites

2021: 2,208
2020: 1,677



Electrified sites²

2021: 93%
2020: 92%



Lithium battery sites²

2021: 87%
2020: 61%

BUILDING GREEN TELCO STRUCTURES

By designing and building leaner and lighter structures, exploring alternative construction materials aside from steel, combined with investing in renewables, and increasing efficiency, edotco Group has been able to reduce its emissions by 63%¹ per site, from programmes introduced from 2013 up to 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

→ **25%-66%**

reduction in carbon emissions per site

20 carbon fibre towers

→ **20%**

reduction in carbon emissions per site

29

towers built using bamboo

→ **70%**

reduction in carbon emissions per site

SWITCHING TO RENEWABLES

Across our operations, we turn to renewable energy where it is commercially viable. Our renewable energy portfolio has increased from 1,692 sites in 2020 to 2,350 sites in 2021, which is now close to 10% of our overall sites. We have installed ~2,000 kWp of solar in 2021 across edotco's operating markets.

2,208

solar-powered sites (1,677 in 2020)

60%

increase in renewable energy by edotco Group from 2020

12

wind turbine sites

5

solar-wind hybrid sites

37,696

GJ of energy produced via renewables

2

methanol fuel cell sites

Notes:

¹ Calculations on carbon emission reductions are based on in-house estimations which are currently undergoing an external audit and verification process which will be completed by the end of the second quarter of 2022

² These reflect the proportion of sites based on the total number of tower sites for each respective year



Climate Action



OUR KEY INITIATIVES

Leveraging Leadership to Contribute to National Climate Ambition

Our adoption of renewable energy and overall climate management aim not only to achieve our climate ambition in our operating markets, but are also leveraged to drive adoption of cleaner climate solutions to reach national goals.

Value chain-wide climate advocacy (Government, Employees, Suppliers) - Driving climate-positive policies and behaviour for a multiplier effect



- To meet and exceed the regulatory requirements in Bangladesh for RE proportion in operations, Robi empowers suppliers through procurement to adopt renewable energy to achieve 10% by 2023 and 20% by 2028
- Implemented green initiatives across Robi corporate office - solar power generation of 10kW capacity installed and energy efficient light systems
- Robi's quest to drive policy advocacy sees it working together with Bangladesh's Sustainable and Renewable Energy Development Authority (SREDA) to study the feasibility of large-scale solar solutions through a long-term action plan via the installation of multiple 5MW solar plants in Bangladesh for better renewable energy accessibility for the country

Increasing opportunities for solarisation across Cambodia - Contributing to solar uptake to meet national climate agenda



- At the end of 2020, solar grids had been installed at 210 Smart sites that produces a total of 386 MWh of power. As part of Phase 2 of the solarisation initiative, Smart added solar to 115 new coverage sites and 500 existing sites
- Smart increased solar panels to 615 sites in 2021 (across 115 new sites and at 500 existing sites). In 2022, Smart is planning to deploy solar at 225 more sites to reduce its energy consumption from grid
- Through Smart Axiata Digital Innovation Fund (SADIF), Smart invested in Okra Solar - a company that helps rural communities access affordable solar using its advanced distributed energy technology

edotco Malaysia collaborates with Malaysian Meteorological Department (MetMalaysia) to form the National Greenhouse Gas Monitoring Network



- In line with its focus on sustainability, three edotco telecommunications towers in Malaysia will host greenhouse gas monitoring stations under MetMalaysia
- These new stations, together with an existing station in Danum Valley, will form the National Greenhouse Gas Monitoring Network
- The MoU signed in November 2021, supports the nation's commitment to international climate change issues prescribed by the United Nations (UN) and World Meteorological Organization (WMO), as well as its subsidiary, the WMO-Global Atmosphere Watch (WMO-GAW) programme

Partnering for Sustainable Development - Increasing opportunities for low-carbon mobility



Ncell has partnered with United Nations Development Programme (UNDP) for the Go Green Initiative to promote cycling as a sustainable mode of urban transportation. This programme leverages technology to track, map, credit and reward cycling for healthy cities, as well as promotes the initiative through gamification and rewards. By promoting cycling, Ncell aim to contribute to the city's approach to sustainable, lower-carbon mobility in line with promoting a healthy lifestyle and urban environment.

Natural Solutions to the Climate Challenge - Preserving our Natural Resources

As an important carbon removal initiative to the global climate challenge, natural solutions are increasingly becoming an important factor towards a net-zero future. However, these solutions tend to be dynamic and are dependent on multiple parameters to ensure its viability. Nonetheless, they are still a contributing solution to which progress across OpCos has been made.

Since 2018, as part of edotco's efforts to support its carbon neutral aim, tree planting across its operating markets has been successful as an employee engagement programme. The initiative will be strengthened in 2022 as it will potentially strongly contribute to edotco's carbon neutral ambition by 2030.



In 2021, **500** trees were planted, bringing the total trees planted to date to **38,500**.

Landscaping, planting and greening of the 10.2 km Koteswor to Kalanki stretch of the Ring Road Green Belt was completed in the middle of 2021. The activity was initiated in 2020 under a public private partnership between Ncell and the Department of Forest and Soil Conservation (DoFSC). Ncell has been taking care of over 6,000 trees and maintaining greenery in the stretch to create long-term impact and contributing to greenery in the city.





Resource And Waste Management



We continue to take into consideration how our business and operations manage resource and waste management. This is undertaken through a holistic approach to environmental management including efforts to procure, use and dispose of materials responsibly, while advocating for positive infrastructure and behaviour shifts across our value chain.

APPROACH

Each of our OpCos implements various measures and systems for the management of waste and resources according to national and international regulations and standards.

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

Although across our OpCos there are varying levels of waste management practices, there is an overall commitment to ensure that managing waste and resource consumption is an area addressed meaningfully from internal office use to how suppliers, vendors and business partners manage it too.

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.

Waste Management

As part of addressing resource and waste management, efforts are executed across our OpCos to ensure monitoring and sorting of waste as well as initiatives to reduce waste generation. Overall, we have put in place measures to increase the Group's understanding of the importance of waste management, and cross-functional programmes to ensure better waste management practices at relevant touchpoints where waste is involved - operations, building facilities and employees waste behaviours.



Dialog began its ISO 14001 journey in 2020 and ensured continuous momentum on its environmental performance in 2021. Driven by the ISO steering committee, the environmental management plans developed as part of the ISO14001 journey cover aspects related to waste management and are supported by KPIs for management across Dialog. For vendors, contract amendments in the year ensured proper waste management and toxic waste disposal, stipulated as part of supplier performance management.

Dialog also continued to implement the following waste management measures:

- Ongoing efforts towards digitising energy and environmental performance monitoring using automated systems (including IoT based systems) and digital waste tracking
- Eliminating single-use plastics at all Dialog premises and reducing waste to landfill for all waste types. In 2021, there was an 80% reduction in cardboard, plastic and polyethylene waste entering the landfills. This end-to-end waste management is supported by waste audits as well as having licensed vendors to handle the waste collection
- Initiatives to divert waste from disposal by reusing (60% of collected food waste was sent for reuse for animal feed) and recycling (43% of collected paper was sent for recycling)



edotco's OHS Environmental Management plan as well as the edotco Green Framework govern overall waste management and waste minimisation efforts. For suppliers, this is supported through the Supplier Sustainability Code of Conduct.

Operational Waste Management

Waste management is tracked as part of each of edotco's operating markets' Green Scorecard, during construction of a site and during regular operation maintenance. Throughout the tower lifecycle, edotco implements initiatives including:

- The tower will be decommissioned at the end of its service and parts are sent to be recycled or refurbished depending on its condition
- e-waste from energy systems such as VRLA batteries and rectifiers will be refurbished or recycled
- Ensure tower structures and civil works are designed and executed to the Green Framework, managed by the CODE team

Office Waste Management

Waste management within edotco offices are driven by Green Champions elected across each of edotco's operating markets. During the year, activities undertaken include:

- edotco Corporate Centre and edotco Malaysia conducted monthly recycling programmes for offices in Axiata Tower with the collaboration of Trash4Cash and Global Peace Mission (GPM)
- edotco Corporate Centre and edotco Malaysia are also collaborating with the Malaysian Communications and Multimedia Commission (MCMC) on e-waste collection programmes in the office



Resource And Waste Management



OUR KEY INITIATIVES

Driving resource management and environmental awareness among employees

Across our OpCos, we champion events, programmes and initiatives that ensure employees act as our change agents for executing positive environmental and societal change.

Trainings that had been conducted across OpCos and at Group involved inculcating a sustainability culture, providing use cases and best practices for individual practices as well as integrating sustainability within their role at Axiata.

Platforms in which these were shared were unique and had successfully rallied employees for the cause.



Smart participated in the Cambodia Energy Efficiency Competition, a one-year long programme with the goal to save energy within its offices. The programme started in 2021, calling on the effort and participation from Smart employees. Guided by the Green Team, these efforts have raised awareness and are driving participation in energy-saving practices in the office as well as to integrate into home practices too.



In 2021, Axiata launched its GoGreen App function, hosted on MyAxiata App portal for employees of Axiata Corporate Centre. Through three phases, the gamified function has developed into a challenge-driven platform, encouraging the adoption of sustainable lifestyle practices in order to level-up on the App.

With interactive content, regular information on Axiata's sustainability journey is also shared, inculcating a culture of awareness and support for the company's ESG vision.



Through managing office-based waste generation and disposal, Dialog ensured employees' contribution to the waste management solutions had contributed to company-wide environmental awareness.

- Waste Collection: - 5.29 tonnes of e-waste collected; 7.36 tonnes of waste paper and cardboard; 2.7 tonnes of Polythene and Plastic; 216 kg of Regi form; 6 tonnes of food waste
- Reduced paper use by 80%
- 76% of total waste sent to landfill
- 66% of waste recycled for animal food; 43% of paper recycled

Contributing to Value Chain Environmental and Resource Management

Efforts across OpCos in enabling a wider value chain effort to managing environmental issues and challenges have been diverse and unique to the challenges faced locally.



In XL, zakat contributions from XL Axiata Employees were utilised for training and equipment to South Sumatra Farmers as part of the SmartFarm Academy. The training provided was on best farming practices and ways in which farmers can better market their products. Basic farming equipment was also provided. The year-long programme ensures sustainable efforts to community development, working collaboratively with the farmers for long-term community empowerment.



edotco together with Global Peace Mission (GPM) in Malaysia have launched the 'Love Initiative for Earth', or LIFE project, to preserve the ecosystem and foster environmental sustainability. The project covers five states in Malaysia and targets the collection of 50 tonnes of recyclable waste for a sustainable future. On the launch day, as much as 120 parcels of recyclable waste materials were collected by the villagers of Kampung Sungai Kajang in Tanjung Karang, Selangor, amounting to 26,820kg of waste collected and benefitting 1,084 people. Also, the launch day involved planting 20 Bucida trees at one of the sites of the earliest palm sugar processing factories in Malaysia.

Starting with awareness, the programme focuses on driving the importance of a sustainable environment, before it progresses to enhance recycling programmes in which food supplies are exchanged for the community's recycling efforts. These programmes encourage recycling while providing basic food staples to the community. This programme will soon be rolled out in Sabah.



Smart supported the Ministry of Education, Youth and Sport to conduct the National Eco-Schools Award Ceremony that awarded six schools in Cambodia that excelled in adopting eco-practices. As education and environment are two key priorities in Smart, it was meaningful to support the recognition of schools for innovative and sustainable practices, which should be commended to drive a sustainability mindset within the future generation.

Enabling Bangladesh's Largest Online Classroom

Online educational platform serving more than 2.5 million students and covers the entire academic syllabus of the Bangladesh schooling system, a broad spectrum of university admission subjects and skills training

ROBI 10-MINUTE SCHOOL



Social

Social

We leverage on the multiple touchpoints across our organisation to ensure we maintain trust and transparency to create meaningful value and strengthen our relationships with our stakeholders.

Our diverse employees who are equipped with the appropriate capabilities, skills and experience have enabled us to develop a future-ready region. During the year, we strengthened our organisation as well as synergies across our businesses and Group towards unlocking capabilities identified in our Organisation 5.0 framework. Supported by Our Winning Culture, we also strengthened the trainings offered to ensure an all-of-organisation approach to upskilling and working responsibly. Other achievements recorded centred on diversity and inclusion, in which the Axiata Group People Division developed the Diversity, Equity and Inclusion (DEI) Framework.

In addition to our workforce, our customers also continue to be the central point to our business excellence. We have maintained our top-rated performance across our customer satisfaction indices, leveraging our operational excellence and modernisation capabilities to provide a seamless and digitised customer journey.

Across our supply chain, we prioritise the responsible dealings between ourselves and our suppliers. Governed by the Axiata Supplier Code of Conduct and rigorous supplier compliance parameters for fair contracts, we work with suppliers to also enhance ESG practices within their own businesses.

We also engage with society through our community investments and contributions, which are a Group-wide priority and ensure we can build stronger relationships with society. To this end, we have introduced multiple programmes and initiatives to uplift our communities as well as continue to operate existing successful programmes that provide value to society.



Employees

Key Highlights:

- Launched Organisation 5.0, supporting a future-ready mindset
- Axiata Corporate Centre signed the United Nations Women's Empowerment Principles Charter
- Inculcating responsible behaviours with Axiata Code of Conduct training



SNCR page 59.



Customers

Key Highlights:

- More OpCos ranked #1 in their markets in 2021 across customer satisfaction metrics
- Enhanced digitised customer experience, from sales to after-sales support modernisation



SNCR page 69.



Suppliers

Key Highlights:

- Conducted a virtual supplier forum 'Collaboration to Unlock Value' with Group's 33 key suppliers
- Spent 52% of total spend on local suppliers



SNCR page 72.



Society

Key Highlights:

- Contributions to society regionally in areas of education, access to healthcare and community empowerment
- Launched refreshed Axiata Foundation
- Strengthened community contribution in disaster response and relief



SNCR page 76.