

SEE WHAT WE BASE OUR PRESENTATION ON

Reporting Philosophy

This is Axiata Group Berhad's (Axiata or the Group) 2019 Integrated Annual Report (IAR), prepared according to the International Integrated Reporting Council's (IIRC) International <IR> Framework.

Scope and Boundary

This IAR provides an account of our financial and non-financial performance, opportunities, risks and outcomes relating to our value creation abilities. It covers the activities of our Triple Core Business of Digital Telco, Digital Businesses and Infrastructure, for the period of 1 January 2019 till 31 December 2019.

Assurance

Our Annual Financial Statements (AFS) have been audited as fully disclosed in the accompanying Governance and Audited Financial Statements 2019. Limited assurance has been provided on selected disclosure(s) within our Sustainability & National Contribution Report (SNCR) 2019.

Approval by the Board

The Board of Directors (Board) has applied its collective mind in preparing and presenting Axiata's 2019 IAR as guided by the IIRC's International <IR> Framework.

- Tan Sri Ghazzali Sheikh Abdul Khalid
- Tan Sri Jamaludin Ibrahim
- Dato' Mohd Izzaddin Idris
- David Lau Nai Pek
- Dato Dr Nik Ramlah Nik Mahmood
- Dr David Robert Dean
- Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz
- Khoo Gaik Bee
- Thayaparan S Sangarapillai
- Ong King How

Materiality

We have conducted our materiality assessment in line with Bursa Malaysia Securities Berhad's (Bursa Malaysia) Listing Requirements. We have sought our stakeholders' input in addition to the business' perspectives. These include risks identified through our risk management framework in determining the material issues which impact our ability to create value over the short, medium and long-term. Our strategic responses to these material issues are presented throughout this report.

Forward-Looking Statements

As our business operates in a perpetually changing environment, it is subject to uncertainties that could cause actual results to differ from those reflected in the forward-looking statements presented in this report.

Information on Exclusions

Our disclosure appetite guides the limitations of information available in this report.

Look out for these throughout the report:



Reference to another section or page in this Integrated Annual Report 2019



Reference to the Sustainability & National Contribution Report 2019



Reference to the Governance & Audited Financial Statements 2019



Reference to online material on www.axiata.com

For more information:



Scan the QR code to view our IAR online

AXIATA'S 2019 INTEGRATED ANNUAL REPORT SUITE IS MADE UP OF THE FOLLOWING:

Reporting Suites



Integrated Annual Report 2019



Governance & Audited Financial Statements 2019



Sustainability & National Contribution Report 2019

Disclosures

- Our Management Discussion and Analysis is covered under the following sections:
 - Read How Our Leaders Continue to Create Value
 - Understand How We Progress Strategy
 - Assess How Our Operating Companies Have Contributed to Creating Value
 - See How We Intend to Create Long-Term Value
- Abridged Annual Financial Statements
- Corporate Governance Overview Statement

Governance and Compliance Documents

- Full Directors and Management Profile
- Statement on Risk Management and Internal Control
- Board Audit Committee Report
- Additional Compliance Information

Financial Statements

- Directors' Report
- Audited Financial Statements
- Independent Auditor's Report

- Sustainability Framework
- Sustainability Governance
- Our Commitments
- Third Party Assurance

Reporting Frameworks

- Malaysian Code on Corporate Governance 2017
- Bursa Malaysia Listing Requirements
- IIRC Integrated Reporting Framework
- Companies Act 2016

- Malaysian Code on Corporate Governance 2017
- Bursa Malaysia Listing Requirements
- Companies Act 2016

- Bursa Malaysia Sustainability Reporting Guidelines
- GRI Standards (Core)
- AA1000 Stakeholder Engagement
- ISAE 3000 (Revised) - Limited Assurance Engagement

IMPROVEMENTS IN AXIATA'S IAR IN 2019

General Improvements

- Our narrative flow provides better insight into the Group's strategy, and how it relates to the Group's ability to create value in the short, medium and long-term.

- This year we show a more holistic picture of the combination, interrelatedness and dependencies between the factors that affect the Group's ability to create value over time.

- The IAR is more concise and includes sufficient context to understand our strategy, governance, performance and prospects without repetition.

Creating Value Through Governance

- We answer how our Group's governance structure supports our ability to create value over time.

Defined Business Segments

- We clearly define our operating units with our digital business verticals.

10 Key Focus Areas

- We detail the Group's strategic focus, from our Triple Core Strategy to the new 10 Key Focus Areas and progress on those 10 Key Focus Areas.

IMAGES FOR THE INTEGRATED ANNUAL REPORT 2019

The images used in our cover and section separators are aimed at showcasing our impact and purpose across Axiata's footprint markets, by depicting individuals interacting with technology within real-life settings, while not losing touch with their culture, heritage and communities.



**FIND FURTHER DETAILS
OF WHO WE ARE**

We Are Axiata

As one of the leading regional telecommunications groups, Axiata is driven by our purpose of Advancing Asia through digital innovation and technology.

In order to capitalise on opportunities from the global digital revolution, Axiata has evolved from a holding entity with a portfolio of pure-play mobile assets. Today Operating Companies (OpCos) across our footprint provide digital telco services to mobile, home and enterprise customers; digital businesses offer

digital financial services, digital advertising and digital platform; and our towerco provides infrastructure solutions and services.

With more than 12,976¹ employees from diverse nationalities and cultures forming our dynamic talent base, we are guided by our Uncompromising Integrity, Exceptional Performance (UI.EP) values in all that we do. We are committed to creating value-driven outcomes for our stakeholders in line with our 4P Goals.

KEY CORPORATE INFORMATION

Our Purpose

Advancing Asia

Our Vision

New Generation Digital Champion by 2022

Our Values

Uncompromising Integrity, Exceptional Performance

Our Goals

The 4Ps that define our success

Performance

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

People

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

Partnership

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

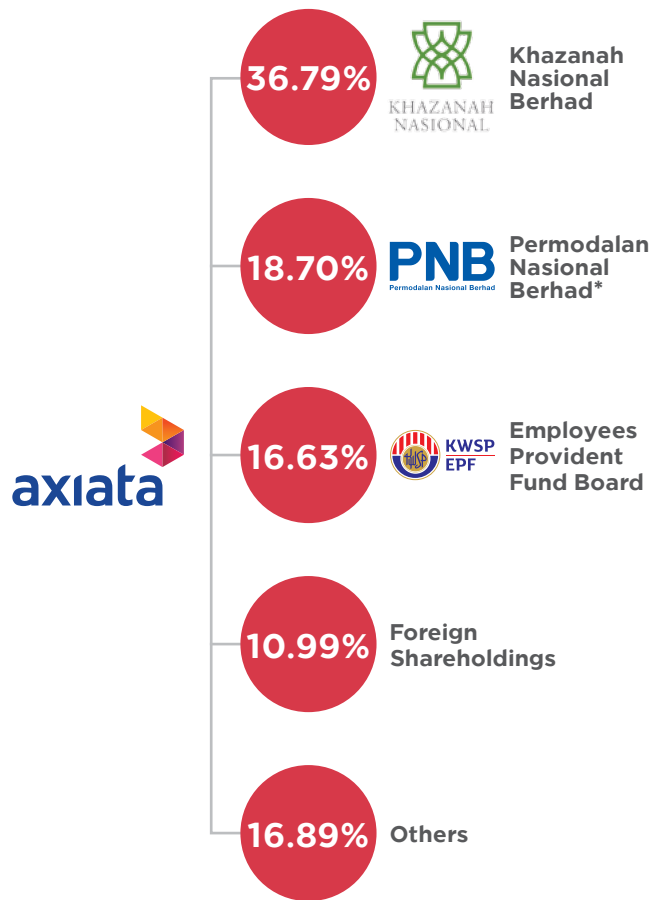
Planet & Society

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

Our Regional Presence



SHAREHOLDING STRUCTURE



CORPORATE FACTS AT A GLANCE

28 April 2008
Listed on the Main Board of Bursa Malaysia

RM37.9 billion
Market Capitalisation as at end 2019

8th largest entity on FTSE Bursa Malaysia KLCI (FMBKLCI)²

Top 10 constituents by market capitalisation on the FTSE4Good Bursa Malaysia Index

Balance of local and foreign institutional investors, attracted by our:

- Strong fundamentals
- Long-term and sustainable growth prospects
- Attractive investment proposition

Continuous review of our strategic portfolio to achieve the following:

- Enhance our long-term value
- Optimally deploy capital and funding for growth strategies

Notes: ¹ As at 31 December 2019 * Comprises of total shareholdings held by trust funds managed by Permodalan Nasional Berhad
² As of 31 March 2020

We Are Axiata

THESE ARE OUR MATERIAL ISSUES

Axiata’s materiality assessments are conducted biennially and include all the Group’s businesses comprising digital telcos, digital businesses and towerco, with the most recent assessment conducted in 2018. In order to ensure that our materiality assessment accurately reflects stakeholder sentiments, we have in place a robust stakeholder engagement process, which focuses on key material matters.

In 2019, Axiata’s Sustainability team conducted a desktop validation of our material issues, with peer-to-peer benchmarking that provided the Group insights into industry best practices.

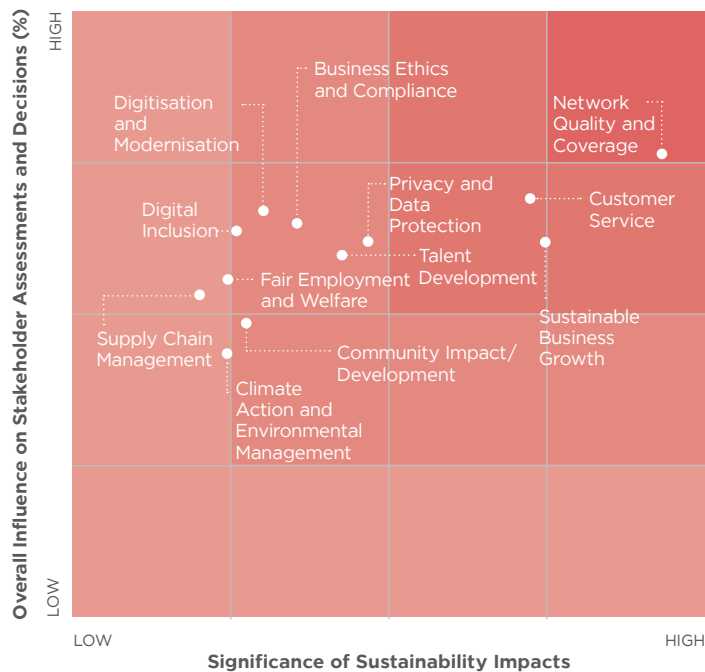
Moving forward for 2020, our materiality assessment will also seek to understand the multifaceted effects of the COVID-19 pandemic on the Group’s key Material Issues. Whilst current public policy responses have evolved from the need to contain the pandemic into economic revival strategies, the next horizon for businesses is clouded by volatility and uncertainties. In its wake, the COVID-19 crisis has destabilised various traditional systems the world over that enabled businesses to function at pre-COVID-19 levels. No industry appears to be spared from the implications of the economic recession

triggered by the outbreak which will redefine capital availability and allocation, and pressure supply-demand chains.

On the other hand, the inequalities this crisis widens will create inclusion opportunities through the use of innovative technologies, and digital platforms and solutions. This ties in well with our purpose of Advancing Asia through digital inclusion.

There is thus a strong impetus for an in-depth assessment of the short, medium and long-term impacts on our Material Issues. In addition to posturing Axiata for growth in the “new normal”, we believe findings will be relevant to align our value creation efforts with the considerable shifts we expect in stakeholder sentiments and expectations across our footprint.

Our materiality assessment for 2019 is outlined below:



Material Issues	Description
E ▶ Network Quality and Coverage	Enhancing network quality and coverage through continuous improvements in efficiency, availability and reliability
E ▶ 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
E ▶ 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
E ▶ Privacy and Data Protection	Protection of all data, information and intellectual property against cyber security breaches
E ▶ Digitisation and Modernisation	Technological innovation to enhance key internal business functions, improve process efficiency, effectiveness, promote innovation and business continuity
E ▶ Business Ethics and Compliance	Enhance business integrity compliance within the ambit of Malaysian and international laws on bribery and corruption
S ▶ Talent Development	Promote development and uplift competencies of employees to respond to the rapidly changing and complex business environment
S ▶ Digital Inclusion	Providing affordable and innovative products and services in bridging the digital gap
S ▶ Fair Employment and Welfare	Fostering fair recruitment practices by embracing diversity and inclusion in the workforce, and offering employees fair compensation and benefits
E ▶ Supply Chain Management	Consideration of EES factors across supply chain management and processes
S ▶ Community Impact/Development	Financial and non-financial contributions to support local communities, underprivileged and underserved groups
E ▶ Climate Action and Environmental Management	Internal controls and monitoring mechanisms to manage environmental impacts

Legend: **E** Economic **E** Environmental **S** Social



For more details on:
 - Our stakeholder engagements, please refer to pages 23 and 24 in the “Understand How We Progress Strategy” section
 - How our material issues are linked to our strategy, please refer to pages 25 to 27 in the “Understand How We Progress Strategy” section
 - Our Sustainability Governance, please refer to page 79 in the “Be Assured Of Our Commitment To Transparency And Accountability” section



For more details on:
 - Our stakeholder engagements, please refer to pages 13 and 14 in the “Our Business” section
 - Our Materiality Assessments, please refer to page 12 in the “Our Business” section

This Is What We Do

BECOMING A NEW GENERATION DIGITAL CHAMPION

In tandem with the adoption of IR 4.0 technologies and paradigm shifts in the telco industry, Axiata has evolved from a pure-play telco business that relied solely on mobile customer revenue, to a Triple Core Business. Aligned with our New Generation Digital Champion ambition, our Triple Core Business

capitalises on new areas of growth across our portfolio to diversify our revenue streams, and ensures our long-term business growth and sustainability.

Digital Telco



OUR FOCUS

Converged digital telcos with a diversified portfolio focused on new growth value drivers of Home and Enterprise.

HOW WE CREATE VALUE

- Enabling **consumers' digital lifestyles**
 - Mobile and fixed wireless broadband services
 - Digital and TV entertainment
 - Smart Home services
- Driving productivity and business efficiency improvements for Enterprises through the application of **IR 4.0 advanced technologies**
 - Internet of Things (IoT) solutions
 - Cloud and Cyber Security solutions in the Business to Business (B2B) and Business to Government (B2G) segments

Digital Businesses



OUR FOCUS

Our digital business holding company, Axiata Digital (AD), is focused on three core digital businesses: Digital Financial Services (DFS), Digital Advertising and Digital Platform.

HOW WE CREATE VALUE

- Enabling **digital inclusion**
 - Value-added, seamless and integrated DFS - Boost
 - Accessible micro-financing and micro-insurance for small business owners - Aspirasi
- Helping businesses through their **digital transformation journey** by tapping into new growth areas
 - Designing and executing integrated digital, analytics, and marketing solutions - Data and Artificial Intelligence company, ADA
 - Powering the ecosystem for stakeholders in the application development value-chain to develop and monetise their products and services - Digital Platform business, Apigate

Infrastructure



OUR FOCUS

Our regional integrated telecommunications infrastructure company, edotco, is currently the 13th largest independent global tower company.

HOW WE CREATE VALUE

- Enabling **communications for communities and industries**
 - Innovative next generation shared and agile infrastructure
- **Addressing and managing environmental impacts**
 - Evolving the connectivity business to minimise carbon footprint

Corporate Information

BOARD OF DIRECTORS

Tan Sri Ghazzali Sheikh Abdul Khalid

Chairman
Non-Independent Non-Executive Director

Tan Sri Jamaludin Ibrahim

Managing Director/ President & Group Chief Executive Officer

Dato' Mohd Izzaddin Idris

Executive Director/ Deputy Group Chief Executive Officer

David Lau Nai Pek

Senior Independent Non-Executive Director

Dato Dr Nik Ramlah Nik Mahmood

Independent Non-Executive Director

Dr David Robert Dean

Independent Non-Executive Director

Khoo Gaik Bee

Independent Non-Executive Director

Thayaparan S Sangarapillai

Independent Non-Executive Director

Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz

Non-Independent Non-Executive Director

Ong King How

Alternate Director to Tengku Dato' Sri Azmil Zahrudin Raja Abdul Aziz

Group Company Secretary

Suryani Hussein
LS0009277

Investor Relations

Tel : +603 2263 8706
Fax : +603 2278 3337
Email : ir@axiata.com

Share Registrar

Tricor Investor & Issuing House
Services Sdn Bhd
Registration No.: [197101000970 (11324-H)]
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Malaysia
Tel : +603 2783 9299
Fax : +603 2783 9222
Email : is.enquiry@my.tricorglobal.com

Auditors

PricewaterhouseCoopers PLT
(LLP0014401-LCA & AF 1146)
Level 10, 1 Sentral, Jalan Rakyat
Kuala Lumpur Sentral
50706 Kuala Lumpur, Malaysia
Tel : +603 2173 1188
Fax : +603 2173 1288
Email : pwcmsia.info@my.pwc.com

Registered Office

Level 5, Corporate Headquarters
Axiata Tower, 9 Jalan Stesen Sentral 5
Kuala Lumpur Sentral
50470 Kuala Lumpur, Malaysia
Tel : +603 2263 8888
Fax : +603 2263 8903

Stock Exchange Listing

Listed on Main Market of
Bursa Malaysia Securities Berhad
Listing Date : 28 April 2008
Stock Code : 6888
Stock Name : Axiata
Stock Sector : Telecommunications &
Media

Website

www.axiata.com