

Advancing Asia

SUSTAINABILITY & NATIONAL CONTRIBUTION REPORT 2020



axiata
advancing asia



Digital Telcos



Digital Businesses



Infrastructure



**advancing
to zero**

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

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

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

Our Business

▶ pg4

Our business demands that we look beyond profit...

Our Approach To Sustainability

▶ pg12

to deliver a better tomorrow...

Next Generation Digital Champion

▶ pg22

for our environment...

Environment

▶ pg41

and our greater communities.

Social

▶ pg49

Our commitment to responsible operations...

Governance

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

National Contribution Report

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because when we achieve our goals, everyone benefits.

Appendices

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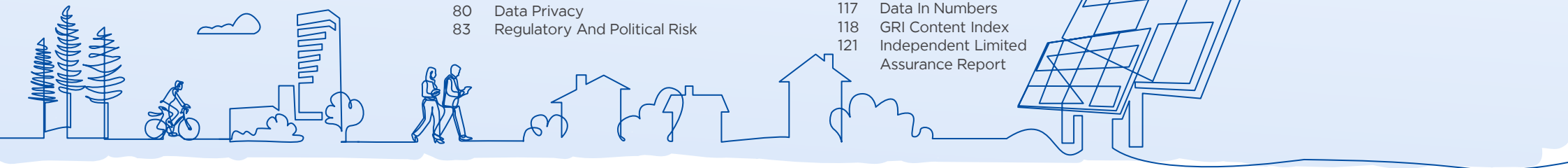
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Design Rationale

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

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



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

Conducting business
with integrity and ethics.

#ItBeginsWithUs



**OUR
BUSINESS**

We Are Axiata: This Is What We Do

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

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

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

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

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

We Are A Diversified Digital Business

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

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

Digital Telcos      

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

HOW WE CREATE VALUE

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



Digital Businesses   

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

HOW WE CREATE VALUE

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



Infrastructure 

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

HOW WE CREATE VALUE

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



Note: ¹ Includes edotco Group and Axiata Digital employees

We Are Axiata: This Is What We Do

We Are Spread Across ASEAN And South Asia



Malaysia



Indonesia



Sri Lanka



Bangladesh



Cambodia



Nepal



Pakistan



Myanmar



Laos



Thailand



Philippines

Guided By An Evolving Business Model

Our Purpose
Advancing Asia

Our Vision
The Next Generation Digital
Champion by 2024

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

Our Goals

The 4Ps that define our success

Performance

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

People

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

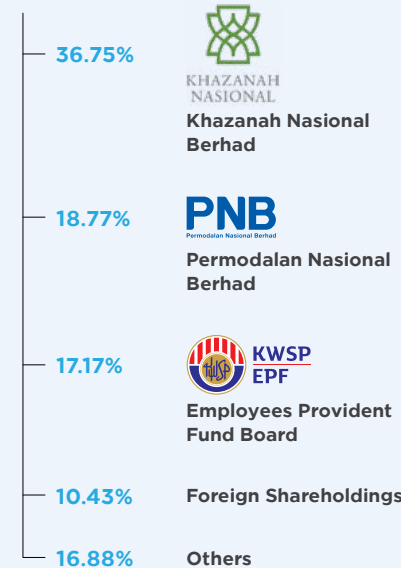
Partnership

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

Planet & Society

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

Our Trusted Shareholders



As of 15 April 2021

Regional Recognition For Industry Leadership

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

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

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

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

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

edotco is set to become a Top 5 Global TowerCo

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

We have strong relationships with regional communities and stakeholders

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

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

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



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



Dato' Izzaddin Idris
President & Group Chief Executive Officer



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

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

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

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



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

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

IAR Details are available in our Integrated Annual Report 2020

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

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



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

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



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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

SNCR More details on our Sustainability Governance Structure on page 16

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

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

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



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

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

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

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



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

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



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

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

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

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

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



What steps are the Group taking to demonstrate environmental stewardship?

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

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

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

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



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



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

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

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



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



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



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

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



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

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

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

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



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



How is Axiata expressing its commitment to responsible business practices?

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

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

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

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



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

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

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

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

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

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



Sothearoth Hun
Senior Operations Engineer
edotco Cambodia

Cycling to work to lessen
my carbon footprint.

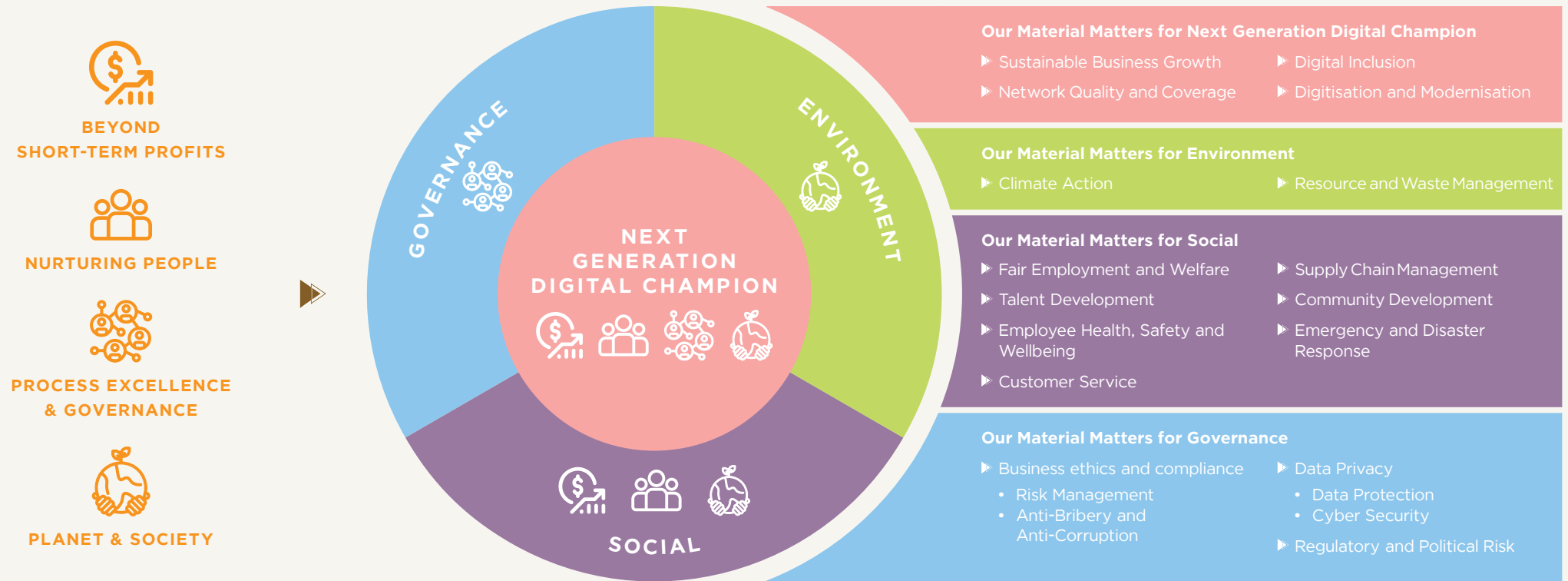
#ItBeginsWithMe

OUR APPROACH TO SUSTAINABILITY

Our Foundation To Create Long-Term Value

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

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



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

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

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

Materiality

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

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

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

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

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

REVIEW OF MATERIAL SUSTAINABILITY MATTERS

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



STAKEHOLDER ENGAGEMENT

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

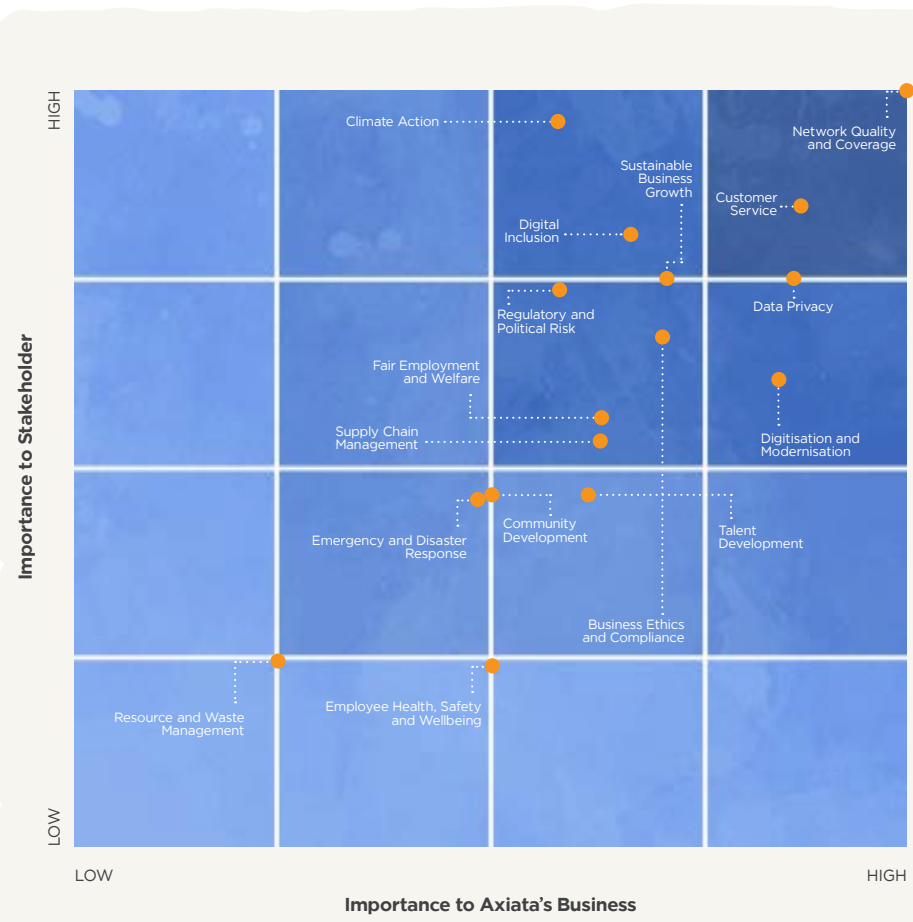


SUSTAINABILITY IMPACT ASSESSMENT

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



Materiality



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

Increased in Priority

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

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

Inclusions into Material Matters

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

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

Sustainability Governance Structure

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

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

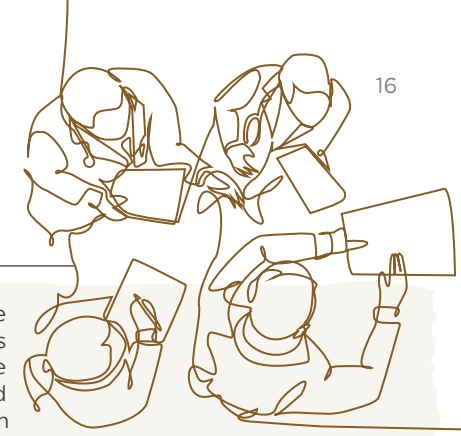
Ultimately, Axiata Board of Directors is accountable for Axiata's sustainable strategies. This top-down approach marks our commitment to embracing sustainability as a Group-wide agenda.

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

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

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

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



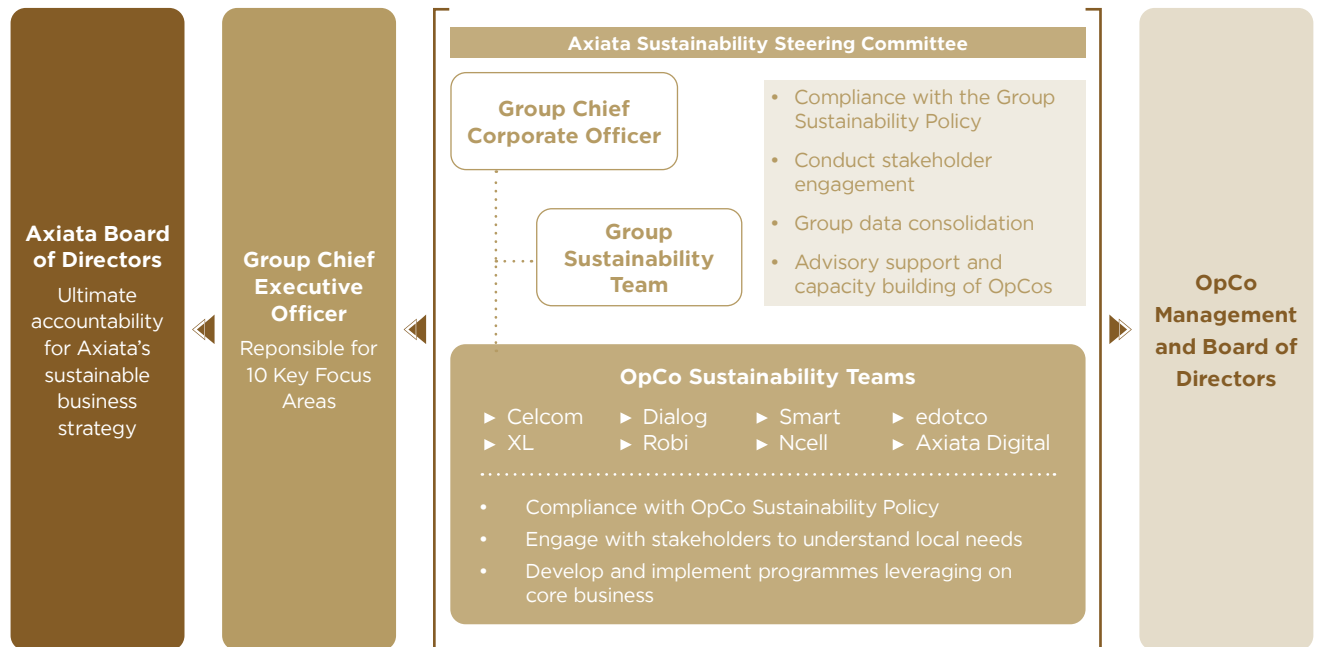
AXIATA SUSTAINABILITY STEERING COMMITTEE

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

Axiata Sustainability Steering Committee objectives are:

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

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



Responding To Our Stakeholders



Regulators and Government



Shareholders

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

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

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

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

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

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

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

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

Shareholders Supporting Stronger ESG Practices

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

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

Responding To Our Stakeholders



	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 expectation 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	<ul style="list-style-type: none"> • Network quality and availability • Improving customer experience • Price of packages, products and service differentiation 	<ul style="list-style-type: none"> • Performance against Supplier Code of Conduct • Emerging corporate developments and understanding of long-term strategy • Opportunities for vendor development • Supplier support and continuity of services during pandemic 	<ul style="list-style-type: none"> • Long-term business strategy and performance • Career and talent development opportunities • Work-life balance and employee wellbeing support (heightened during pandemic) • Pay and remuneration • Diversity and inclusivity
Our Response And Results	<ul style="list-style-type: none"> • Be the lowest cost producer relative to our customer promise • Drive operational excellence in relation to customer expectations • Creating digital lifestyle products and self-service customer care solutions • Support during pandemic for customers - for remote assistance on products, deals and packages, and reliable connectivity 	<ul style="list-style-type: none"> • Sourcing local vendors • Supporting the Bumiputera Empowerment Agenda in Malaysia to build local, regional and global champions • Verticalisation of procurement services across the Group to provide scale • Supporting local direct and indirect employment through our supply chain • Value chain discussions for telco industry to operate during pandemic as an essential infrastructure service 	<ul style="list-style-type: none"> • Providing job opportunities to local citizens • Group and OpCo Talent Development programmes • Transforming towards a Modern, Agile and Digital (M.A.D.) organisation

Responding To Our Stakeholders



Community



Media

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

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

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

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

Topics Raised

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

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

Our Response And Results

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

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

Axiata's Regional Representation in GSMA

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

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

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

Our Impact To ASEAN And South Asia

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

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



Malaysia



Indonesia



Sri Lanka



Bangladesh



Cambodia



Nepal



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

Operational Direct GVA:
USD805 million

Operational Indirect and Induced GVA:
USD767 million

Capital Investment GVA:
USD189 million



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

Operational Direct GVA:
USD987 million

Operational Indirect and Induced GVA:
USD903 million

Capital Investment GVA:
USD382 million

Productivity GVA:
USD43 million



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

Operational Direct GVA:
USD331 million

Operational Indirect and Induced GVA:
USD340 million

Capital Investment GVA:
USD146 million



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

Operational Direct GVA:
USD421 million

Operational Indirect and Induced GVA:
USD393 million

Capital Investment GVA:
USD281 million

Productivity GVA:
USD211 million



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

Operational Direct GVA:
USD191 million

Operational Indirect and Induced GVA:
USD95 million

Capital Investment GVA:
USD58 million



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

Operational Direct GVA:
USD287 million

Operational Indirect and Induced GVA:
USD102 million

Capital Investment GVA:
USD75 million



USD715 million¹

Operational Direct GVA:
USD323 million

Operational Indirect and Induced GVA:
USD275 million

Capital Investment GVA:
USD116 million

USD 1,101 million

Capital Expenditure:
USD234 million

Operating Expenditure:
USD867 million

Every **USD1** spent on capex

translates to:

USD7.5 GVA Contribution

USD 1,316 million

Capital Expenditure:
USD424 million

Operating Expenditure:
USD892 million

Every **USD1** spent on capex

translates to:

USD5.5 GVA Contribution

USD 529 million

Capital Expenditure:
USD155 million

Operating Expenditure:
USD374 million

Every **USD1** spent on capex

translates to:

USD5.3 GVA Contribution

USD 761 million

Capital Expenditure:
USD248 million

Operating Expenditure:
USD513 million

Every **USD1** spent on capex

translates to:

USD5.3 GVA Contribution

USD 221 million

Capital Expenditure:
USD74 million

Operating Expenditure:
USD148 million

Every **USD1** spent on capex

translates to:

USD4.7 GVA Contribution

USD 228 million

Capital Expenditure:
USD94 million

Operating Expenditure:
USD134 million

Every **USD1** spent on capex

translates to:

USD4.9 GVA Contribution

USD 308 million²

Capital Expenditure:
USD121 million

Operating Expenditure:
USD187 million

Every **USD1** spent on capex

translates to:

USD5.9 GVA Contribution

Contributed **USD7.7 billion** to GDP

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

Notes: ¹ Totals of contributions to GDP may not add up due to rounding

² Totals of investments may not add up due to rounding

³ Ncell's financial year end on 15 Jul 2020, which is different from other OpCos (31 Dec 2020)

Our Impact To ASEAN And South Asia



Malaysia



Indonesia



Sri Lanka



Bangladesh



Cambodia



Nepal



Total
2,444 Staff

Malaysian:
99.5%

Female:
46%



Total
1,594 Staff

Indonesian:
99%

Female:
30%



Total
2,733 Staff

Sri Lankan:
99.6%

Female:
23%



Total
1,371 Staff

Bangladeshi:
99.9%

Female:
13%



Total
823 Staff

Cambodian:
97%

Female:
36%



Total
545 Staff

Nepali:
98.0%

Female:
24%



Total
1,314 Staff

Female:
20%

10,824
Direct
Employees¹

46,766 Jobs⁴

Directly Employed:
2,444

Operational
Indirectly Supported:
34,223

Supported by
Capital Investment:
10,098

229,075 Jobs

Directly Employed:
1,594

Operational
Indirectly Supported:
113,260

Supported by
Capital Investment:
114,221

85,564 Jobs^{3&4}

Directly Employed:
2,733

Operational
Indirectly Supported:
33,538

Supported by
Capital Investment:
48,616

117,412 Jobs⁴

Directly Employed:
1,371

Operational
Indirectly Supported:
71,129

Supported by
Capital Investment:
44,912

55,868 Jobs⁴

Directly Employed:
823

Operational
Indirectly Supported:
34,119

Supported by
Capital Investment:
20,925

35,604 Jobs

Directly Employed:
545

Operational
Indirectly Supported:
20,245

Supported by
Capital Investment:
14,815

39,669 Jobs

Directly Employed:
1,314

Operational
Indirectly Supported:
26,985

Supported by
Capital Investment:
11,370

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

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

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

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

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

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

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

Approximately
600,000
jobs supported
in the region²

USD1.3
billion
taxes paid

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

² Supported jobs only from our Digital Telcos operations

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

⁴ Totals may not add up due to rounding

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

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

#ItBeginsWithUs

Robi Axiata 10-Minute School

কেপলারের ২য় সূত্র

একটি নির্দিষ্ট সময়ে অতিক্রান্ত ক্ষেত্রফল ধ্রুবক।

Robi 10-Minute School



**NEXT GENERATION
DIGITAL CHAMPION**

WHAT YOU'LL FIND IN THIS SECTION

Next Generation Digital Champion

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

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

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

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

▶ Sustainable Business Growth

Key Highlights:

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

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

▶ Network Quality And Coverage

Key Highlights:

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

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

▶ Digital Inclusion

Key Highlights:

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

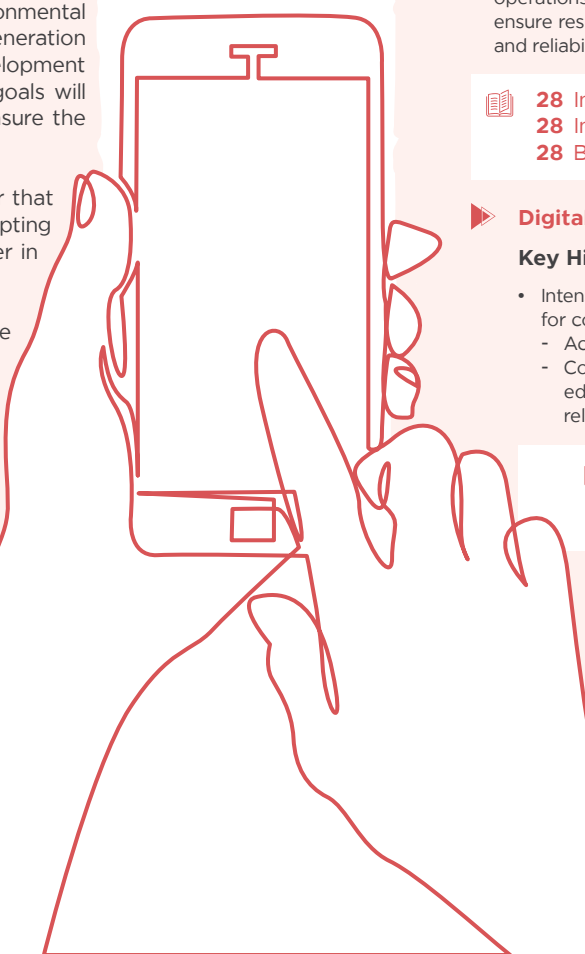
-  **30** Driving the New Digital Ecosystem
- 32** Uplifting Communities through Digital Inclusion
- 37** Providing Digital Access to Vital Services

▶ Digitisation And Modernisation

Key Highlights:

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

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



Next Generation Digital Champion



Sustainable Business Growth

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

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

APPROACH

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

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

OUTLOOK

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

Investing Long-Term in Our Markets

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

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



USD7.7 billion
GDP Contributed



USD4.4 billion
capex + opex investment



USD1.3 billion
Total taxes paid to governments

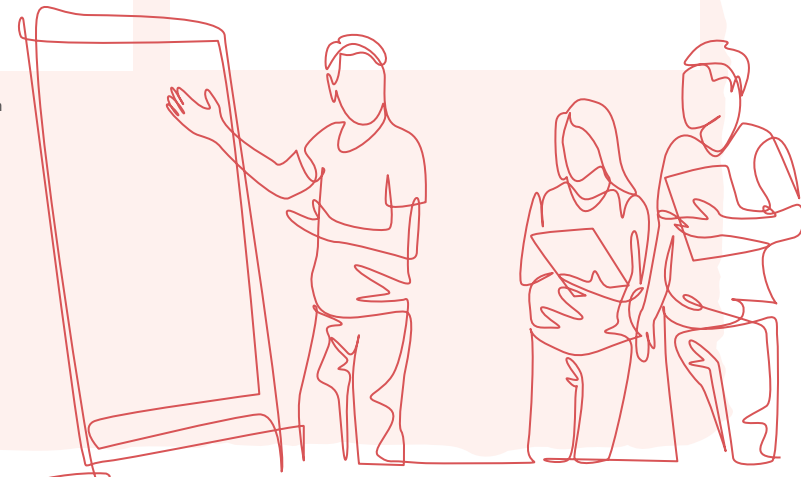


Employed
12,683
employees across
ASEAN and South Asia



Supported approximately
600,000
jobs across Asia

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



Next Generation Digital Champion



Sustainable Business Growth

Valuable Partnerships and Industry Associations

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

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

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

▶ Humanitarian Connectivity Charter

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

▶ Connected Women Commitment Initiative

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

▶ Climate Action Taskforce

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

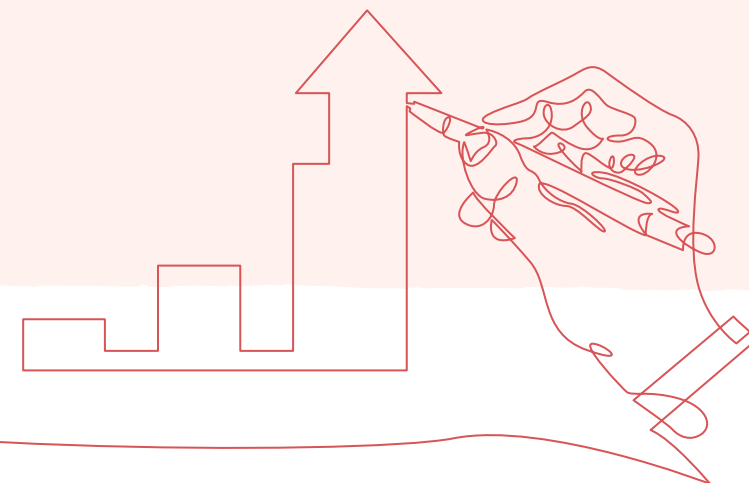
Financing Linked to Our ESG Performance

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

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



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



Next Generation Digital Champion



Sustainable Business Growth

Representing Malaysia as a Home-Grown Champion

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

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



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



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



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



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

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



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



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

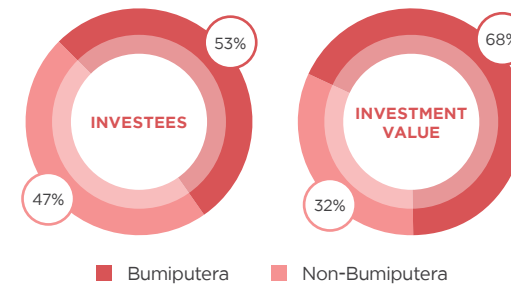


50 vendors in Celcom Vendor Development Programme

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



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



Next Generation Digital Champion



Network Quality And Coverage

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

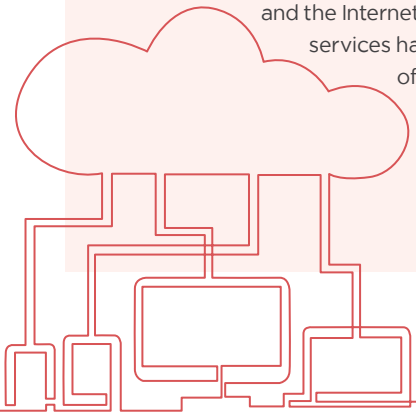
These services were provided in tandem with the evolution of the telecoms landscape, which has seen customer expectations shift from simple connectivity to better experiences in Internet connection, network quality, coverage, reliability and affordability.



Impact of COVID-19 on Our Network

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

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



APPROACH

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

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

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

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

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

OUTLOOK

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

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

Next Generation Digital Champion



Network Quality And Coverage

Increasing Network Coverage

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

▶ Strengthening Network Resilience in 2020

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

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

These include:

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

Increasing Connectivity via Telecom Infrastructure Growth

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

▶ Service Availability and Diversification

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

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

▶ Affordability

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

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

Beyond Bridging the Gap in Coverage

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

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

▶ Axiata Enterprise

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

Next Generation Digital Champion

Digital Inclusion

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

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

APPROACH

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

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

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

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



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

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

OUTLOOK

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

Promoting Digital Inclusion

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



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



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



Next Generation Digital Champion



Digital Inclusion

Driving the New Digital Ecosystem

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

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

▶ Supporting digital skills development

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

Basic Digital Skills

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

Celcom CYBERSAFE Programme -

Cyber security awareness programme



Robi #CommonSense -

Online campaign for responsible online safety



Smart Digital Literacy Programme -

Public awareness towards responsible digital citizenship



Advanced Digital Skills

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

Siswapreneur Programme

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



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

Building digital entrepreneurial mindsets

Programmes provided to develop digital skills and talents:

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



Empowering SMEs Through Digitisation

Celcom has continued to provide digital support for entrepreneurs through:



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

Next Generation Digital Champion



Digital Inclusion

Driving the New Digital Ecosystem (cont'd)

Supporting digital companies

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

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

Digital Innovation Funds

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

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



Axiata Digital Innovation Fund (ADIF)

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

Dialog Axiata Digital Innovation Fund (DADIF)

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

Smart Axiata Digital Innovation Fund (SADIF)

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

Investees:

Invested in 17 companies

Invested in seven companies

Invested in 10 companies

2020 outcomes:

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

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

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

Next Generation Digital Champion




Digital Inclusion

Uplifting Communities

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

 **Empowering communities through digital financial inclusion**

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

 **Empowering women and girls**

 **Empowering diverse users**




▶ **Empowering communities through digital financial inclusion**

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

In response to this environment, we have developed:

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

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

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

Aspirasi Assist

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

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

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

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

Digital Inclusion

Uplifting Communities (cont'd)

Digital Wallets

Robi and Nagad



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

SmartLuy and Pi Pay



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

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



2020 achievements:

Driving cashless payments

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

Supporting digital wallet adoption

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

Partnering for digital financial inclusion

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

Live.On and GoPay



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

Next Generation Digital Champion



Digital Inclusion

Uplifting Communities (cont'd)

▶ Empowering businesses – transforming agriculture and fishery practices

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

Agriculture

▶ Dialog – Govi Mithuru



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



▶ Dialog – Saru



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



Dairy Farming

▶ Dialog – Saviya

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



Fisheries and Aquaculture

▶ Dialog – Sayuru

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



▶ XL – Smart Aquaculture



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

▶ XL – Laut Nusantara App



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

Next Generation Digital Champion



Digital Inclusion

Uplifting Communities (cont'd)

▶ Empowering women and girls

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

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

Connectivity designed for women

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



The service features:

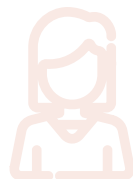
- ▶ **Emergency Location Tracker** – One-of-a-kind feature for location sharing with trusted family and friends in case of emergency
- ▶ **Private Recharge** – Recharge privately by sharing the PIN instead of the actual mobile number
- ▶ **Free Emergency Minutes** – Free minutes on demand in case of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

Women employment

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



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



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



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



Next Generation Digital Champion



Digital Inclusion

Uplifting Communities(cont'd)

▶ Empowering women and girls (cont'd)

Digital skills gender gap

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



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



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



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



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



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



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



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



Women safety and wellbeing

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



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



▶ Empowering diverse users

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

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

Deaf users

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



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



Next Generation Digital Champion



Digital Inclusion

Providing Digital Access to Vital Services

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

▶ Access to education

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

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

Providing access to resources

Radio Outreach Programme



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

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

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



Robi-10 Minute School



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

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



Contributions to education



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

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



Next Generation Digital Champion



Digital Inclusion

Providing Digital Access to Vital Services (cont'd)

Access to education (cont'd)

Empowering digital and virtual classrooms

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



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

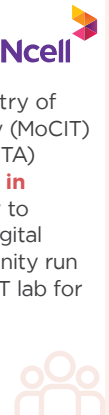


- ▶ Provided **Internet access facilities for students** across various regions - Initiated by XL, the GDK (Gerakan Donasi Kuota) programme aims to ensure all schools and students have internet access. This programme is the first of its kind in the world. The programme successfully donated **425 routers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



Strengthening digital infrastructure for education

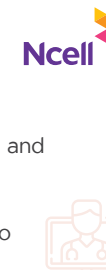
- ▶ Digital Labs in Community Schools to **foster quality education and capacity enhancement** of community schools
- ▶ The project is in collaboration with the Ministry of Communication and Information Technology (MoCIT) and Nepal Telecommunications Authority (NTA)
- ▶ Started establishing **modern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



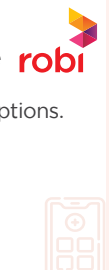
Access to healthcare

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

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



- ▶ **Robi** Provided telemedicine access during the pandemic through Robi’s LifePlus app, including consultation, diagnosis, prescriptions.
- ▶ **Onboarded over 100 medical professionals**
- ▶ **Recorded more than 1,500 downloads**



Access to employment

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

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



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



Next Generation Digital Champion

Digitisation And Modernisation

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

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

APPROACH

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

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

▶ Establishing Centres of Excellence for Digital Technologies

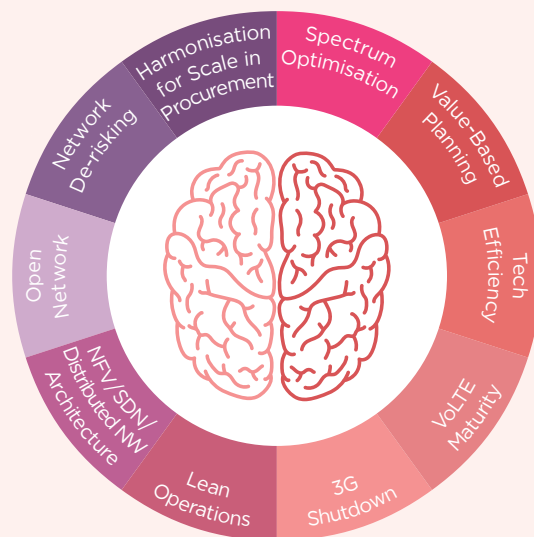
Axiata Digital Labs and Axiata Analytics Centre serve the digital and analytics requirements within OpCos - these units within the company enable us to attract and develop digitally skilled talents to support our aspirations of being at the forefront of digital innovations.

OUTLOOK

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

Collective Brain

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



▶ The Collective Brain

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

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

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

Next Generation Digital Champion



Digitisation And Modernisation

LEAP Programme

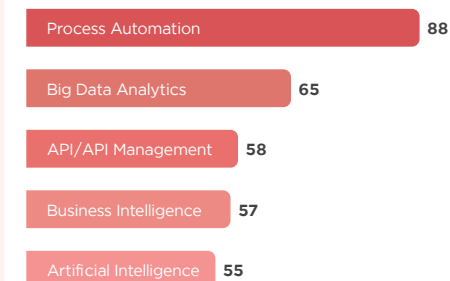
Our digital transformation is supported by the execution of our Learn, Engage, Accelerate and Perform (LEAP) Programme, which aims to nurture a “digital-first” mindset shift, accelerate digital maturity across our OpCos and validate their progress as well as drive intra and inter-OpCo collaboration.

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

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

Outcomes from LEAP initiative

Top 5 Tech Enablers¹:



Top 5 Business Benefits¹:



Note:
¹ By number of projects

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

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

#ItBeginsWithUs

ENVIRONMENT



WHAT YOU'LL FIND IN THIS SECTION

Environment

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

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

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

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



▶ Climate Action

Key Highlights:

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

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

▶ Resource and Waste Management

Key Highlights:

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

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

Environment



Climate Action

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

APPROACH

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

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

Axiata Net-Zero Carbon Roadmap

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

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

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

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

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

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



GSMA Zero by 2050



SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Science Based Targets Initiative (SBTi)

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

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

OUTLOOK

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

Environment



Climate Action

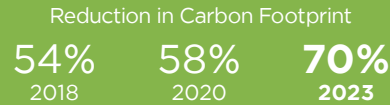
Minimising Our Carbon Footprint

edotco: Championing green tower infrastructure solutions

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



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

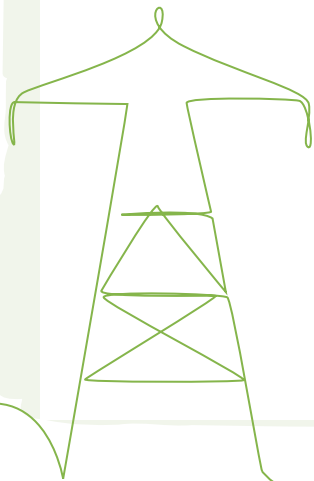


97% electrified and **90% Lithium battery sites** by 2023

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

▶ Building Green Telco Structures

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



Design and construct 3-legged towers, which use 30% less steel
↓ 25% reduction in carbon emissions per site
Sleeker and innovative tower designs using less materials
↓ 30%-60% reduction
19 carbon fibre towers
↓ 20%-39% reduction in carbon emissions per site
35 towers built using bamboo
↓ 70% reduction in carbon emissions per site

▶ Switching to renewables

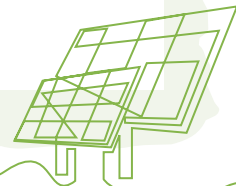
Where commercially viable, we use renewable energy to power our telco networks, with edotco's Bangladesh operation accounting for the majority of our renewable sites. We have also been able to continuously invest in and work with partners to test hybrid systems by leveraging advancements in renewable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

1,677 solar-powered sites

1 on-site hydrogen generation fuel cell site

12 wind turbine sites

2 methanol fuel cell sites





Environment



Climate Action

Increasing Renewable Energy Operations at Our OpCos

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

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

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



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

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

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



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

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

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

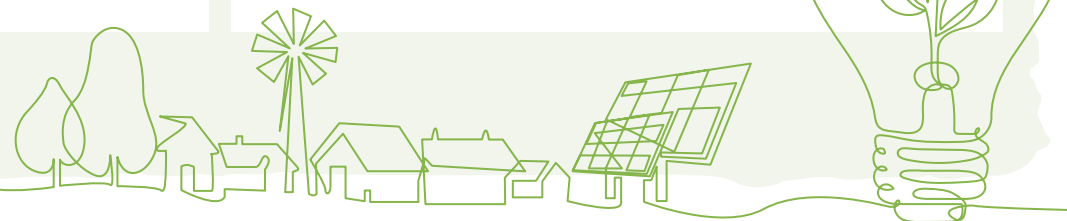
Dialog delivered significant energy savings during the year, mainly due to the procurement and integration of highly efficient transmission systems and hardware, as the core network strategy moves to devices that consume less energy per unit bandwidth.



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

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

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



Environment

Climate Action

Harnessing Energy Efficiency Opportunities across Group

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

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



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

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



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

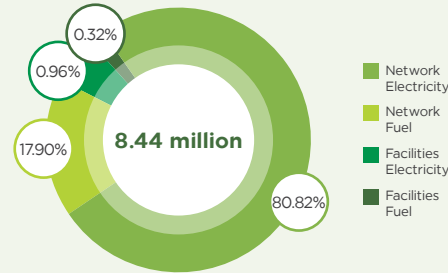
XL energy efficiency opportunities explored, implemented and integrated:



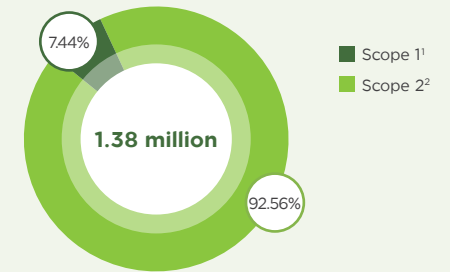
- ▶ Installation of Intelligent Ventilation Cooling System (IVS), DC fans and air conditioning
- ▶ A cooling system in the BTS, **reducing air conditioning by 30%**
- ▶ The BTS Single RAN, which combines several types of BTS into one, to **reduce energy consumption by 60%**
- ▶ Network modernisation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

Monitoring Energy Consumption and Carbon Intensity

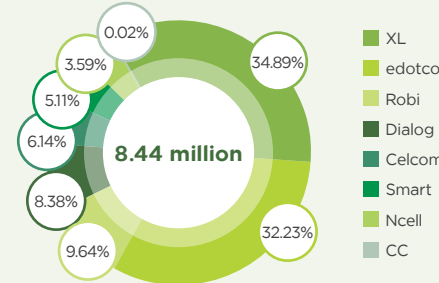
Total Energy by Source (GJ)



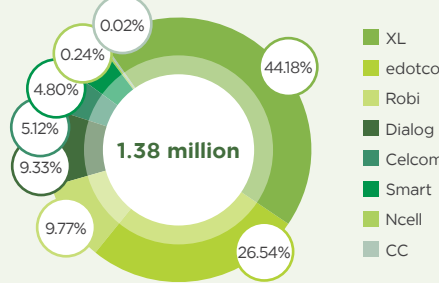
Total Emissions (tCO₂e)



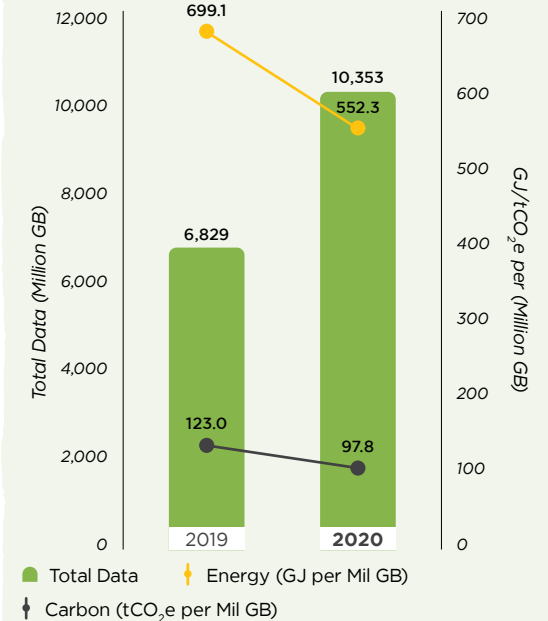
Total Energy by OpCo (GJ)



Total Emissions by OpCo (tCO₂e)



Energy and Carbon Intensity (Digital Telcos Only)



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

Environment



Resource And Waste Management

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

APPROACH

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

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

OUTLOOK

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



e-Waste Management

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

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



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

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

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

Environment



Resource And Waste Management

Driving Environmental Awareness and Mindfulness within Our Organisation


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

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

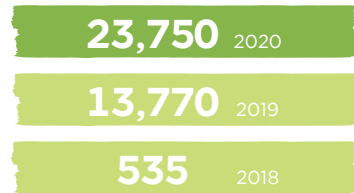


- Increased sustainability awareness and advocacy on employees' environmental responsibilities for the organisation and society as a whole, through **more consistent forms of communications** to employees on Axiata's sustainability agenda and current sustainability-related information. This included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

edotco tree planting



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



Smart's transition towards eliminating single-use plastic waste

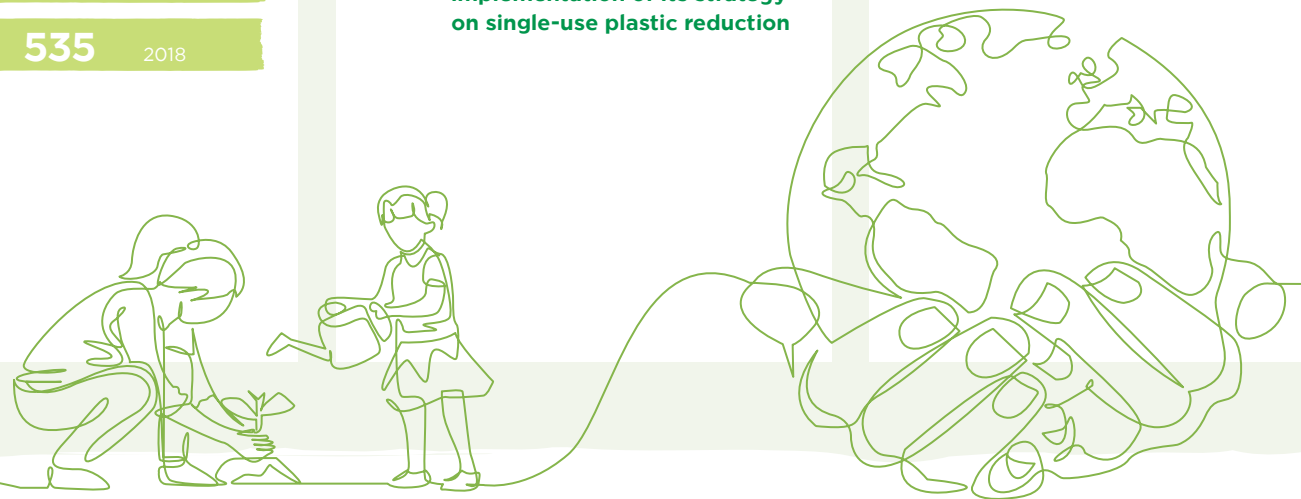


- In the transition towards executing a single-use plastic reduction strategy and campaign, at the end of 2020 Smart appointed an external consultant to **assess the current consumption of single-use plastic within the company** and the attitude of staff towards single-use plastic
- This study, which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

Ncell Green Belt Initiative



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





Nurturing young talents
to become future CEOs.

#ItBeginsWithUs

Axiata Young Talent Programme
for Haris Amin Nunis,
AYTP Alumni

SOCIAL

WHAT YOU'LL FIND IN THIS SECTION

Social

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

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

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

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

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

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

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



▶ Employees

Key Highlights:

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

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

▶ Customers

Key Highlights:

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

60 Customer Service

▶ Suppliers

Key Highlights:

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

62 Supply Chain Management

▶ Society

Key Highlights:

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

66 Community Development
70 Emergency And Disaster Response

Social

Employees

Material Matters:

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



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


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

Our Workforce in Numbers

 **12,683**
employees

 **69%** male

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

 More than
40 nationalities
employed across the Group



Impact of COVID-19 on Our Employees

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

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

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

SNCR

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

Social - Employees

Fair Employment And Welfare

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

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

APPROACH

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

<p>▶ Recruitment</p> <p>Fair and non-discriminatory recruitment practices, recognising the opportunities and changing skill profiles of functions across the organisation</p>	<p>▶ Performance Management</p> <p>Tools and access for employees to resources that provide them with fair opportunities to grow and excel within and across the organisation</p>
<p>▶ Working Conditions</p> <p>Fair working conditions that enable individuals to flourish, governed by our core values and code of conduct</p>	<p>▶ Compensation and Benefits</p> <p>Provisions for full-time employees which ensure their wellbeing and contribute to fair workplace conditions</p>

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

Respect for the ILO Convention

<ul style="list-style-type: none"> ▶ Freedom from Forced Labour ▶ Freedom from Child Labour ▶ Freedom from Discrimination at Work 	<ul style="list-style-type: none"> ▶ Freedom to form and join a union, and to bargain collectively <p>3 digital telcos have employee unions</p>  <p>Unions represent 4.67% of our employees</p>
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To support our Code of Conduct, our **Speak Up hotline** facilitates the reporting of actual or suspected misconduct and illegal or unethical behaviour. The hotline is available to all stakeholders to whistle-blow on any employee across Axiata at no risk of victimisation, retribution and retaliation. It is available in all local languages and accessible via the Web as well as a toll-free number.

OUTLOOK


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

Culture of Integrity in the Workplace



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

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



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

Employee Satisfaction

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

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



Social - Employees



Fair Employment And Welfare

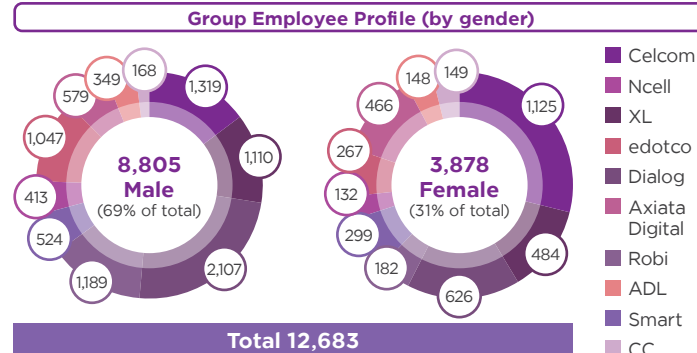
Diversity and Inclusivity

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

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

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

Gender Diversity and Inclusivity



31% Female employees Group-wide

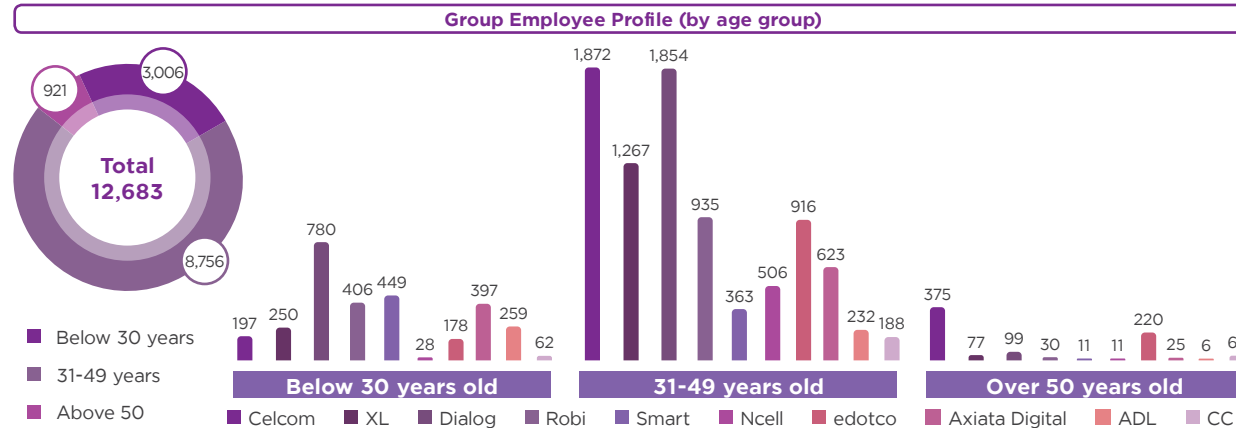
17% Leadership positions held by women

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

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

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

Age Diversity and Inclusivity



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

Skills Diversity and Inclusivity

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

Social - Employees

Talent Development

We remain focused on attracting and nurturing the best talents, supporting their career progression and building a talent pool of future leaders for our company and industry. Our talent pool is provided with robust development programmes for each employee level, with talent mapped to a succession profile.

APPROACH

Talent development is guided by our talent management framework which identifies and develops a group talent pipeline within the organisation to serve future leadership needs.



Our Group Talent Management team is tasked with seeking suitable employees who are capable and motivated to embody Axiata’s values. Our workforce is then nurtured through robust talent development programmes, continuous employee engagement, attractive performance-based rewards and the provision of a safe and healthy work environment to ensure employee retention. In tandem with rapidly changing customer demand and work processes, our employee development efforts are also geared towards empowering staff to respond to this landscape.

OUTLOOK

Our goal for employee development is the creation of a Modern, Agile and Digital (M.A.D.) culture. This is enabled by digital-based platforms which empower employees to learn and address any competency gaps to achieve career progression.

Truly a Talent Factory

Our investment in human capital development has been translated into the delivery of our UI.EP values and our progress towards becoming The Next Generation Digital Champion, allowing Axiata to truly embody a “talent factory”. To date, we have recorded the following achievements:

- 71%** of leadership positions filled internally in 2020
- 8** out of **9** CEOs have been internal appointments
- RM190** million spent on talent development since 2009
- Leadership **83%** male and **17%** female
- Nationalities of our leadership **22**
- In 2020, **1st Female** Chief Corporate Development Officer, Chief Digital Services Officer, Chief Technology Officer, Deputy Group Chief Human Resource Officer
- External:internal hiring ratio has shifted from 78:22 when we first started, to **29:71**
- 158** top talents and **438** middle-level talents identified

Recognising Exceptional Performance among Our Workforce

As a component of our UI.EP core values, we recognise exceptional performance among our employees. We extend our appreciation to them and recognise that our investments in human capital development are a vital enabler of our sustainability. We continued to conduct our annual Axiata Champions recognition awards for our top performers, amidst the pandemic, by means of a virtual digital ceremony. The awards are held within each OpCo as well as Group-wide, providing an avenue for the company to celebrate exceptional employees for their contributions to the organisation.

Social - Employees



Talent Development

Enabling a Modern, Agile and Digital (M.A.D.) Culture

In building a M.A.D. culture among our employees, our investments in employee training and development have increasingly relied on digital online learning platforms. These platforms have made learning accessible for all our employees across the region and include:



- ▶ Internal knowledge management platform to allow sharing by subject matter experts across the Group
- ▶ 2020 monthly averages of **1,066 visits, 31 uploads and 76 downloads**



- ▶ Internal learning platform to curate appropriate learning modules for employees
- ▶ **9,913 active users** in 2020

- ▶ Online learning in 2020:
 - **7,164 learners** activated
 - **228,458 courses** viewed
 - **74,598 courses** completed
 - Top courses were on IoT, Blockchain, IR4.0

▶ Accelerated Development Programmes

- Identifies individuals Group-wide that have the potential to enter leadership roles across the Group
- Currently, there are 185 talents in the AXcelerator Programme, and 438 talents are part of the OpCo Accelerated Development Programmes

Each OpCo conducts their own training agenda and programmes that are focused on key areas identified for fulfilling their talent development strategy for the year. These are drawn from our M.A.D. culture pillars and other key pillars along the employee life cycle in our organisation.

During the year, the focus and highlights of training at our Digital Telcos, TowerCo and Digital Businesses were as follows:

Our Digital Telcos

- ▶ Being agile, stress management and mindfulness amidst the pandemic
- ▶ Upskilling digital readiness towards analytics and AI

edotco

- ▶ Leadership capabilities for middle management level and above
- ▶ Included first cohort of the edotco Talent Accelerated Programme (eTAP) conducted in collaboration with Melbourne Business School

Axiata Digital

- ▶ Virtual and online training modules utilising Group-wide platforms such as Fast Forward and LinkedIn learning
- ▶ Recorded 2,585 total training and learning hours

As part of Axiata Digital's ongoing people development, three areas were identified as focus areas for their diverse, digital business:

Driving a culture of high-performance and accountability



Cascading business goals across all levels with emphasis on goal-setting, and increased communications and engagement initiatives by Senior Leadership Teams.

Creating an Employee Value Proposition



Reviewing the Total Rewards Philosophy, Culture and Values to build a cohesive, winning culture of ownership and customer-centricity with emphasis on employee wellbeing.

Robust talent development programmes



Focusing on communications and first-line manager training programmes to support continuous talent management, or manager development programmes to empower managers as role models.

Social - Employees



Employee Health, Safety And Wellbeing

We are committed to building a healthy work environment that safeguards our employees' work-life integration, physical and mental health and safety. We provide a range of wellness programmes such

as exercise classes, health assessments and healthy living benefits to enrich the working lives of our employees.

APPROACH

Axiata has instituted a Group Health and Safety Policy which is cascaded to each OpCo. OpCos are then responsible for ensuring compliance with local health and safety legislations. The Health and Safety Committees of each OpCo further promote awareness on workplace occupational health and safety to minimise the risk of accidents, injuries and exposure to health hazards. The identification and

remediation of any identified workplace hazards and risks ensure that employee wellbeing and safety are managed, workplace injuries are avoided and the company's occupational safety standards are upheld. In addition to meeting local regulations, our OpCos also comply to international standards and management systems, ranging from OHSAS certification to ISO45001:2018.

OUTLOOK

Ensuring health, safety and wellbeing for our employees will remain a priority, in the care we provide to our workforce Group-wide as well as the management and monitoring of our health and safety

indicators. Amid the changes in working styles felt across the Group, we will continue to update our programmes in responding to the expectations of our people.

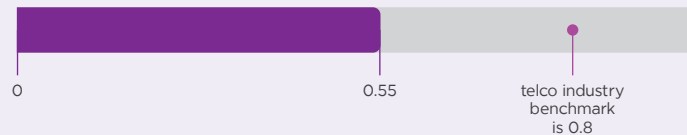
Health and Safety

As part of the policies and guidelines that OpCos comply to for occupational health and safety, the health and safety culture is further ingrained through general and skills-based or functions-based training and awareness programmes that are provided annually. Refresher courses are also held for occupations which face higher risk hazards, such as working at heights or on-site and emergency response, among others. Additionally, general health and safety knowledge is shared regularly across the OpCos for employee-wide understanding and practice of workplace health and safety.

To monitor and manage hazards, incidents and near-miss incidents, our OpCos utilise digital systems for efficient management and risk mitigation of health and safety in the workplace.



Average Lost Time Injury Frequency Rate across OpCos from 0 - 0.55



Social - Employees



Employee Health, Safety And Wellbeing

Employee Wellbeing

Our employee engagement activities for 2020 focused on finding ways to maintain interaction, strengthen relationships and engage teams virtually amid the health and safety concerns during the year.

Leveraging on our expertise as a digital telco and digital service provider, our respective human resource departments across OpCos adapted quickly to embrace virtual engagements and communications with our workforce.

Additionally, Group-wide and regional Townhalls, which we conduct regularly to engage with our employees, utilised a different approach which focused more on content-driven engagements and that prioritised employee wellbeing. We recognise that employee engagement is critical to keep our workforce motivated, boost morale, reduce attrition and foster a high-performing workforce.

The approach to employee engagement took an increasingly digital approach, with the support, engagements and assistance to employees, at home and in their communities, without compromising our people's ability to serve our customers. Across our OpCos, we also released guidance and ensured strict implementation of SOPs, including guidelines for working from home and providing PPE and sanitisation kits. We also stressed on caring for employees' physical and mental wellbeing.

▶ Established a collaborative support system providing:

- Advanced **COVID-19 monitoring and tracking**
- **Extensive medical support** for testing availability and access to healthcare services, equipment and support
- **Live sessions** by guest speakers invited to share advice and support for mental resilience during the pandemic and challenges from lockdowns such as parenting during work, fitness and health
- **COVID-19 awareness** for new joiners
- Issued **"Guideline for Home Office"** to assist employees with continuing to work effectively and safely from home



▶ 30 **#kitajagakita engagement sessions** held throughout the year consisting of check-in sessions open to all employees to discuss different topics including wellbeing amid the pandemic:

- Emphasised **#AllHandsOnDeck** and the presence of the Culture Transformation Division to provide assistance
 - Followed by regional **#kitajagakita 2.0** sessions, with Senior Management involved in the departmental sessions
- ▶ Employee self-health check function on the employee app to provide daily updates on employees' health status
- ▶ Establishment of **Celcom COVID-19 taskforce** as an official communication channel for staff including a hotline and e-mail



▶ **Medical support to employees and their families** by collaborating with hospitals for immediate medical support and tie-ups with hotels for isolation provisions

▶ Consistent **employee engagements** and **regular team meetings** by CXOs and C-1s, as well as employee pulse checks

▶ **Caring for employee health** through "Health Week", stress management sessions, distribution of PPE to employees, free data for working from home

▶ **Facilitating travel for essential reasons**, through vehicle passes to pass through government entities, of Ncell partner employees, to employees during medical requirements

▶ **Support extended to vendors** and vendor employees through coordination with government entities for uninterrupted supply chain, letters sent to vendors for precautionary measures while providing services to Ncell

▶ **Cleanliness and hygiene of offices** through regular disinfection, housekeeping SOPs, daily health declaration and HR monitoring, alternate office premises when necessary

▶ **Launch of Ncell Employee Safety Tracker** for mandatory-use by employees to track their health and wellbeing and their family members



Social - Employees



Employee Health, Safety And Wellbeing

Employee Wellbeing (cont'd)

- ▶ Establishment of the **Smart COVID-19 Task Force** as a standing crisis response committee with a direct communication channel to staff
- ▶ A secondary site was set up in order to **split up contact center teams** so that there is social distancing within the workforce
- ▶ Enforced SOPs across our offices and retails **to ensure that the safety of our employees** comes first
- ▶ **Provided extra mobile data** for employees working from home
- ▶ Provide extra **bonuses for frontliners to encourage their commitment** to ensure our network operation is up and running



- ▶ Introduced the **Mind Body Soul personal development programme** to promote the value of learning, exercising and mental health
- ▶ **System digitisation** has been applied organisation-wide across multiple divisions and departments, for more effective productivity at home that included **e-administrative processes of electronic invoices and digital signatures**



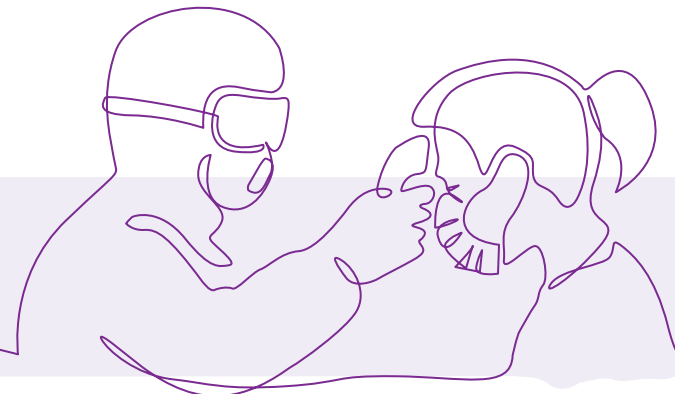
- ▶ **PPE distributed** to all employees and **COVID testing was provided**
- ▶ **Over 2,500 tests were conducted** with treatment provided to positive cases, and contact tracing to manage the risks
- ▶ **All Dialog office locations were sanitised regularly** and office visitors and employees were requested to provide their health declaration before entering offices to ensure safety of our employees on our premise
- ▶ **Knowledge sharing sessions** conducted for all front-facing teams, including Customer Field Support Services, Technical Service Center, Engineering and Dialog Network Services teams. A total of 300 individuals were trained



- ▶ **Multiple communications** sent to employees related to MCO, CMCO, SOPs, travel guidelines, work from home and other matters
- ▶ **edotco Wellbeing Helpline** was set up as well as a HR Helpdesk to support employee's communication related to the pandemic
- ▶ **Employee's Stress Management tools** were also provided to support the mental health of our employees



- ▶ **Policies for the new work model** (Flexible WFH Policy, Employee Welfare Policy)
- ▶ **Benefits that matter** (home equipment allowance)
- ▶ **Addressing mental health** (Mental Health Helpline and workshops by Naluri)
- ▶ **Prioritising employee wellbeing** (Have Fun and Do Good, Disrupt! Disrupt! Disrupt! Act Now)
- ▶ **Collaboration and transparency as a way of working** (Disrupt! Disrupt! Fail, to Learn, Dream big & be bold, Be humble and Team Up)



Social



Customers

Material Matter: Customer Service

Our customers are the reason we exist. Their experience on our network, from quality and availability, the pricing of our products and services, and the value we can deliver to them beyond that of our competition are all areas they have identified as crucial to their customer experience.

Every day, we challenge ourselves to rise to their expectations, striving to be the lowest-cost producer relative to our customer promise. Operational excellence is driven in line with our customers' needs. Hence, we have created digital lifestyle products and self-care services as well as digitised our processes to provide a seamless customer experience. To ensure we are constantly tuned into their needs and understand their expectations, we undertake a range of surveys across our markets, scoring our performance against our peers to drive operational excellence.

Providing for customers during COVID-19

Our digital telcos responded to customer needs during the pandemic with a focus on providing data at affordable prices to enable continuous connectivity through:

- ▶ Digitising top-up/recharge services and bill payments
- ▶ Providing bonus, free or unlimited top-up/recharge/talk time and data as well as discounts, rebates, cashback and credit facilities
- ▶ Developing specialised packages such as for online studying, work from home, and internet-only SIMs
- ▶ Extension of services on own and retail channels to ensure uninterrupted network coverage and customer service availability



APPROACH

Our brand promise stands on our efforts to deliver optimum customer satisfaction on a safe and secure network, driven by multi-channel touchpoints to provide seamless customer convenience and bring us closer to our customers. We also work closely with our partners to provide innovative products and services at the best value. We leverage on our analytics community across Group to offer products and services targeted to a segment of one, that enrich the digital lifestyle of our customers. Embedded across all our digital platforms is a commitment to cyber security to ensure the privacy of customers is safeguarded.

OUTLOOK

As we seek to become one of Asia's leading telcos we will continue to focus our efforts on digitising the customer journey for enhanced customer satisfaction. This will be undertaken in tandem with our expected growth in market capitalisation, enabling us to generate strong returns on our capital investments.

Customer Experience

Our customer service culture is embedded within our organisation, with Group continuously finding ways to strengthen our customer-first mentality to ensure we serve our customers in the best way possible.

We are committed to offering our customers excellence network reliability and access for the **best network and service experience**.

SNCR For more information on our network quality and coverage, refer to page 27

Additionally, as a digital service provider, we are cognisant of our **responsibility to protect the data that our customers, employees and other stakeholders** have entrusted us with. We have made data privacy and cyber security our priority and continue to strengthen our efforts in this area to maintain this trust placed in us by our customers.

SNCR For more information on our data privacy and cyber security measures, refer to page 75



Social - Customers

Customer Service

Digitising Customer Experience


In championing digital telco services across our OpCo markets, our customer journey has been increasingly digitised across the Group. Tools such as process automation, data analytics and intelligence have enabled us to improve the customer onboarding experience, shorten turnaround time, and offer relevant and improved services.

► **Established a Customer Experience & Service Operation Centre** 

(CE & SOC), an integrated centre to **facilitate coordination in addressing potential issues** related to network performance and service quality, as well as enable service quality monitoring, increasing the speed and accuracy of its customer services

► **Modernised its digital touchpoints**, MyXL, Axisnet and SiDompul, **improving the user interface and experience**, resulting in growth of its users

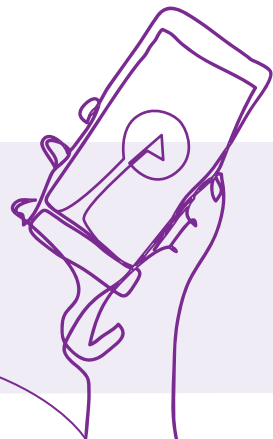
- Launch of **customer service call centre available 24/7**, in addition to social media channels and apps for customer messaging

► **Revamped Life App & Life Hub**, its mobile app and customer service portal, with Life App registering higher log-ins and rated as a top app 

► **Launched WhatsApp** as a channel to interact with customers

► **Enhanced chatbot** on multiple interacting channels to encourage self service

► **Launched Dash4Me Express Delivery**, enabling customers to receive devices and SIM packs within 1-2 days, fulfilled end-to-end via Online Shop



Customer Satisfaction

The customer experience (CX) is a key component of our identity. We have put in place the appropriate systems to measure our progress in meeting our customers' needs and expectations. Every year, we define mutually-agreed CX KPIs with our OpCos which are benchmarked against their peers. Performance is monitored on a quarterly basis.

Across our OpCos, we also continue to demonstrate a strong brand presence and customer satisfaction.

Net Promoter Score

Measures customer experience of our brand and provides a metric to anchor our customer experience management programme.



Note: Results shown are as at end Q4 2020

Digital Reputation Score

Measures positive sentiments across all digital platforms of our Digital Telcos brands, evaluating brand performance in the market through volume of positive mentions.



Brand Power Score

A prediction of the brand's volume share based purely on brand perception (based on three categories - meaningful, salient and different).



In 2020, due to change in agency and proprietary calculations, we have changed from Brand Equity Score to Brand Power Score.

Notes: ¹ Includes Xpax
² Includes Airtel
³ Includes Axis

Social



Suppliers

Material Matter:
Supply Chain Management



Our suppliers provide us with the required products and services which allow us to serve our customers. We value their contribution to our business and regularly engage with them. We seek to understand their expectations and concerns, and ensure we address these appropriately. By treating our suppliers with respect and taking due consideration on their needs, we believe we have adopted a sustainable approach to managing our supply chain.

The Group works closely with an extensive supply chain consisting of more than 5,600 suppliers. From equipment and infrastructure vendors who bolster our back-end operations, through to advertising agencies and content providers who help us communicate with our customers, these suppliers are critical to our daily operations.



Impact of COVID-19 on our Supply Chain

The COVID-19 crisis has put our supply chain ecosystem in a state of flux. Many of our dealers were required to shut down their physical premises in line with lockdown measures.

Given the increase in operational risk resulting from the pandemic, we conducted a COVID-19 preparedness process, guided by our BCM Framework, to address and mitigate risks across all aspects of our operations.

APPROACH

Our supply chain management is governed by our Group Finance, responsible for supply chain and procurement, with Group Procurement overseeing and executing all Group-wide procurement practices and supply chain management.

Axiata Supplier Code of Conduct

Our Axiata Code of Conduct extends beyond our employees to all our contractors and suppliers. In committing to the Code, we are able to screen and monitor how our suppliers adhere to the ESG issues in their operations and dealings.

ENVIRONMENT

- ▶ Environmental management and environmental protection



SOCIAL

- ▶ Labour standards and conditions, wage and benefits, working hours, respect and dignity, non-discrimination, freedom of association, health and safety



GOVERNANCE

- ▶ Relevant laws, regulations and legal requirements, ethical business practices, compliance to anti-bribery and anti-corruption, conflicts of interest, data privacy and cyber security



In the event a supplier does not comply with the Code of Conduct, we have also put in place mitigation measures to assist with compliance and to address the issues remediation.

Axiata Procurement Centre

Our Group-wide Procurement Centre monitors and manages our suppliers, addresses supply chain risks and establishes new vendor relationships to diversify our suppliers and reduce the risk of dependency on any one vendor. It is also responsible for:

- ▶ **Sourcing and procuring strategic Network and IT** equipment, solutions and services for Axiata, as well as indirect goods and services for our Corporate Centre
- ▶ Conducting **ongoing audits of processes and compliance** to Axiata's policies
- ▶ Refining our procurement process to improve **agility in support of strategic business direction**
- ▶ Managing key **suppliers performance and suppliers relationship**

OUTLOOK

Given our presence across Asia, our performance and exposure to risks around supply chain disruptions hinge on our supply chain management. We recognise that the performance and responsibility of our suppliers impact our own services, and beyond Axiata. We will continuously work collaboratively to enhance industry standards across our value chain and beyond our supplier community.

Supply Chain Management

Delivering Operational Excellence across the Value Chain

Supplier Engagement

We provide **training and conduct engagements with our suppliers every year to contribute to their upskilling** in areas relevant to our business. These activities are undertaken in an effort not only to enhance our suppliers' operational excellence, but also as we believe that their performance reflects on our own goals and performance.

Group-wide, some of the engagements from our OpCos focused on:

- ▶ Process awareness and training on procurement and e-procurement processes, compliance training, onboarding and offboarding procedures, vendor registration and refresher training programmes
- ▶ Development sessions
- ▶ Risk mitigation discussions
- ▶ COVID-19 awareness and ease of movement awareness during lockdown periods
- ▶ Technical operational efficiency training and awareness



Supplier Performance Management

We believe supplier performance management plays a key role in encouraging:

- ▶ Common and transparent assessment of our suppliers' performance
- ▶ Compliance with commercial and contract terms, quality of performance and delivery, and contributing to the delivery of our corporate strategy and roadmap as well as alignment to our ethical and sustainability values
- ▶ Capacity building, business development, technical assistance and contract financing to support development of local vendors

During the year in review, our Group Procurement **conducted a supplier performance management assessment of the Group's key network and IT suppliers**. Among activities under the assessment included our suppliers' commitment to sustainable business practices, where suppliers were asked to complete a self-assessment of their sustainable business practices. We then evaluated and scored the self-assessments, with the scoring including other additional information available on the supplier such as sustainability reporting, anti-corruption practices, environmental management, labour practices and occupational health and safety, as well as assessment of their own suppliers.

Supply Chain Management

Supporting Local Ecosystems - Vendor Development Programmes

With our standing as one of Malaysia’s home-grown champions making up a key component of our identity, we value our responsibility of contributing to vendor development. Vendors are provided upskilling towards service excellence as well as growth opportunities that benefit not only the vendors, but also create socioeconomic multipliers.

Specifically, we see supporting local suppliers as making good business sense across the ESG spectrum. In addition to contributing to local economic growth, working with local suppliers reduces the transport of goods and services, lowering emissions and improving environmental outcomes.

On the social front, local suppliers benefit from local employment opportunities, while we have been able to develop more meaningful relationships with our suppliers when they are closer in proximity. This also reduces the risk of supply chain labour conditions, as we gain more visibility on the treatment of their workforce when they are located in our market. Furthermore, site visit audits provide us with better oversight on their labour practices.

We are committed to supporting the long-term development and creating positive outcomes for the more than 10,000 individuals employed in our supply chain. To this end, our vendor development programmes include providing key partners with additional training, business insights and networking opportunities to grow their business.

Celcom Vendor Development Programme 2.0

Celcom introduced its VDP in 2016. It has since launched VDP 2.0 to support and develop local vendors within the digital ecosystem. The new programme also aims to develop capable and competitive suppliers who can complement Celcom’s ecosystem and become self-sustaining, with a view on equipping vendors to succeed in IR4.0. The programme is aligned with the Malaysian government’s National Entrepreneurship Policy 2030.



Highlights

50 vendors registered

- 1 Global Champion
- 7 National Champions

2020 Activities

- Held **15 training courses** with **6 technical agencies**
- **31 vendors underwent SCORE** (SME Competitiveness Rating for Enhancement) assessments. SCORE is undertaken through SME Corp to measure vendors’ process excellence and empower vendors
- Let’s Engage session with SME Bank
- **2 new MoUs signed with Malaysia Debt Ventures (MDV)** and **Perbadanan Usahawan Nasional Bhd (PUNB)** for financing facilities
- **1 vendor secured a RM959,000 research and commercialisation grant from the Ministry of Entrepreneur Development and Cooperatives (MEDAC)**



edotco Vendor Development Programme

Since 2018, edotco has put in place a VDP aimed at strengthening the competitiveness and capabilities of local vendors supplying parts and components to local and regional markets.

Highlights

- **3 vendors registered**
- **Introduced vendors to commercial opportunities** in Philippines, Pakistan and Laos
- Established support programmes, including:
 - Enrolment of VDP partners in IBWave Certification Programme on **in-building wireless network planning and management**
- Under business development, **engaged VDP partners in businesses beyond their core business**

2020 Activities

- **Vendors completed IBWave Module 2**
- Vendors engaged in **regional tower strengthening projects**

Social - Suppliers



Supply Chain Management

Digitising Procurement Processes

Our vision of becoming The Next Generation Digital Champion encompasses all aspects of our business. The COVID-19 crisis accelerated the necessity for the digitisation of processes, especially due to the transition to remote working in line with lockdown requirements.

Digitisation has allowed us to significantly reduce our paper resources while at the same time empowering vendors with digital skills.

Case Study: Paperless Invoices at XL

Building on its digital vendor registration and Purchase Order management, XL has implemented a paperless invoice system. To address the capabilities of all groups of suppliers, the system is implemented in two ways:

Coupa System Invoices

The Coupa System enables electronic invoicing from suppliers, with paperless invoicing introduced in 2020. As part of supplier education on the system, XL educated suppliers on the benefits of avoiding paper usage in reducing environmental impacts. A formal socialisation and assistance programme was conducted for suppliers, targeting those who still relied on paper invoicing

Non-Coupa System

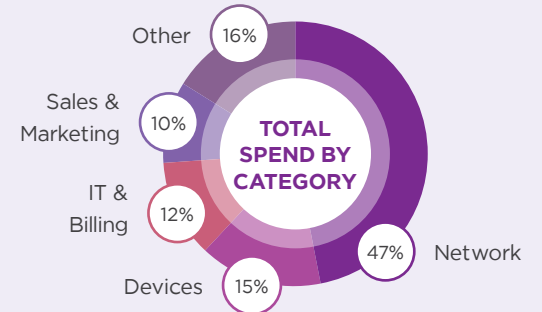
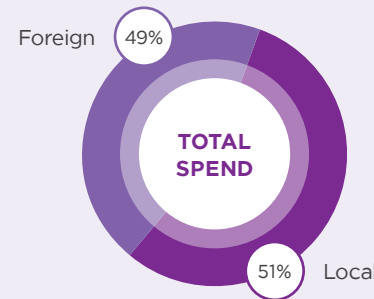
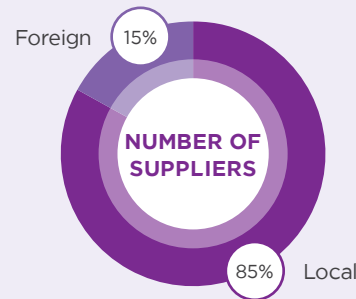
Amid the COVID-19 pandemic, XL also encouraged other third parties to take up paperless invoicing and documentation

Outcomes:

- ▶ **23,902 invoices processed** via the Coupa System
- ▶ **78,170 soft copy invoices** submitted outside the Coupa System
- ▶ Avoidance of approximately **408,288 printed pages**

Supplier Spending

We engage with various suppliers across a range of categories and sizes. As part of our efforts to contribute to supplier diversity across our portfolio, support local economic development and empower the digital ecosystem, we monitor the proportion of our suppliers that are local as well as the proportion of our spend on local suppliers across our different OpCo markets. In 2020, we continued to spend more than half of our total spending on local suppliers.



Note: Graphs represent spending accounted by Axiata Procurement Centre which excludes edotco

Social



Society

Material Matters:

- Community Development
- Emergency and Disaster Response



Our regional presence puts us at the heart of diverse, local communities striving to participate in rapid socioeconomic growth. We are committed to supporting the principle of the UN SDGs, calling for the achievement of holistic sustainable development for all and leaving no one behind. Across our markets, we recognise the value of education and have developed programmes and offered scholarships to

support the education needs of the next generation. We identify and work with local partners on unique programmes that leverage our OpCos' individual strengths and assets in connectivity, infrastructure and digital services to meet the specific needs of local communities.



Impact of COVID-19 on Community

While the impact of the pandemic varies from country to country, it will most likely increase poverty and inequalities at a global scale, presenting greater challenges in achieving the SDGs.

Against this backdrop, digitalisation will form a key focus area to ensure the SDGs remain on track. The pandemic has accelerated the uptake of digital solutions and sped up digital transformation, helping governments, businesses and people manage pandemic responses, and cope with the immediate effects of social distancing and other containment measures. However, these solutions were not available to all, with many poor and vulnerable groups unable to afford or access them.

Digital financial services have also emerged as a vital tool in enabling commercial transactions, delivering aid and allowing customers to access financing solutions.

Additionally, regional cooperation will play a growing role in managing the transition out of the crisis. Regionally, governments and corporations must focus on people and inclusive cooperation, with environmental sustainability becoming central to economic and physical integration efforts. Furthermore, regional cooperation must support countries to become more resilient and aid people-centred development.

On our part, we mobilised rapidly to come to the aid of the various communities we engage with, in an effort to ease their burdens in confronting the crisis. Across our markets, we contributed to relief efforts for frontliners, small businesses and underserved communities, providing donations in cash and in kind. We also leveraged on our technology capabilities to support governments in managing the crisis.



For full details on our community response to COVID-19, please refer to the Emergency and Disaster Response section of this chapter



Social - Society



Community Development

We value the relationships we build with our communities and leverage on partnerships with local NGOs to foster digital inclusion and exercise our corporate responsibility to address community needs. The needs may include our support of the UN SDGs, capacity building of future leaders, pre- and post-disaster assistance, as well as any other gaps that may exist in each unique market.

APPROACH

Engagements with our community are conducted digitally as well as through print media, communicating our efforts to foster digital and financial inclusion, support disaster management and response, implementation of our Axiata Young Talent Programme and establishment of Digital Innovation Funds to promote digital and technology advancements.

OUTLOOK

We are committed to supporting the principle of the UN SDGs, which seek holistic sustainable development for all and to leave no one behind. Recognising the value of education in uplifting societies across our markets, we have developed programmes and offered scholarships to support the education needs of the next generation. We will remain focused on contributing to national and global community development and empowerment for our communities.

Building Future Leaders

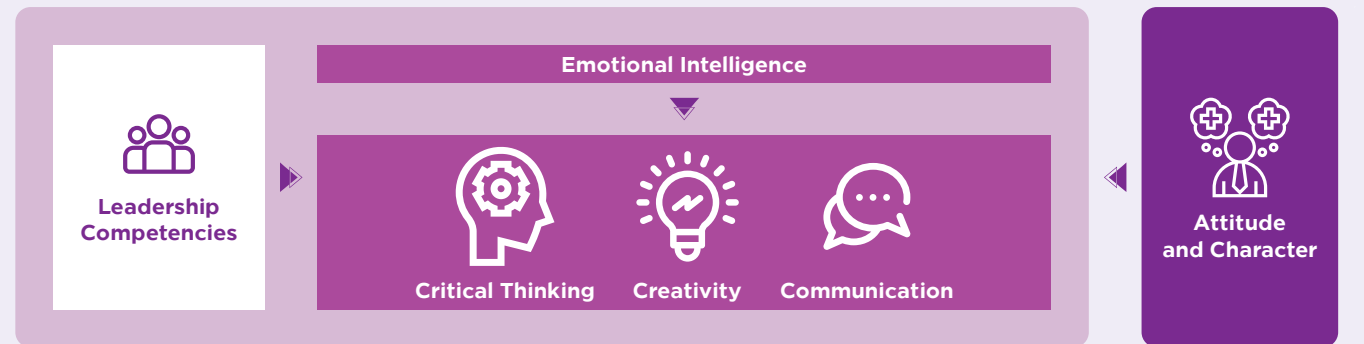
We have determined that the provision of opportunities to young talent represents an area to which we can contribute meaningfully, and is integrated to our vision of Advancing Asia. By identifying promising talent and nurturing them into future CEOs, we are committed to developing the leaders of tomorrow.

As we move into IR4.0, characterised by digitalisation and technological disruptions, countries around the globe will need capable CEOs to lead efforts to harness new opportunities. Through our presence in our footprint countries, we have seen that the region is home to innovative and driven young talents eager to uplift not only themselves, but also their own communities. We value the enthusiasm demonstrated by these youths, who represent the future of their countries and are committed to helping develop their potential.

In view of this, in 2011 we made a commitment to invest in a young talent development programme geared to support the individual nation-building needs of our markets. First introduced in Malaysia as the Axiata Young Talent Programme (AYTP), the programme has been replicated in Indonesia as the XL Future Leaders Programme and the SmartEdu University Student Development Programme in Cambodia.

The programmes were designed to offer top students and promising young talents with an enriching leadership experience which prepares them with the skills and competencies as future CEOs and corporate leaders.

The programme framework is anchored on leadership competencies as well as attitude and character. These, in turn, are centred on emotional intelligence covering critical thinking, communication and creativity. Participants are exposed to various modes of learning, including experience-based, education-based, relationship-based and personal-based.



Social - Society



Community Development

Building Future Leaders (cont'd)

▶ Axiata Young Talent Programme

Since 2011, we have committed RM100 million over 10 years to focus on young talent leadership through the AYTP. To date, **2,262 young talented Malaysians** have benefited from this programme, implemented in three leadership development tracks:

▶ **School Leadership Development Programme (SLDP):**

A five-year programme held in partnership with Kolej Yayasan Saad in Melaka. Open to all Malaysian secondary school students who are looking to develop their critical skills and command of leadership competencies

▶ **University Leadership Development Programme (ULDP):** A two-week summer-camp leadership development programme for young Malaysian undergraduates as an opportunity to learn future-CEO skills and knowledge

▶ **Young CEO Development Programme (YCDP):** A two-year leadership development programme for young Malaysian professionals that provides them the opportunity to master critical skills and knowledge required of a future CEO

▶ **AYTP Alumni Association:** Established in 2015, the association was rebranded as Emerging Leaders Asia in 2020. It serves as a valuable platform for alumni to engage in lifelong learning with the intention of becoming a talent pipeline of CEO-ready individuals. This is achieved through various initiatives such as:

- Action learning programme (with industry partners)
- Masterclass (professional and personal development)
- Mentor-for-mentor programme

2020 outcomes



To date, **1,462 students** have graduated from AYTP

- ▶ A total of **2,262** have benefited from the different programmes
- ▶ **More than 30 bootcamps** conducted within 2020
- ▶ Moving forward in 2021, AYTP will upscale its impact and reach with partnerships and strategic partners

▶ XL Future Leaders (XLFL)

XLFL is designed to meet the learning needs of the new generation of Indonesian leaders through workshops, online activities and team-based projects. The initiative offers three programme:

▶ **XLFL Global Leaders:** A two-year intensive leadership development programme for university students delivered by experts using the XL Curriculum, which was developed by world-renowned educational thought leaders and reflects the needs and aspirations of young Indonesians

▶ **XL Scholarship Camp:** A programme which provides young Indonesians with strong academic background the opportunity to participate in a series of personal development initiatives to extend their skillsets beyond the classroom

▶ **XL e-Learn:** The open and free one-year curriculum provides all students with access to a world-class leadership development programme written specifically for young Indonesians

2020 outcomes

- ▶ More than **35,000 applicants registered** and **160 students** selected for participation (covering 42 cities and districts in 23 provinces)



Over the past nine years, XLFL has a total of **1,000 alumni**

- ▶ Amid the pandemic, **XLFL activities shifted online** including **seven XLFL workshops**, involving leadership training for the children of XL's employees, **six public workshops of 1,300 participants**, and **industry visits** to Indonesian college students from XL

▶ SmartEdu

SmartEdu represents the talent development initiatives executed in Cambodia by Smart. Anchored on Axiata's vision for talent development, SmartEdu supports secondary school students to continue their college education and provides talent youth with the skills and abilities to become future leaders. SmartEdu currently operates the following programme:

▶ **SmartEdu Scholarship Programme:** The programme aims to encourage secondary school students in Cambodia, especially those who are struggling financially, to pursue their college education. Each selected scholarship student receives a stipend of up to USD20,000 to cover their tuition and living expenses during the study period

2020 outcomes



4 students graduated in 2020 (to date up to **87 students** have been awarded)

- ▶ **SmartEdu Induction Camp:** A two day orientation bootcamp for SmartEdu scholars to prepare themselves for the university journey as Smart scholars, focused on enhancing soft skills and improving the relationship with different cohorts



2020/2021: 20 students

- ▶ **SmartEdu Discovery Day:** Due to COVID-19, the partnership between Fulbright and Undergraduate State Alumni Association of Cambodia (FUSAAC) and Smart conducted its annual Major and Career Fair online

Social - Society



Community Development

Uplifting Communities with Long-Term Solutions

Across our markets, we develop programmes and initiatives in consideration of local socioeconomic needs. We work with local partners to deliver these programmes which leverage on our OpCos' strengths in connectivity, infrastructure and digital services to create meaningful change.

During the year, these programmes centred on continued support in education, connection to basic utilities and humanitarian causes.

Supporting education



Ncell Scholarships and Ncell Excellence Awards recognise and facilitate the academic achievers identified in Nepal. Each scholarship and award are worth **NPR100,000**, with the OpCo committing to sponsor **NPR13 million** worth of scholarships and excellence awards to **top-scoring students up to 2023**.

Ncell Scholarships

▶ 18 Scholarships to topper students of BE Electrical, Electronics and Communication, Computer, Civil and Mechanical Engineering

Ncell Excellence Awards

▶ 6 Excellence Awards to topper students from five faculties, as well as to a female student graduating with top scores among all female students of the five faculties

Connecting to Basic Utilities

Access to basic utilities is a human right, which also enables pathways for community enrichment and development. Yet many of our communities still lack access to utilities such as clean water and electricity, as they reside in countries whose economies are still developing. Recognising this, over the years we have strived to play a meaningful role to enhance their lives.

edotco's Tower to Community Programme

60 sites have impacted: **> 7,800** Families | **44** Mosques | **48** Schools | **1** Library | **8** Clinics

Launched in 2016, the Tower to Community programme seeks to improve the quality of life of the communities that live near our towers. During the year in review, the programme was introduced in Sri Lanka, now bringing it to six countries. Through this project, communities are provided with electricity, including energy to power refrigeration systems for vaccine storage facilities, clean water for drinking, agricultural irrigation and to water livestock, and WiFi access. The programme also distributes humanitarian aid during natural disasters.



▶ **350 library members** benefited from the donation of books, a computer and bookshelves

▶ **Provided WiFi connectivity** to the library from the multi-purpose lamp pole



▶ **1,015 families** received access to safe drinking water through advanced Reverse Osmosis (RO) water treatment plants

▶ **120 people** benefited from electricity provided to homes and mosques



▶ **1,200 people** from 300 families benefited from the installation of a solar water pump, which provides an eco-friendly source of clean water to irrigate crops, water livestock or provide potable drinking water



▶ **1,295 people** received access to safe drinking water through RO water solution

▶ **927 people** gained access to electricity for their homes

Robi's Water for Railway Passengers Programme

With technical support from WaterAid Bangladesh, **Robi has set up 10 water plants** strategically placed at 10 of the busiest railway stations in Bangladesh to **ensure wide access to safe drinking water**.

Each plant has the **capacity to dispense 5,000 litres of pure and safe drinking water per hour**.

Taking into account the religious needs of the people of Bangladesh, the plants have segregated corners for men and women, as well as a separate space for ablution. Additionally, the plants have been fitted with ramps for the convenience of wheelchair users.

Robi's Internet Corners

Installed across seven divisional libraries, providing **free internet access** to facilitate students of public libraries and general users with access to online resources for a wealth of information and knowledge.





Community Development


Uplifting Communities with Long-term Solutions (cont'd)


Employee Volunteering

While COVID-19 risks reduced direct access to local communities, our employees still found ways to contribute to our communities' needs through volunteer work. The volunteerism took on particular urgency given the critical needs of underserved communities amid the pandemic.

- ▶ **National community building efforts** during pandemic community relief and natural disaster response 
- ▶ **Celcom Musolla An-Nur and Tabung Amal Jariah Celcom contributed food and basic necessities** to communities affected by the pandemic

- ▶ **Bersama Bangun Negeri (BERBAGI) programme for employee volunteering held online knowledge sharing sessions** with students from across four schools on topics that **included digital skills, safe and responsible social media content creation, website development, among other skills.** In addition, students in each location received quota donations, improvements to school facilities, clean water facilities, and cash donations. Around 400 students benefited from these online engagements held by XL employees 

- ▶ **Emergency COVID-19 Fund** made up of employees' contributions of one day of their basic salary 
- ▶ **Food donations to COVID-19 affected/vulnerable communities**

- ▶ Smart established its **Employee Volunteer Programme** to raise awareness within the company and to **encourage employees to conduct community service** – a platform for employees to initiate and volunteer on Smart priorities. The programme targets to **solve environmental issues in Cambodia**, such as the use of single-use plastics, deforestation, climate change and environmental education, among others 


- ▶ **In line with SDG 2: Zero Hunger**, edotco's Employee Voluntary Engagement programme worked with NGO Rise Against Hunger Malaysia, to **distribute 10,000 meals to charity organisations** supporting single mothers and their children 
- ▶ **34,850 individuals benefited** from flood and COVID-19 relief aid

Contributing to Healthcare for Communities

VISION 2020 in Sri Lanka

- ▶ Since 2015, **Dialog has supported VISION 2020, a global initiative by the World Health Organisation (WHO) and the International Agency** for the Prevention of Blindness (IAPB) aimed at eliminating avoidable blindness. Spearheaded locally in Sri Lanka by the Ministry of Health, Dialog has supported eye campaigns, recently rebranded as the "Nethra" programme 
- ▶ To date, Dialog has invested around SLR14.8 million, screening 20,930 low-income individuals and distributing 18,140 custom-made spectacles free of charge. In 2020, two eye camps were also conducted, with 930 people screened and 653 spectacles donated to beneficiaries

Nepal's National Measles Rubella Vaccination Campaign

- ▶ Ncell supports the government in **raising health awareness** among the general public for epidemic and non-epidemic diseases, including undertaking immunisation activities. **Ncell was the awareness campaign partner** of the Government of Nepal, Ministry of Health and Population for the mass immunisation for measles and rubella 
- ▶ The campaign has targeted to **vaccinate over 2.5 million children across the country** between the ages of 9 months to 5 years. Delivered through multimedia channels, leveraging on the reach of Ncell's connectivity platforms, the campaign **achieved 101% success** against the vaccination target

Social - Society



Emergency And Disaster Response

As a digital business, we possess the capability to reach communities en masse. By leveraging on our ability to broadcast widespread multimedia messages through our platforms, our products and services serve as a vital community need in times of emergencies and disasters.

APPROACH

Our technology and resources allow us the medium and capabilities to assist, inform and support communities during times of need. From natural disaster awareness, preparedness and response, to unforeseen emergencies and critical situations, our OpCos assist in information sharing, providing reliable connectivity, especially to vital services, contributing to the overall safety and protection of society.

OUTLOOK

With our OpCos in strong partnerships with disaster network agencies, foundations and organisations, we strive to continue expanding on the reach, success and value of our digital services.


Natural Disaster Preparedness

With some of our footprint countries located in disaster-prone areas, we continued to lend our support to natural disaster preparedness through the provision of timely information and connectivity access through our Digital Telcos. This is crucial to reducing the potential loss of life by ensuring updated, official information and warnings are shared and humanitarian relief can be coordinated effectively. Our efforts in this area are in line to

our responsibility as a signatory of the GSMA Humanitarian Connectivity Charter.

During the year in review, we participated in the following disaster relief efforts:

- ▶ Provided **SMS alert warnings** to the public to raise disaster preparedness during the flooding in the East Coast of Malaysia which occurred late last year



- ▶ Established the **Smart Axiata Flood Relief Fund** to enable its subscribers to donate to victims of flooding from tropical storms that occurred across Cambodia in October 2020
- ▶ Provided up to **USD66,000 in matching funds** to the Smart Axiata Flood Relief Fund
- ▶ **Funds were used to purchase emergency response kits**, which included food supplies, that were provided to 3,360 families in the worst-affected provinces




- ▶ **Distributed hygiene kits and basic necessities** to 1,600 recipients in the eastern and southern regions affected by floods in Malaysia via edotco fleets and NGOs
- ▶ **Distributed relief goods** to 1,200 recipients from 300 families in Patuakhali district, Bangladesh, impacted by Cyclone Amphan



- ▶ **Flood Early Warning System** in partnership with Department of Hydrology and Meteorology (DHM)
- ▶ **2.85 Million** flood related alerts broadcasted
- ▶ **500 Ncell SIMs** with monthly **250MB data per SIM** provided to DHM to use in transferring weather and river level data to servers
- ▶ **Toll-free number** assigned for customers to call for latest updates



- ▶ Participated in the relief efforts post-natural disaster throughout Indonesia through distributing aid that included food, medicine, clean water and masks for the prevention of COVID-19 outbreak following the natural disaster
- ▶ **More than 12,200** people impacted by disaster received assistance



Social - Society



Emergency And Disaster Response

Lending Our Support in the Battle Against COVID-19

By and large, our contributions to the battle against COVID-19 formed the most critical component of our community relief efforts undertaken in 2020, and no doubt will dominate our focus in the short-term. Telco services have proven indispensable during this period, with millions of customers relying heavily on our services to stay connected.

Additionally, digital connectivity has become more crucial not only in this age of physical distancing, but also in delivering timely and vital information on COVID-19-related developments.

Across the Group, our OpCos stepped up as connectivity champions in national COVID-19 relief efforts, leveraging our capabilities in connectivity, data analytics and network coverage and presence in each market.

Beyond ensuring continued connectivity through our services, we mounted a rapid and far-reaching response to channel aid to health frontliners and at-risk groups. We distributed food, hygiene kits and general wellness care to frontliners, communities, retailers/distributors, and equipment to medical and health centres.

- ▶ Axiata, Celcom, edotco and Axiata Digital launched a **RM150 million (USD35 million) cash fund** to provide **financial assistance to micro-SMEs**
- ▶ Our **Corporate Centre distributed close to RM100,000** to charitable organisations in Malaysia for medical aid, financial aid, shelters and relief funds



- ▶ **Established the USD1 million COVID-19 Relief Fund** to provide monetary assistance for high-impact solutions to address Cambodia's urgent crisis needs. This fund is in addition to Smart's CSR commitment of distributing 1% of its revenue to community causes
 - **More than half of fund has been allocated to date** for projects that address key issues stemming from the pandemic such as enabling rural communities to fully leverage online education initiatives by the government, and supporting and empowering affected micro-SMEs/SMEs/startups
- ▶ Together with Huawei, Smart installed a temporary onsite COVID-19 co-ordination and monitoring centre for the Ministry of Health
 - Connected the Khmer Soviet Friendship Hospital and Chak Agre Health Centre with the Ministry via video conferencing facilities **using Smart's 5G trial setup** to ensure **dedicated, fast and consistent performance**. This temporary setup became the **first-ever live 5G use case in Cambodia**



- ▶ **Extended NPR9.70 billion worth of CSR and relief support**, which included NPR9.03 billion bonus balance to customers
- ▶ **Contributed NPR100 million** to COVID-19 Infection Prevention, Control and Treatment Fund on the first day of nationwide lockdown
- ▶ **Broadcast PSAs** in collaboration with Ministry of Health and Population (MoHP), National Health Education Information Communication Centre (NHEICC) and UNICEF, advocating social distancing, proper use of face masks and hand sanitisation
 - The messages were **widely circulated via radio, television, online, print**, among others, to ensure the messages reach all segments of the population
- ▶ Supported **Nepal's COVID-19 Crisis Management Centre with analytics for migration tracking and contact tracing**
- ▶ Rolled out the **Unstructured Supplementary Service Data (USSD)**, or quick codes, and **Interactive Voice Response (IVR) survey** to identify COVID-19 infected people
- ▶ Free access to government hotlines 1133 and 1115, **allowing customers to consult with doctors**
- ▶ Radio outreach programme airing learning programmes via **200 community radio stations supporting children** who were schooling from home, estimated to have reached over 1.2 million children
- ▶ **Ncell Free Hotline Service** (which was also extended to Nepali migrant workers in Malaysia) and free **Ncell Call to Doctor Service** provided for consultation with doctors on COVID 19 signs and symptoms, and general health and wellbeing
- ▶ **Collaborated with the Ministry of Women, Children and Senior Citizens and UN Women** to conduct a rapid assessment survey on the impact of COVID-19 on women's mental and emotional health
- ▶ Conducted **COVID-19 awareness messaging** leveraging on internal platforms including more than 45 million SMS, more than 20 million OBD calls, COVID-19 awareness call tone, temporary network name change to #StayHome@Ncell
- ▶ **Bonus balance, credit facilities, free digital services, data and voice services** at affordable rates and stay home data packs



Social - Society



Emergency And Disaster Response

Lending Our Support in the Battle Against COVID-19 (cont'd)

- ▶ **Provided big data platforms and advanced analytical tools and solutions** to address key issues such as reducing people’s risk of COVID-19 exposure while ensuring people remain connected
- ▶ **Broadcast SMS awareness** on high-risk zones in the country to encourage heightened precautionary measures
- ▶ **Provided promotions and emergency relief** when customers’ credit balance/ data balance ran low to ensure continued connectivity
- ▶ **Partnered with Access to Information, Bangladesh’s digital public service delivery programme**, and the Health Ministry to **develop a cutting-edge mobile app to monitor and track the spread of COVID-19** across the country and show high-risk zones
- ▶ **Provided technical assistance**, together with two other partners, to operate the **333 National Information Centre** - which had emerged as the National Health line during COVID-19 addressing issues ranging from relief assistance to telemedicine services as well as enabled door-step delivery of emergency relief and medicine during the nationwide shutdown
 - More than **23 million calls** received from March to December



- ▶ **Together with Huawei Technologies Lanka Co (Pvt) Ltd**, donated telepresence and connectivity solutions to **30 locations covering district general hospitals, teaching hospitals and designated COVID-19 treatment centres**
- ▶ **Donated mobile phones with free allowances, WiFi routers, CDMA phones and PPE kits to hospitals**
- ▶ **Contributed towards improving intensive care facilities**, providing state-of-the-art medical equipment, and **enhancing intensive care unit capacity in Sri Lanka** that would not only serve to treat COVID-19 but will also continue to support all other patients who require intensive care treatment, post-COVID-19
 - **Invested SLR200 million** towards the development of intensive care units at Homagama Base Hospital and Negombo Hospital
- ▶ **Distributed 400 network-connected** feature phones and 100 WiFi routers for frontline personnel and quarantine centres through the Ministry of Health
- ▶ **Introduced e-connect/distance learning** to enable schoolchildren to continue their studies from home
- ▶ **Collaborated with media stations to donate over SLR50 million** to provide relief to **more than 95,000 people in need across 18 districts**



- ▶ **Provided communication relief to hospitals and quarantine centres** across the country in the form of SIM packs and devices, amounting to RM159,154
- ▶ **Donated RM421,600 in food supplies, funds and laptops** to underserved communities throughout Malaysia
- ▶ **Donated RM100,000 worth of PPE and medical items to hospitals nationwide** in collaboration with the GLC Disaster Response Network (GDRN)
- ▶ **Participated in a pledge for 2021 named “To Malaysia with Love”, a RM1 million collective contribution initiative with 5 other industry players** and in collaboration with the GDRN



Social - Society





Emergency And Disaster Response

Lending Our Support in the Battle Against COVID-19 (cont'd)

- ▶ **Provided post disaster relief and aid** including distribution of PPE, medical equipment, MERCY Malaysia flights to Pakistan and Laos, necessities and cash donation that benefited more than 22,000 people
- ▶ **eMalaysia: Provided sanitation and food aid** for impacted families, university students and frontliners, **benefiting more than 12,000 recipients**
- ▶ **eBangladesh: Launched food aid and sanitation programme** in collaboration with NGO BRAC, **reaching around 4,000 beneficiaries**
- ▶ **eSri Lanka: Donated Multiparameter machine** to Infectious Disease Hospital's Isolation Ward
- ▶ **eCambodia: Donated surgical masks and gloves** and temperature test kits to the Health Ministry's COVID-19 response team
- ▶ **ePhilippines: Food aid distribution** in collaboration with ABS CBN Foundation
- ▶ **edotco Corporate Centre:**
 - **Cash donation to MERCY Malaysia** to provide medical and food aid to impacted communities
 - **Cash donation to Yayasan Pertiwi and Yayasan Sejahtera** to provide food to 2,990 people



- ▶ A total **IDR10 billion in funds donated** to the National Disaster Management Agency (BNPB) 
- ▶ **Conducted two rounds of employee fundraising**, raising IDR1.5 billion for PPE and donations for informal sector workers whose jobs were affected by the pandemic
- ▶ **Strengthened data and telecommunications networks** for COVID-19 hospitals, deploying mobile BTS to some hospitals to support the data traffic usage
- ▶ Providing data and telecommunications services to BNPB through **550 starter packs already activated, with a IDR50,000 package** valid for three months
- ▶ **Supported BNPB to broadcast SMS on the latest COVID-19 information** and regional hospital contacts
- ▶ **Distributed 10,000 hazmat suits** to 10 COVID-19 hospitals in Jakarta and West Nusa Tenggara

- ▶ **"Tabung COVID-19 by Boost"**, a donation fund to help ease the burden of those directly impacted by the COVID-19 pandemic in Malaysia to aid medical frontliners and the families of COVID-19 patients. The fund was introduced in conjunction with the launch of the #BoostGotYou campaign, aimed to help Malaysians get through the COVID-19 crisis 
- ▶ During Ramadan month Boost introduced its **"30 Hari 30 Amalan" initiative**, part of the larger **#DoGoodWithBoost campaign**, to donate to the underprivileged and less fortunate
- ▶ **Over RM1.2 million** was collected from both initiatives



Chusen Aun
CVM Analytics
XL Axiata

I love teaching others
how to grow their own food.

#ItBeginsWithMe

GOVERNANCE

WHAT YOU'LL FIND IN THIS SECTION

Governance

We continue to place emphasis on the strictest standards of corporate governance as a function of the creation of sustainable, long-term value for all our stakeholders.

It is also imperative that good corporate governance is ingrained from the highest levels of our organisation, with our Board of Directors responsible for establishing clear policies and procedures to lead prudent decision-making and ensure discipline and accountability. The Board remains guided by its governance framework to ensure the best interests of the Group, its shareholders and other stakeholders are prioritised in the decision-making process. The governance framework is also continuously enhanced to ensure its relevance to current developments and regulatory requirements.

▶ Business Ethics And Compliance

Key Highlights:

- Achieved a Group-wide completion rate of over 90% for our Anti-Bribery and Anti-Corruption mandatory training module for our employees
- Continued accessibility of our whistleblowing channel
- Contributed USD1.3 billion in taxes to the governments of all countries where we operate

- 78 Strengthening Risk Governance Structure and Risk Management
- 78 Anti-Bribery And Anti-Corruption
- 79 Whistleblowing (Speak Up) Channel
- 79 Tax Transparency

▶ Data Privacy

Key Highlights:

- Implemented Group-wide Privacy Programme
- Published Group Data Privacy Policy and updated Privacy Notices for customers
- Rolled out and completed 90% of our mandatory training and awareness programme for the Group's employees and vendors processing critical assets and personal data
- Transitioning our cyber security strategy from Digital Trust 2020 to Digital Trust and Resilience 2023

- 80 Data Privacy Strengthened Through Our Privacy Commitment
- 81 Strengthening Cyber Security Programmes And Technologies

▶ Regulatory and Political Risk

- Established a regulatory compliance framework to monitor regulatory compliance at the Group level and across OpCos in a more structured way
- Appointed subject matter experts at the Group level and OpCos to monitor regulatory compliance
- Strengthened political risk mitigation to enable better monitoring processes of key political and geopolitical events as well as anticipate emerging risks



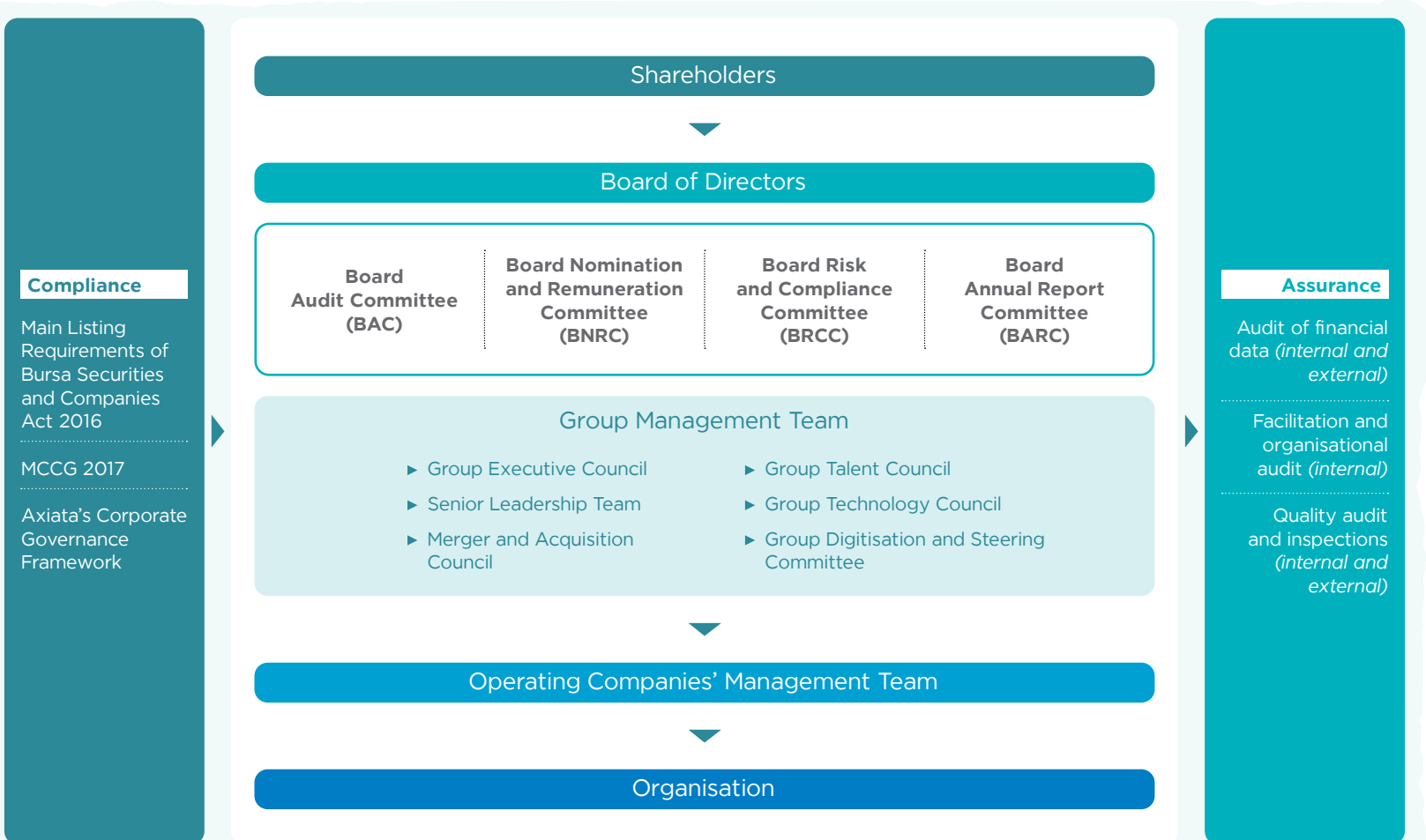
GOVERNANCE



Our Corporate Governance

At Axiata, we continue to uphold the strictest corporate governance standards as part of our sustainable and long-term value proposition for all our stakeholders. In this regard, the Board of Directors is responsible for establishing clear policies, standards, and ensuring that the decisions are guided by our Corporate Governance Framework. The Framework is continuously enhanced to ensure its applicability to current developments and evolving regulatory requirements.

The Board continues to ensure that Axiata's corporate governance is in accordance with the Malaysian Code on Corporate Governance (MCCG) 2017. We have adopted an iterative process of transparent reporting and disclosure, as well as rigorous risk and performance management, underlined by transparency, ethical and effective leadership. Furthermore, we leverage on the Board's diversity in gender, race, and professional backgrounds to achieve constructive deliberations which take into account the interests of our equally diverse stakeholders. Collectively, these corporate governance measures provide safeguards to our company strategy and contribute to value creation for our business and for all our stakeholders in the short-, medium-, and long-term.



Compliance

Main Listing Requirements of Bursa Securities and Companies Act 2016

MCCG 2017

Axiata's Corporate Governance Framework

Assurance

Audit of financial data (*internal and external*)

Facilitation and organisational audit (*internal*)

Quality audit and inspections (*internal and external*)

IAR More details on our Corporate Governance can be found on page 80-103 of IAR 2020

GOVERNANCE



Business Ethics And Compliance

Ethics and compliance management ensure that the Group remains compliant with all applicable laws, regulatory requirements, and policies. Our culture of ethics and compliance, underpinned by our Uncompromising Integrity value, is embedded in our daily operations and engagement with all our stakeholders. Our Policies and Standards define a set of minimum requirements and practices that ensure the same level of professionalism, ethics and integrity is applied consistently with all stakeholders.

We have zero-tolerance for any bribery and corruption. All stakeholders are mandated to avoid any activity that might constitute, lead to, or be perceived as, bribery and/or corruption activities and/or breach of any laws and regulations. The prevention, detection and reporting of any forms of bribery and corruption are the responsibility of all stakeholders across the Group.

APPROACH

Our Board Risk and Compliance Committee oversees the Group’s risk and compliance related matters to safeguard our shareholders’ interests and Group’s assets. Following changes in the governance structure in early 2020, the compliance culture in Axiata was further strengthened by implementing guidance in the form of policies, standards, and procedures with reinforcement of these concepts through training and awareness programmes.

We ensure good governance is upheld through our risk and compliance governance structure, ensuring compliance to all aspects of the laws, regulations, and international standards applicable to our operations throughout the countries we operate.

Axiata’s standardised Enterprise Risk Management (ERM) Framework governs our risk management and governance process. Although we appreciate that some autonomy is necessary within the local jurisdictions in each of our regions, our Group Risk Management department ensures consistency in the approach to managing risk across the Group. To this end, we have started to align the risk management practices among our OpCos, with full support from the Board Risk and Compliance Committee (BRCC) and the Group’s Senior Management.

Board of Directors	Sets the tone and culture towards effective risk management, internal control in all aspects of the Company’s activities and decides on Board’s acceptable risk appetite whilst maintaining a proper balance between risks incurred and potential returns to shareholders.
Board Risk and Compliance Committee	Responsible and accountable for maintaining sound processes of risk management and internal control practices to safeguard shareholders’ investments and the Group’s assets. The BRCC also monitors Axiata’s ERM framework and risks relating to cyber security, data privacy, as well as compliance, ethics and integrity.
Risk and Compliance Management Committee	The primary function of the Risk and Compliance Management Committee (RCMC) is to support the BRCC in fulfilling its responsibilities on risk management and compliance.
Group Chief Risk and Compliance Officer	Leads the Group Risk and Compliance Department.
Group Risk and Compliance Department	Executes and implements the strategies for risk and compliance at Group and across OpCos, including establishing and monitoring ERM Programmes, strengthening risk and compliance policies, implementing adequate procedures in line with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, identifying key risks and mitigating actions, and inculcating culture of risk and compliance within the Group.
Risk and Compliance function (OpCos) and Business units (Axiata Corporate Centre)	Responsible for risk and compliance related matters in their respective OpCos and business units and coordinating with Group Risk and Compliance Department on implementation of risk and compliance related initiatives, policies and procedures.

OUTLOOK

With the introduction of Section 17A (S.17A) of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 that came into effect in June 2020, the Group has established adequate procedures to ensure full compliance with this section. Further, in view of the current COVID-19 pandemic which has

dominated the risk landscape since 2020, the Group continues to demonstrate agility, supply chain risk oversight with technology and network resilience.

GOVERNANCE



Business Ethics And Compliance

Strengthening Risk Governance Structure and Risk Management

In 2020, the evolution of the Board Risk Management Committee (BRMC) into the BRCC, the establishment of the Group Risk and Compliance Department and the appointment of the Group Chief Risk and Compliance Officer (GRCO), resulted in the strengthening of our risk governance for risk management and reinforced the implementation and review of risk programmes, policies, and procedures.

Value of strengthening the risk governance across organisation

- ▶ The BRCC was established to assist the Group in fulfilling its responsibilities on risk management and compliance, which includes ensuring that there are robust processes in place to identify, assess, and monitor key business risks to safeguard our shareholders' investment
- ▶ The BRCC is also established at all OpCos to ensure that risk and compliance management is prioritised

Strengthening and establishing a new Compliance Framework

- ▶ In view of S.17A, the existing Compliance Framework was reviewed and a new Compliance Framework was established. A Compliance Maturity Model that encompasses six critical components from the top, risk assessment, undertaking control measures, monitoring and detection, response and remediation, and training and communication was introduced across the Group
- ▶ Adoption of No Gift Policy across the Group and our clear stance of zero-tolerance towards any form of bribery and corruption was instituted as part of additional or strengthened policies and procedures
- ▶ Introduced mandatory ABAC clauses in contracts, revised governance instruments, strengthened our Supplier Code of Conduct and the Supplier Declaration process to minimise any third-party risks

To date, our corporate compliance has successfully attained a Level 3-Established Rating in 10 of the 24 components of the Compliance Maturity Framework. For 2021, we are targeting to attain Level 3-Established Rating for all 24 components.

Anti-Bribery and Anti-Corruption

In line with our UI.EP values, we have adopted a Zero Tolerance Policy towards bribery and corruption and a No Gift Policy. This is reflected in our Group-wide Anti-Bribery and Anti-Corruption (ABAC) and Gifts, Donations and Sponsorships Policies respectively.

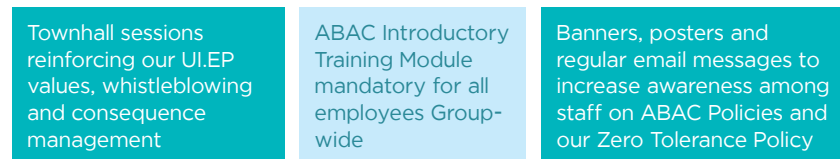
ABAC Policies

Axiata's ABAC Policy governs the Group's internal and external stakeholders' practices in conducting business for and on behalf of the Group. The Policy addresses:



Training & Awareness

As part of fostering a strong risk and compliance culture, the Group carried out several interactive initiatives and training and awareness sessions to engage and inform the staff throughout the year:



We have achieved over 90% Group-wide completion rate for the ABAC Mandatory training module.



GOVERNANCE



Business Ethics And Compliance

Whistleblowing (Speak Up) Channel

We are committed to upholding the highest standards of lawful and ethical conduct, by demonstrating honesty, fairness and accountability in all our conduct and dealings. In this regard, our Whistleblowing Policy enables all our employees, vendors and stakeholders to speak up in an independent and unbiased manner through our Speak Up Channel without the fear of reprisal to alert the Group of any breaches, suspected misconduct or violation of any of our policies, procedures or applicable laws and regulations by the Group's employees. The Speak Up Channel is accessible by internal and external parties to raise their complaints or provide information in confidence.

▶ Speak Up Channel

- ▶ A central, unified platform across the Group and OpCos to enhance **governance, transparency, integrity and management** of whistleblowing cases
- ▶ Available in all **local languages** of our operating markets
- ▶ **Anonymous** channel managed by an independent **third-party service provider**, under the administration of the **Group Chief Internal Auditor**

Tax Transparency

As a Group, we contribute to the nation-building efforts and socioeconomic development of the jurisdictions in which we operate. We achieve this both directly through our investments in local communities (refer to the Society section in the Social chapter of this Report) as well as indirectly through taxes paid whereby these funds can be utilised by the Government in their initiatives to help local communities.

We have tax teams in each of the countries where we operate to ensure taxes are paid in accordance with local laws and regulations. The team reports its annual tax contributions in our National Contribution Report and our Group Financial Statements. The Audit Committee of the Board deliberates and approves Axiata's financial reporting, including the review of tax matters that are material to the financial statements.

In 2020, Axiata paid USD1.3 billion direct and indirect taxes and fees to the governments of all countries where we operate.

SNCR For further disclosure on our country-by-country tax contributions, refer to our National Contribution Report 2020 on page 85



GOVERNANCE

Data Privacy

As a digital company, we recognise that our customers, employees, and other stakeholders’ data privacy is paramount, and we ensure it is handled with the highest level of respect, due care and diligence in line with our robust Group-wide data privacy practices.

APPROACH

In view of the heightened risks of data breach, we continue to strengthen and ensure due care and diligence when dealing with personal data. Data privacy is overseen by the Board Risk and Compliance Committee, supported by the Risk and Compliance Department. Each of our OpCos has also appointed a Data Privacy Officer (DPO) responsible for enhancing their respective data privacy capabilities.

OUTLOOK

With the completion of Phase One, we will continue to execute Phase Two of the Privacy Programme with focus on implementing automated privacy solutions to improve our business operations and maintain the strictest vigilance, enhance our monitoring activities, and strengthen oversight of vendors’ data-handling activities.

The Cyber Security Programme focused on building a strong foundation and implementing common standards and processes in DT2020. The next three-year strategy from 2021 will focus on evolving our security programme - a value creation function by ensuring we are right-sized, collaborative, future-fit, cost-conscious and making data-driven decisions on enabling business agility.

GAFS More details can be found in the “Building Digital Trust Through Data Privacy and Cyber Security” section on page 37 of GAFS 2020



Impact of COVID-19 on Industry Digital Risk Management

The spike in cyber risks globally demanded enhanced identification and remediation of external threats and cyber security capabilities. Digital users are required to be more vigilant to phishing attacks, fraud, and scams surrounding pandemic information and assistance, requiring a mindset change towards stronger cyber resilience and privacy awareness.

Data Privacy Strengthened Through Our Privacy Commitment

Our Privacy Commitment is based on the principles of T.R.U.S.T, a commitment that emphasises the Group’s standing as a trusted regional digital telecommunications and digital services provider. These principles articulate Axiata’s Privacy Commitment to embed strong security and privacy governance in our technology, processes, and people.

T
RANSPARENT

We are **TRANSPARENT** about what, why and how we collect and protect **YOUR PERSONAL DATA** so that **YOU** can make informed decisions.

R
IGHTS

We respect **YOUR RIGHTS** as individuals, so **YOU** are in control of **YOUR PERSONAL DATA**.

U
SE

We **USE YOUR PERSONAL DATA** for specific and stated purposes, and keep it for only as long as required.

S
ECURITY

We have established robust **CYBER SECURITY PRACTICES** in line with leading industry standards to protect **YOUR PERSONAL DATA** that **YOU** have shared with us.

T
RANSFER

With **YOUR CONSENT** or in accordance with **APPLICABLE LAWS** we may **TRANSFER YOUR PERSONAL DATA** and will take appropriate steps to ensure it is adequately protected.

GOVERNANCE

Data Privacy

Data Privacy Strengthened Through Our Privacy Commitment (cont'd)

Our position reaffirms our utmost commitment to developing a more resilient data privacy ecosystem that protects and respects customers, employees, and other stakeholders' privacy. In 2020, Axiata published the Group Data Privacy Policy and Privacy Notices for customers on its website to raise their awareness of data privacy issues.

In 2020, we embarked on the Privacy Programme's implementation phase to enhance data protection capabilities across our operations. We continuously embed privacy across all the Group's business facets. We built on our capabilities to further improve our privacy posture by strengthening our governance policies and monitoring activities, ensuring efficient oversight and privacy risk management.

This phase of the programme also saw the successful roll out of a mandatory training and awareness programme Group-wide to all employees as well as vendors processing critical assets and personal data. As we maintained our standards and best practices, we achieved a 90% overall completion rate. We successfully upskilled our Privacy Community members through an annual certification training of the Certified Information Privacy Manager (CIPM) Certification.

To ensure regulatory compliance is upheld throughout the Group's business processes, we will continue to demonstrate the strictest vigilance and conduct due diligence exercises over our vendors' data-handling processes and activities.

Our employees, vendors, and business partners must comply with data privacy and cyber security compliance standards and adopt our Code of Conduct.

 **Employee Code of Conduct**

Updated our Employee Code of Conduct details, Axiata's cyber security and data privacy requirements, and underlined the Group's commitment to these areas

 **Supplier Code of Conduct**

To further enhance third-party data processing by our vendors, we reviewed our Supplier Code of Conduct to include the Group's expectations on vendor obligations in processing stakeholders' data and information

In our continuous path to inspire digital confidence and trust, we have plans that will further enhance our data governance. In markets with Data Protection Laws, the aim is to ensure that the relevant OpCos are in full compliance with prevalent laws and regulations. While in those OpCos where Data Protection Bills are being drafted into laws, the focus is on ensuring adequate compliance readiness is in place. We will further employ automated privacy solutions to support our business operations.

Strengthening Cyber Security Programmes and Technologies

While technology advancements continue to breed cyber risks, we have also leveraged advanced technology to elevate our cyber capabilities. Through advanced technology tools such as Machine Learning and Artificial Intelligence (AI), we have ensured that we remain relevant and agile in measuring our risks. We have also improved our cyber capabilities and agility by adopting Robotic Process Automation to enhance and expand operational tasks to cover vendor resources' shortfall during the pandemic. Furthermore, we have adopted more automation and data driven analytics in our activities to improve our response time, reduce cost, maintain consistency and repeatability of common activities.

As part of our efforts to detect cyber threats, we have also expanded our Group Security Operations Centre (GSOC) capabilities. GSOC has been effective in providing consistent monitoring and timely updates on internal and external threats. Additionally, we have established internal teams of professional white hat hackers and conducted several crisis simulation exercises across the Group to test and improve our incident response.

GOVERNANCE



Data Privacy

Strengthening Cyber Security Programmes and Technologies (cont'd)

Cyber security training and awareness for our employees

Working From Home

Cyber assessments were conducted across all OpCos during the work from home implementation to ensure our network adjustments for the new norm maintained the level of security for our networks and services. The assessment resulted in improvements to controls, better awareness among staff, and tightening of remote access systems. We also increased employee awareness on securing home WiFi access, cautioned the use of public WiFi, and provided guidelines for conducting virtual meetings securely.

Phishing, Malware and Ransomware

Conducted phishing, malware and ransomware related awareness to appraise employees on trends of attackers during the pandemic, including malicious links on topics dealing with COVID-19 recovery, statistics, and medical news. Furthermore, we conducted phishing simulation exercises to test the effectiveness of these programmes, the results showed an overall improvement in employee awareness.

Training and awareness initiatives have improved in 2020 with the adoption of a Group-wide training platform with curated material for cyber security based on internal policies and standards with current best practices to build an informed workforce. The coverage and completion of training modules across the Group stood at greater than 90% for the year.

Cyber security awareness for our digital telcos customers

General Security Awareness for customer/subscribers

We published awareness information on our digital telcos websites to help raise and build awareness with our customer on cyber threats (phishing, financial and commercial scams, fake online shopping scams, and social engineering scams on their mobile services).

In measuring our progress and effectiveness of programmes and initiatives, we apply these standards:

National Institute of Standards and Technology (NIST) Cyber Security Framework

- Internationally recognised cyber security maturity framework
- Identifies key cyber security functions and improves our ability to detect and respond to incidents. Axiata's 2020 aggregated NIST maturity index at 3.5 on a 5-point scale now exceeds the world average of 3.2

Minimum Baseline Security Standard (MBSS)

- Enforced Group-wide on all our IT and telecoms systems, our assets are hardened by default to a level that reduces the risk of attack and failure
- Improved to MBSS Version 2.0, inclusive of 91 standards and introduced automation to achieve scale and consistency

Axiata's cyber security strategy will leverage on, and evolve from, our existing DT2020, to Digital Trust and Resilience 2023 (DT&R2023) to provide a competitive differentiator that continues to build customer trust. DT&R2023 will be a coherent, defensible cyber security programme based on a clear vision and strategic goals.

DT&R2023

- Our Vision:** To inspire trust and confidence in Axiata as The Next Generation Digital Champion
- Our Mandate:** To secure information assets against cyber threats across the Group, in line with Axiata 5.0 Strategy

2021

Converge common capabilities and introduce a risk-based approach

2022

Enhance the capabilities by focusing on automation

2023

Scale those capabilities to monetise

The next three years will be focused on helping our businesses to address the impacts of the global pandemic and proactively transition to the next new normal by continuously discovering, assessing, and adapting to ever-changing risks and trust levels.

GOVERNANCE



Regulatory And Political Risk

Operationally, we have long recognised the importance of regulatory and political risks in our business due to conditions in the markets where we are present, which have historically shown a propensity for uncertainties in their regulatory and political landscapes. In light of this, we took appropriate steps

to improve our response to these risks. This has also been in response to feedback from our internal and external stakeholders who raised the need to strengthen our mitigation and enhance disclosure of our risks.

▶ Regulatory Risk

The industry we operate in remains highly regulated by a broad range of telecom regulations. In some markets, these regulations may also be uncertain or subject to change as the markets mature. Major regulations that we are required to comply with include core operating licenses, spectrum usage, subscriber registration and tariff approvals. Additionally, we are subject to telco-related taxes and levies imposed across the Group by relevant telco regulatory bodies, which include service taxes, excise duties and Value Added Tax (VAT).

These regulations create uncertainties on our operations and may impair business returns and long-term growth prospects, in addition to limiting our flexibility to respond to market conditions, competition and new technologies.

To mitigate this risk, the Group Regulatory team has established a regulatory compliance framework to provide a more structured approach in monitoring regulatory compliance at Group level and across its subsidiaries. In addition to this, dedicated subject matter experts were appointed at Group level and across all OpCos to monitor regulatory compliance.

Externally, we collaborate with other telco industry players to represent one voice in advocating strict compliance, fair and transparent policies in addition to knowledge sharing of best practices. We also conduct close engagement and active participation in regulatory and government officials' dialogues to anticipate emerging regulations, address and highlight concerns/obstacles/challenges that telco players may face. Additionally, we engage with regulatory officials in implementing sustainable regulatory regimes that will lead to the development of healthy regimes for the telecoms sector and participate in government consultations and industry association events to foster collaboration and knowledge sharing for best industry policies and practices.

Supported by these measures, we were able to improve our regulatory compliance monitoring and insights during the year. This enabled greater agility in adopting and adapting to adverse changes in the regulatory landscape.

▶ Political Risk

The markets we operate in are prone to political instabilities, civil unrest and other social tensions which may cause business disruption, exposure to adverse changes in the regulatory landscape, and uncertainty of policy making. These may undermine market sentiment and investor confidence.

Our mitigation of these risks focuses on collaborating with all our OpCos to track the development of risks, including geopolitical tensions which may arise, leveraging on their local expertise, local familiarity, and connections to assess changing scenarios continually. In ensuring business resilience amidst any instability, all OpCos are equipped with a comprehensive Business Continuity Plan (BCP) to be activated when a crisis is triggered.

To manage and maintain good relationships with the broader stakeholders, we adopt a neutral stance towards politics and foster healthy relations with the governments of the day. To further demonstrate our long-term commitment to the markets, we also contribute to the country's wellbeing through various CSR programmes that contribute to socioeconomic development.

For 2020, our efforts in political risk mitigation have resulted in better monitoring processes of key political and geopolitical events as well as improvements in anticipating emerging risks.



Tina Salleh
Head of Sustainability
Celcom Axiata

I believe in buying local
and ethically-sourced products.

#ItBeginsWithMe

NATIONAL CONTRIBUTION REPORT

Introduction

As a leading regional telecommunications Group with a presence in 11 countries and a customer base of approximately 157 million, Axiata makes a substantial contribution to the countries in which the Group operates. Through its investments in its portfolio of operating companies across the region, Axiata is recognised as one of the largest Foreign Direct Investors, best employer, significant taxpayer and substantial purchaser of local services where it has a digital telecommunications presence.

Over the past seven years, Axiata has published an annual National Contribution Report to continuously measure the economic impact and value creation in the markets and communities served. Our national

contributions represent the long-term value we have created through our investments in the local telecommunications industry, network infrastructure, talent development, environmental conservation and in society. In 2020, we added edotco into our national contribution study as we enhance our level of disclosure of the contributions we have provided to the countries in which we operate.





The 2020 National Contribution Report (NCR2020) should be read in tandem with Axiata's Integrated Annual Report and the Sustainability Report to understand the context in which we operate and our holistic value-creation initiatives.

Report scope and information of the NCR2020

This report consists of economic impact assessment for seven OpCos, including:

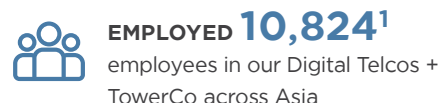
- ▶ Celcom (Malaysia)
- ▶ XL (Indonesia)
- ▶ Dialog (Sri Lanka)
- ▶ Robi (Bangladesh)
- ▶ Smart (Cambodia)
- ▶ Ncell (Nepal)
- ▶ edotco (Bangladesh, Cambodia, Laos, Malaysia, Myanmar, Pakistan, Philippines, Sri Lanka)

For each OpCo, the report presents the economic and financial assessment of Axiata Group and its subsidiaries' contributions to national economies.

 Economic contribution to the Nation	 Investing and innovation for the long-term
 Contribution to public finance	 Talent development

Highlights of the National Contribution Report 2020

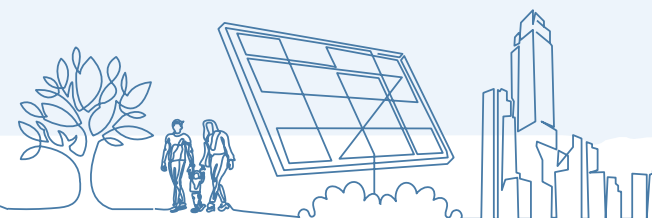
Our national contributions represented by the long-term value that we have created through our investments in the local telecommunications industry, network infrastructure, talent development, environmental conservation and in society:



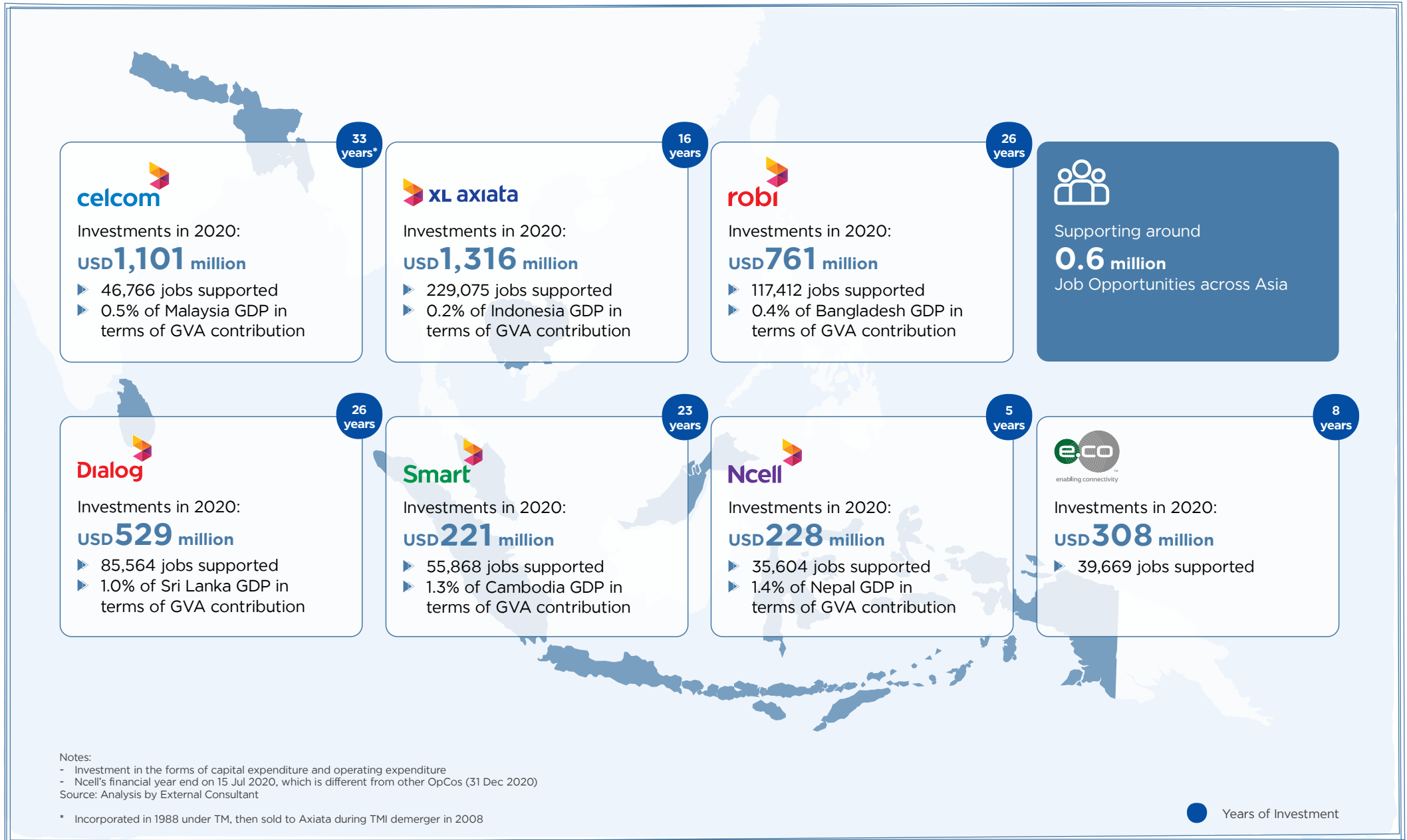
Axiata implemented initiatives to support society through the tough year during the COVID-19 pandemic:












Notes:
¹ 10,824 includes employees from Celcom, XL, Dialog, Robi, Smart, Ncell and edotco
 * National contribution figures include edotco in 2020's study



Achievements Across The Group



National Contributions During COVID-19

Activities	Country
1 Provided free 1GB/day of data, WhatsApp and O365 from 8am-6pm valued at over RM35 million.	
2 Support in-kind and cash of over RM497,754 to the government in services, devices, donations, PPE and enhanced network capacity in critical sites have also been provided.	
3 Sponsored around RM486,692 in total, comprising PPEs to front-liners and donations for food and basic necessities for the urban poor.	
4 Launched RM150 million cash fund for micro-SMEs in Malaysia.	
5 Allocated USD633,000 to date on a USD1 million COVID-19 Relief Fund and 5G technology at 3 main hospitals treating COVID-19 patients.	
6 NPR100 million to Nepal Government Prevention Fund & developed a service to identify COVID-19 infections.	
7 Contributed IDR10 billion to Indonesian Natural Disaster Bureau.	
8 Invested IDR85 billion to date in 2GB free internet data for all users.	
9 Contributed RS50 million to provide relief to the needy by distributing packages of dry rations to villages.	



TOTAL GVA CONTRIBUTION:
USD **51** million



EMPLOYMENT SUPPORTED:
3,486

Value-added and employment contributions

Through these activities initiated by Axiata, the GVA contributions, (whether direct or indirect) amount to USD51 million in total. This estimated GVA occur to the economies in which the activities take place, namely Malaysia, Cambodia, Nepal, Indonesia, and Sri Lanka. These activities then help to support 3,486 jobs.

Source: Analysis by External Consultant



Malaysia

Celcom is Malaysia's first private mobile operator, with over 8.7 million customers. Established in 1988, its national 2G, 3G and 4G LTE networks cover over 98% of the population. Celcom is now moving towards integrated multi-access and multimedia services and Internet of Things solutions, in line

with evolving technologies and consumer behaviour in Malaysia. A culture that places the customer FIRST™ is reflected in our award-winning customer service, products, and other corporate accolades at a regional level.

Contribution to Gross Value Added



USD1,760 million¹ (0.5% of the Nation's GDP)

Operational Direct GVA:

USD805 million

Operational Indirect and Induced GVA:

USD767 million

Capital Investment GVA:

USD189 million

- ▶ Celcom's total Gross Value Added (GVA) contribution to the Malaysia economy reached **USD1,760 million¹**, accounting for **0.5%** of the national GDP in 2020
- ▶ Celcom's operations directly and indirectly contributed **USD1,571 million²**, accounting for **89%** of total contribution
- ▶ A further **USD189 million** GVA was generated by Celcom's capital investment, accounting for **11%** of total contribution

Capital + Operating Expenditure



USD1,101 million

Capital Expenditure:
USD234 million

Operating Expenditure:
USD867 million

- ▶ Celcom's total Capital and Operating Expenditure reached **USD1,101 million** in 2020, with Capital Expenditure recorded at USD234 million (21%) and Operating Expenditure at USD867 million (79%)

Every **USD1** spent on capex translates to:

USD7.5 GVA Contribution

- ▶ For every USD1 Celcom spent in Malaysia through its capital investment, it added **USD7.5 GVA** to the Malaysia economy in 2020

Direct Employees



2,444

Female:

46%

Malaysians:

99.5%

- ▶ **2,444 staff** were directly employed by Celcom in 2020
- ▶ Around **46% of total employees** were women, higher than the national level recorded at **39%³**
- ▶ Malaysian citizens accounted for **99.5% of total employees**

Total Jobs Supported



46,766⁴

Directly Employed:

2,444

Operational indirectly supported:

34,223

Supported by Capital Investment:

10,098

- ▶ Overall, Celcom supported **46,766 jobs⁴** in 2020 through its operations and capital investments
- ▶ Celcom's operations directly and indirectly supported **36,667 jobs**, accounting for 78% of total employment contribution
- ▶ A further **10,098 jobs** were supported by Celcom's capital investments

Contribution to Public Finance



USD189 million

(0.3% of total tax revenue of the Malaysian federal government)

- ▶ Celcom contributed **USD189 million** in tax, accounting for **0.3%** of total tax revenue of the Malaysian federal government⁵

Notes:

¹ Totals may not add up due to rounding

² Totals may not add up due to rounding

³ Source: Department of Statistics, Malaysia, Q4 2020

⁴ Totals may not add up due to rounding

⁵ Total tax revenue for the federal government in 2020 estimated at RM227 billion (USD54 billion). (Source: Malaysia Treasury)



Malaysia

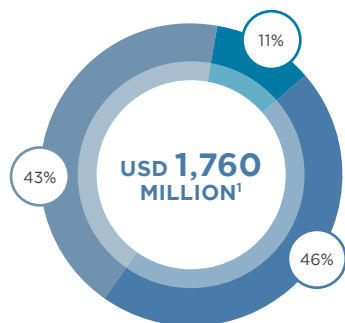
Celcom's total economic contribution to the Malaysian economy

Celcom's substantial operations and investments in Malaysia continued to contribute close to USD1.8 billion to Malaysia's GDP in 2020. **With a total operating expenditure of USD867 million and capital investment of USD234 million**, Celcom's total Gross Value Added (GVA) contribution to Malaysia's economy was estimated at **USD1,760 million** in 2020, accounting for **0.5% of national GDP**.

Celcom's operations **directly contributed USD805 million**, accounting for **46% of total GVA** contribution. It also **indirectly contributed USD767 million** through the inputs it purchased from local suppliers. This indicates that **for every USD1 Celcom directly added to Malaysia's economy, it generated just under another USD1 indirectly** through purchasing goods and services from Malaysian suppliers.

USD189 million GVA was generated by Celcom's capital investment, accounting for **11% of total contribution**. (Figure 1)

Figure 1: GVA contribution to the Malaysia economy in 2020



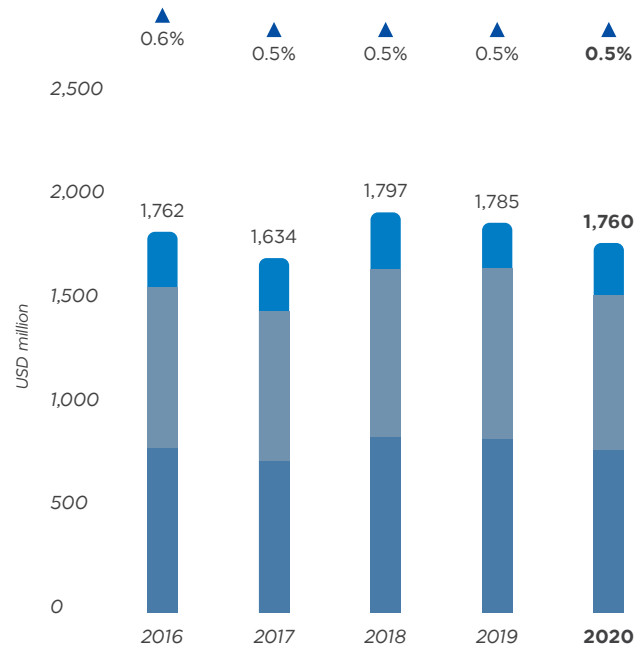
- USD189 million GVA by capital investment
- USD805 million Operational direct GVA
- USD767 million Operational indirect and induced GVA

Note:
¹ Totals may not add up due to rounding
 Source: Analysis by External Consultant; OECD 2011

Celcom's total economic contribution over the last five years

Celcom's total GVA contribution **remained largely stable from USD1,762 million in 2016 to USD1,760 million in 2020** representing a share of the country's GDP of about **0.6% to 0.5%**. (Figure 2)

Figure 2: GVA contribution to the Malaysia economy 2015-2020



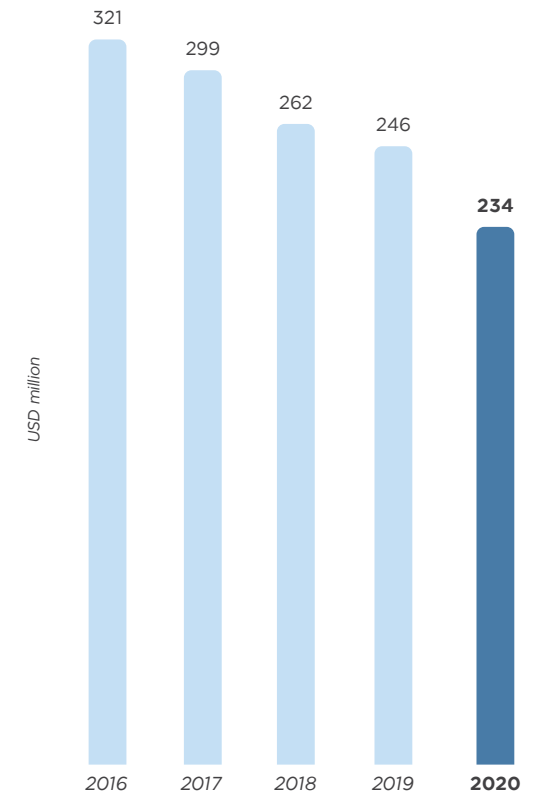
- GVA by capital investment
- Operational direct GVA
- Productivity
- Operational indirect and induced GVA
- ▲ As a % of total GDP

Source: Analysis by External Consultant; GSMA Intelligence

Investing and innovation for the long term

Total **accumulated capital investment** by Celcom over the last five years **reached USD1,363 million**. In 2020, Celcom continued to make significant investments of USD234 million. This continuous investment supports Celcom's long-term development, and ongoing significant contribution to the Malaysian economy. (Figure 3)

Figure 3: Total capital investment 2016-2020



Source: Axiata



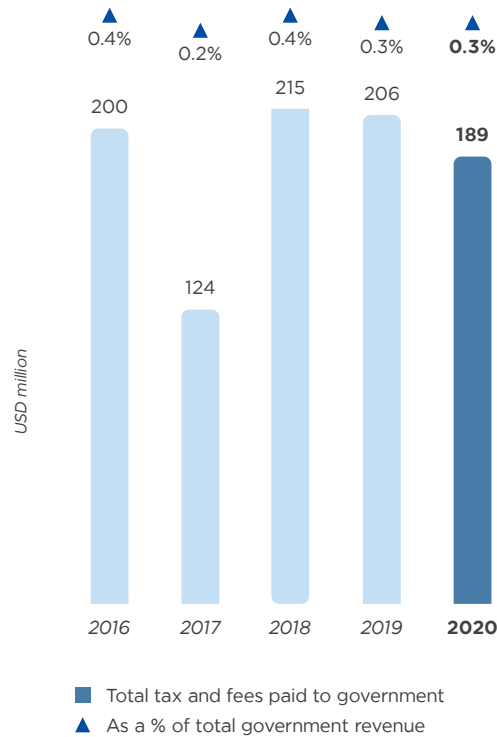
Malaysia

Contributions to public finance

Total **accumulated tax contributions** to public finance over the last five years reached **USD934 million**.

In 2020, Celcom contributed **USD189 million in tax, accounting for 0.3%** of total tax revenue of the Malaysian federal government. (Figure 4)

Figure 4: Total tax contribution to public finance 2016-2020



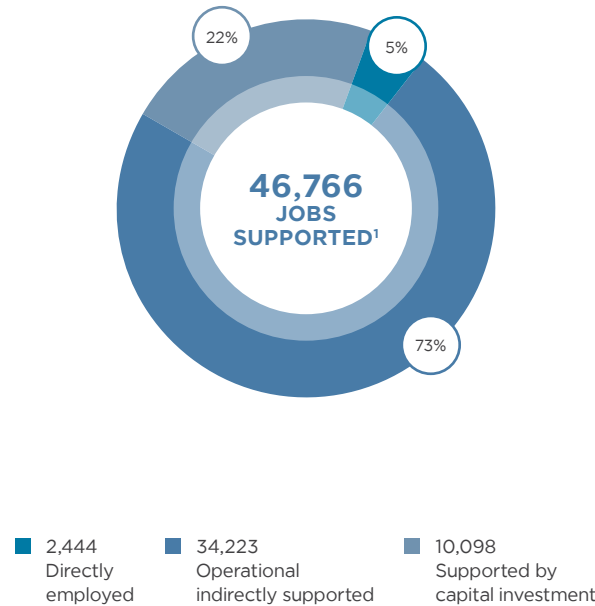
Source: Axiata and Analysis by External Consultant

Total employment impact

Celcom directly **provided 2,444 jobs** in 2020. The firm was predominantly run by Malaysian citizens with **99.5% of total employees being Malaysian**. Around **46% of Celcom employees were female**, higher than the national level recorded at 39%.

Celcom's operations indirectly supported **an additional 34,223 jobs** in Malaysia through its suppliers and a further 10,098 jobs were supported by Celcom's capital investments. The total number of employees supported increased from 45,743 in 2019 to 46,766 in 2020. (Figure 5)

Figure 5: Total employment impact 2020

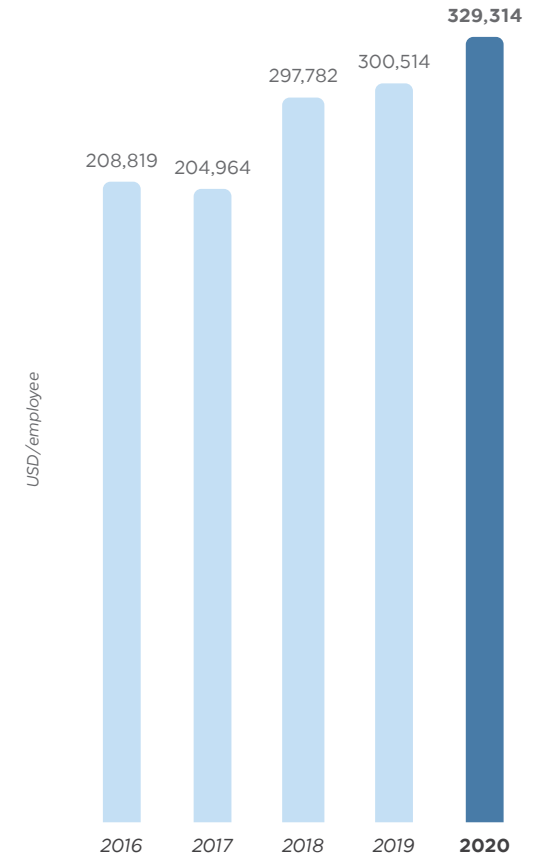


Note:
¹ Totals may not add up due to rounding
 Source: Analysis by External Consultant

Celcom's labour productivity over the last five years

Celcom's productivity, measured as Gross Value Added (GVA) per employee, reached **USD329,314** in 2020, representing a **CAGR of 12.1%** from USD208,819 in 2016. Celcom's productivity increased by **9.6%** in 2020. (Figure 6)

Figure 6: Celcom's labour productivity 2016-2020



Source: Analysis by External Consultant



Indonesia

XL is the second largest telecommunications company in Indonesia by market capitalisation. It offers an array of innovative telecommunications products and services ranging from voice, SMS, Value Added Service (VAS) to mobile data covering more than 90% of the population throughout Indonesia with over 57 million subscribers. With over 20 years' experience, XL is credited with

providing middle and lower-income groups access to cellular services. XL continues to innovate and transform itself into a leading mobile data provider to serve the burgeoning demand for data amongst Indonesians.

Contribution to Gross Value Added



USD2,315 million¹ (0.2% of the Nation's GDP)

Operational Direct GVA:	Operational Indirect and Induced GVA:	Capital Investment GVA:	Productivity GVA:
USD987 million	USD903 million	USD382 million	USD43 million

- ▶ XL's total Gross Value Added (GVA) contribution to the Indonesian economy reached **USD2,315 million¹**, accounting for **0.2%** of the total national GDP in 2020
- ▶ XL's operations directly and indirectly contributed **USD1,889 million²**, accounting for **82%** of total GVA contribution
- ▶ A further **USD382 million** was contributed by XL's capital investment, accounting for **16%** of total GVA contribution
- ▶ Contribution from productivity improvement was **USD43 million**, accounting for **2%** of the total GVA contribution

Capital + Operating Expenditure



USD1,316 million

Capital Expenditure:	Operating Expenditure:
USD424 million	USD892 million

- ▶ XL's total Capital and Operating Expenditure reached **USD1,316 million** in 2020, with Capital Expenditure recorded at **USD424 million (32%)** and Operating Expenditure at **USD892 million (68%)**

Every **USD1** spent on capex translates to:

USD5.5 GVA Contribution³

- ▶ For every USD1 XL spent in Indonesia through its capital investment, it added **USD5.5 GVA** to the economy of Indonesia in 2020

Direct Employees



1,594

Female:	Indonesian:
30%	99%

- ▶ **1,594 staff** were directly employed by XL in 2020
- ▶ Around **30% of total employees** were women
- ▶ Indonesian citizens accounted for **99% of total employees**

Total Jobs Supported



229,075

Directly Employed:	Operational indirectly supported:	Supported by Capital Investment:
1,594	113,260	114,221

- ▶ Overall, XL supported **229,075 jobs** in 2020 through its operations and capital investments
- ▶ XL's operations directly supported **1,594 jobs** and indirectly supported **113,260 jobs**
- ▶ Capital investment generated over **114,221 jobs**

Contribution to Public Finance



USD117 million

(0.2% of total tax revenue of Indonesian government)

- ▶ XL contributed **USD177 million** in tax, accounting for **0.2%** of total tax revenue of the government of Indonesia⁴

Notes:

¹ Totals may not add up due to rounding

² Totals may not add up due to rounding

³ Including GDP contribution from market penetration related productivity impact

⁴ Total government tax revenue was Rp1,363 trillion (USD93.9 billion). (Source: Finance Minister's update based on unaudited state budget realisation)



Indonesia

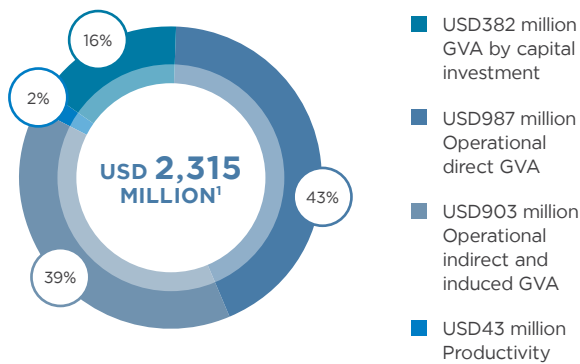
► XL's total economic contribution to Indonesian economy

Led by XL's total operating expenditure of USD892 million and capital investment of USD424 million, the company's total Gross Value Added (GVA) contribution to Indonesia's economy was **USD2,315 million**, accounting for **0.2% of national GDP**.

XL's operations **directly** contributed **USD987 million**, accounting for **43%** of total GVA contribution. **Another USD903 million was indirectly generated** through the expenditures by XL's suppliers. For every USD1 XL contributed directly to Indonesia's economy, another **USD0.9** was generated indirectly through local suppliers.

A further **USD382 million** was contributed by XL's capital investment with a share of 16% of total GVA contribution. GVA contribution from productivity improvement was estimated at **USD43 million**, accounting for 2% of total GVA contribution. (Figure 1)

Figure 1: GVA contribution to the Indonesia economy in 2020



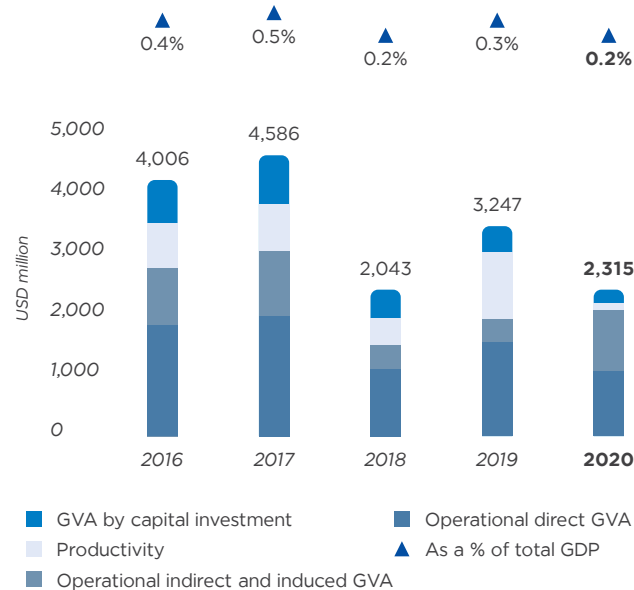
Note:
¹ Totals may not add up due to rounding
 Source: Analysis by External Consultant; Statistics Indonesia 2010

► XL's total economic contribution over the last five years

XL's total GVA contribution increased from USD4,006 million in 2016 to USD2,315 million in 2020. In 2018, the contribution decreased to USD2,043 million, mainly due to **a drop in the national mobile subscriptions** as a result of the new **national SIM card registration decree**. For 2018's contribution, productivity increase from fixed broadband penetration was included. The GVA contribution from productivity improvement was **USD318 million** in 2018.

In 2020, total GVA contribution **fell to USD2,315 million**, driven by the fall in productivity-impact GVA contribution as well as reduced capital investment as compared to 2019, against a backdrop of the COVID-19 pandemic. (Figure 2)

Figure 2: GVA contribution to the Indonesian economy 2015-2020

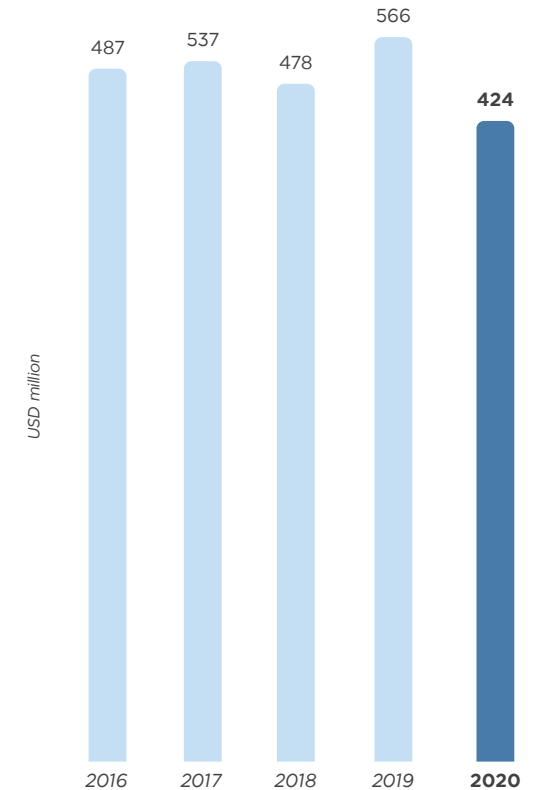


Source: Analysis by External Consultant; GSMA Intelligence; EIU

► Investing and innovation for the long term

Total **accumulated capital investment** by XL over the last five years **reached USD2,491 million**. In 2020, capital investment **decreased by 25.1%** from USD566 million to USD424 million. Over 2016 to 2020, capital investment fell from USD487 million to USD424 million. (Figure 3)

Figure 3: Total capital investment 2016-2020



Source: Axiata



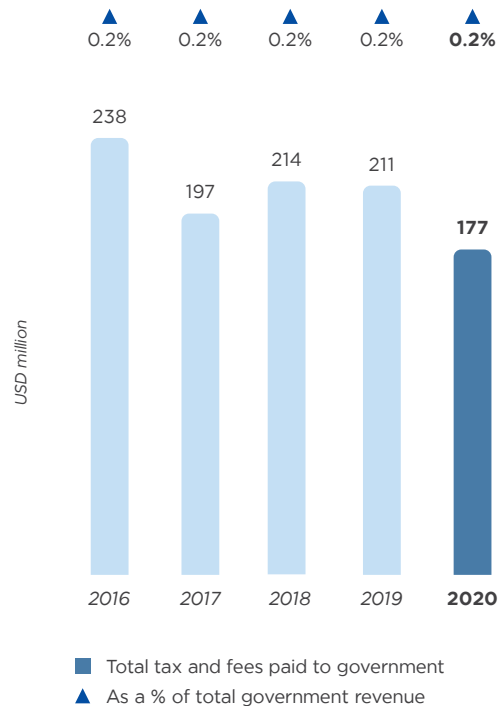
Indonesia

▶ Contributions to public finance

Total accumulated tax contributions to public finance over the last five years reached **USD1,038 million**.

Annual tax contribution was relatively stable over the last five years. In 2020, it contributed **USD177 million, accounting for 0.2%** of total tax revenue of the government of Indonesia. (Figure 4)

Figure 4: Total tax contribution to public finance 2016-2020



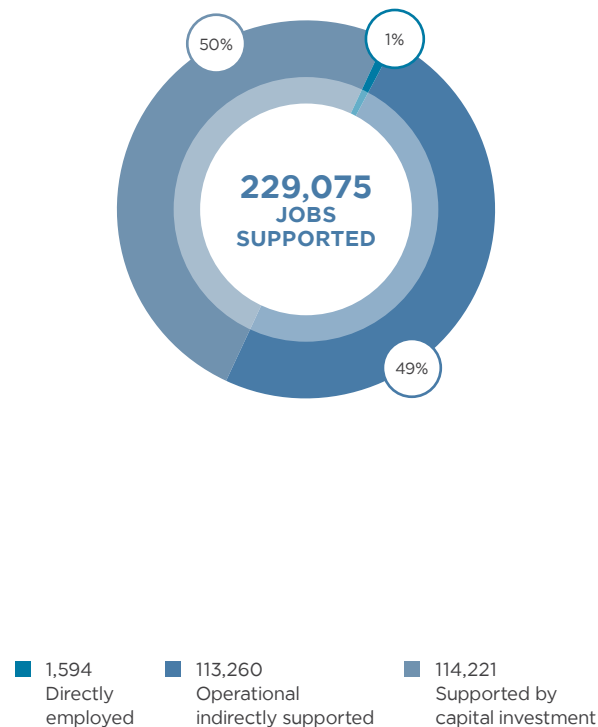
Source: Axiata and Analysis by External Consultant

▶ Total employment impact

XL directly **provided 1,594 jobs** in 2020. **99% of total employees** were Indonesian and around **30% of XL employees were women**.

A further **113,260 jobs** were supported indirectly by its operations. XL's capital investment supported **114,221 jobs**. (Figure 5)

Figure 5: Total employment impact 2020



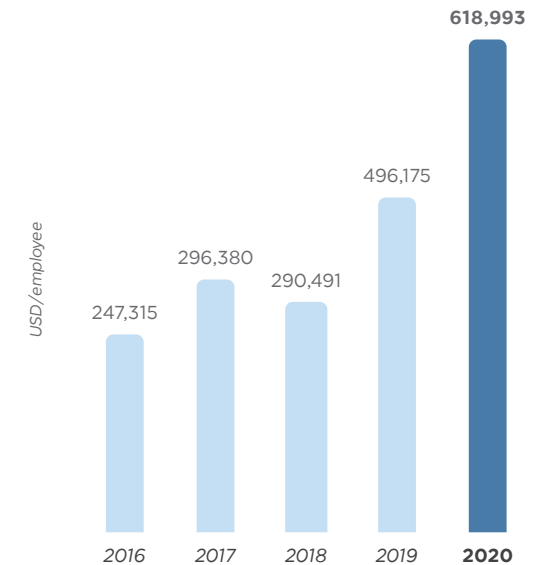
Source: Analysis by External Consultant

▶ XL's labour productivity over the last five years

XL's productivity, measured as Gross Value Added (GVA) per employee, reached **USD618,993** in 2020. It **grew by a CAGR of 25.8%** from USD247,315 in 2016. Shrinking employment with relatively stable operating profits supported the growth in productivity. Total number of employees reduced by 16% from 1,892 in 2016 to 1,594 in 2020.

A sudden increase in labour productivity was observed in 2019, driven mainly by the reduction of outsourced employees. In 2020, another increase in labour productivity was observed. This is due to the operating revenues remaining relatively stable from 2019 to 2020 whilst operating expenditures fell by 17%. (Figure 6)

Figure 6: XL's labour productivity 2016-2020



Source: Analysis by External Consultant



Sri Lanka

Dialog operates Sri Lanka's largest and fastest growing mobile telecommunications network serving over 16 million customers. One of the largest companies by market capitalisation listed on the Colombo Stock Exchange, Dialog represents Sri Lanka's largest Foreign Direct Investment. Dialog has

been at the forefront of innovation in the Sri Lankan mobile industry since the late 1990s, delivering advanced mobile telephony and high speed mobile broadband services, Fixed Telecommunications, and Digital Pay Television through its fully-owned subsidiaries.

Contribution to Gross Value Added



USD817 million¹ (1.0% of the Nation's GDP)

Operational Direct GVA:

USD331 million

Operational Indirect and Induced GVA:

USD340 million

Capital Investment GVA:

USD146 million

- ▶ Dialog's total Gross Value Added (GVA) contribution to the Sri Lanka economy reached **USD817 million¹**, accounting for **1.0%** of total national GDP in 2020
- ▶ Dialog's operations directly and indirectly contributed **USD671 million**, accounting for **82%** of total GVA contribution
- ▶ Capital investments contributed **USD146 million**, representing a share of **18%** of total GVA contribution

Capital + Operating Expenditure



USD529 million

Capital Expenditure: **USD155 million**

Operating Expenditure: **USD374 million**

- ▶ Dialog's total Capital and Operating Expenditure reached **USD529 million** in 2020, with Capital Expenditure recorded at **USD155 million** (29%) and Operating Expenditure at **USD374 million** (71%)

Every **USD1** spent on capex translates to:

USD5.3 GVA Contribution

- ▶ For every USD1 Dialog spent in Sri Lanka through its capital investment, it added **USD5.3 GVA** to the Sri Lankan economy in 2020

Direct Employees



2,733

Female: **23%**

Sri Lankan: **99.6%**

- ▶ **2,733 staff** were directly employed by Dialog in 2020
- ▶ Around **23% of total employees were women**
- ▶ Sri Lankan accounted for **99.6% of total employees**

Total Jobs Supported



85,564²

Directly Employed:

2,733

Operational indirectly supported:

33,538

Supported by Capital Investment:

48,616

Outsourced individuals:

676

- ▶ Overall, Dialog supported **85,564 jobs²** in 2020 through its operations and capital investments
- ▶ Dialog's operations directly supported 2,733 jobs and indirectly supported **33,538 jobs**
- ▶ Dialog's capital investment supported around **48,616 jobs**

Contribution to Public Finance



USD101 million

(**1.2%** of total tax revenue of the Sri Lankan government)

- ▶ Dialog contributed **USD101 million** in tax, accounting for **1.2%** of total tax revenue of the government of Sri Lanka³

Note:

¹ Totals may not add up due to rounding

² Totals may not add up due to rounding

³ Source: Total government tax revenue in 2020 was LKR1.62 trillion (USD8.7 billion). (Source: Ministry of Finance, Sri Lanka)



Sri Lanka

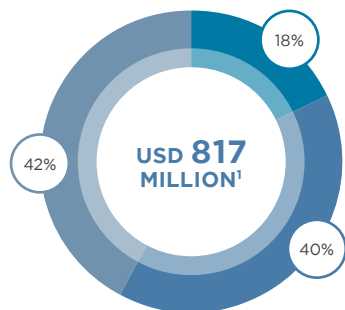
▶ Dialog's total economic contribution to the Sri Lanka economy

Dialog's substantial operational activities and capital investment contributed significantly to the Sri Lanka economy in 2020. Led by Dialog's total **operating expenditure of USD374 million and capital investment of USD155 million**, the Dialog's total Gross Value Added (GVA) contribution to Sri Lanka's economy was **USD817 million** in 2020, accounting for **1.0% of national GDP**.

Dialog's operations directly contributed **USD331 million**, representing a **share of 40%** of total GVA contribution. Another **USD340 million was indirectly generated** through the expenditures by Dialog's suppliers, accounting for **42% of total GVA**. For every USD1 Dialog contributed directly to the economy, **another USD1** was generated indirectly through local suppliers.

Dialog's capital investment contributed a further **USD146 million** with a share of **18%** of total GVA. (Figure 1)

Figure 1: GVA contribution to the Sri Lankan economy in 2020



- USD146 million GVA by capital investment
- USD331 million Operational direct GVA
- USD340 million Operational indirect and induced GVA

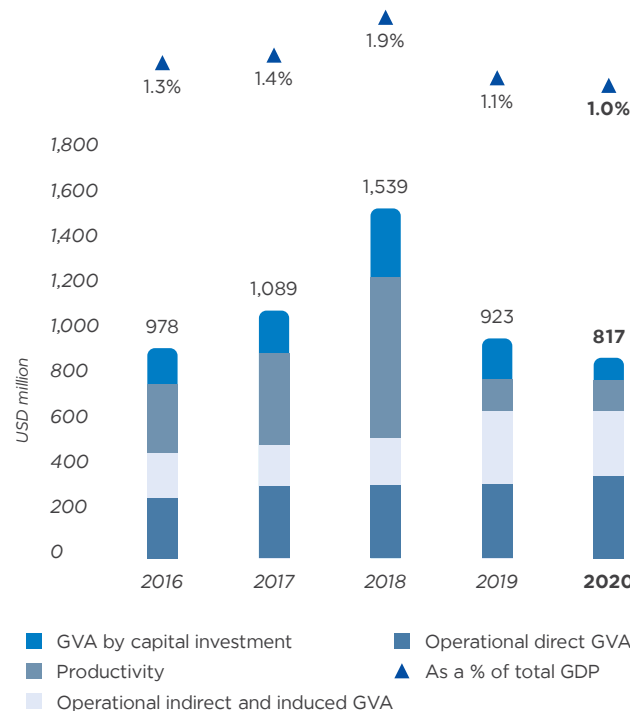
Note:
¹ Totals may not add up due to rounding
 Source: Analysis by External Consultant

▶ Dialog's total economic contribution over the last five years

Dialog's total GVA contribution **fell by a CAGR of 4.4% from USD978 million to USD817 million** over the last five years. The contribution accounted for **1.0%** of the nation's GDP in 2020.

Sri Lanka's mobile subscription shrunk by 12.6% from 32.9 million in 2019 to 28.7 million in 2020, representing a fall in national mobile penetration rate from 151% to 131%. (Figure 2)

Figure 2: GVA contribution to the Sri Lankan economy 2016-2020

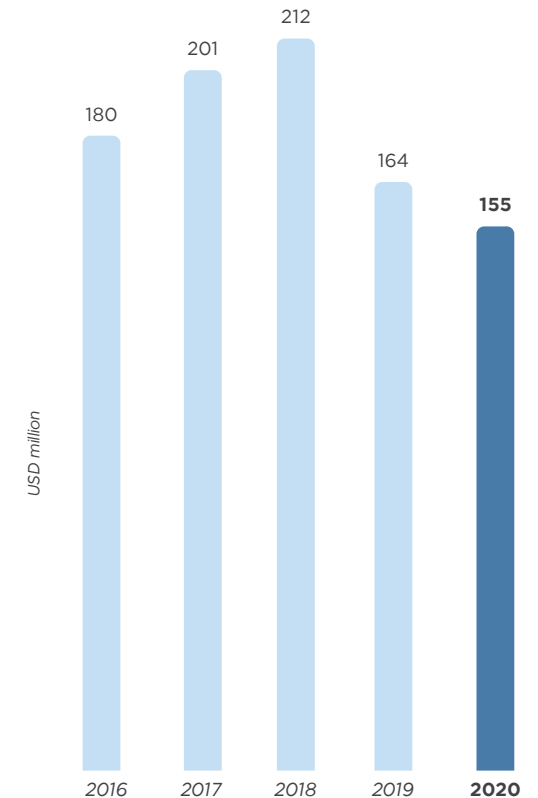


Source: Analysis by External Consultant; Telecommunications Regulatory Commission of Sri Lanka

▶ Investing and innovation for the long term

Dialog's total **accumulated capital investment reached USD913 million** over 2016-2020. Capital Investment was **USD155 million** in 2020. Continuous capital investment supports Dialog's long-term development and contributes to the growth of the Sri Lankan economy. (Figure 3)

Figure 3: Total capital investment 2016-2020



Source: Axiata

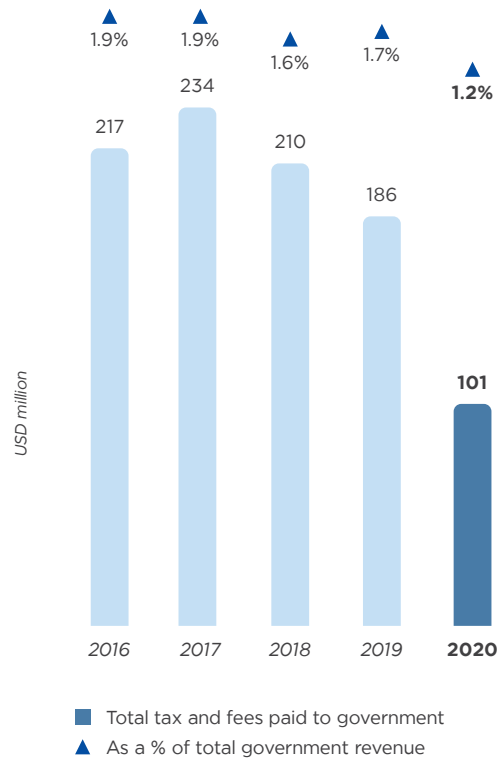


Sri Lanka

Contributions to public finance

From 2016 to 2020, Dialog has contributed **USD948 million** of taxes and fees to public finance. Annual tax contributions decreased over the period from USD217 million in 2016 to USD186 million in 2019. This decreased sharply to **USD101 million in 2020**. This **represents 1.2%** of total tax revenue of Sri Lanka's government. (Figure 4)

Figure 4: Total tax contribution to public finance 2016-2020



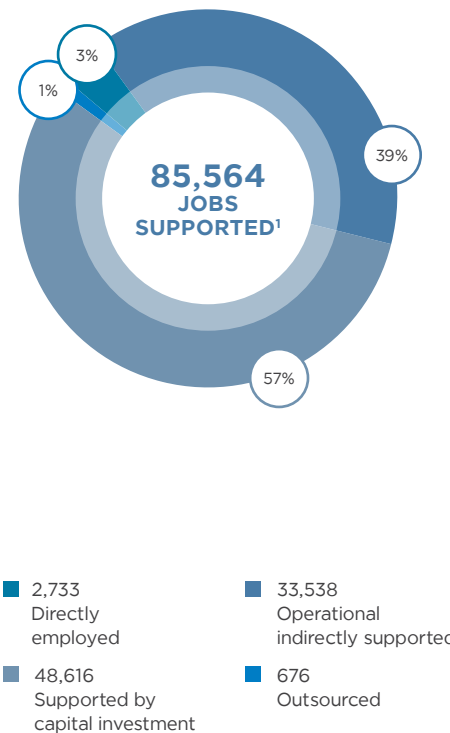
Source: Analysis by External Consultant

Total employment impact

Dialog's direct operations generated **2,733 jobs** in 2020. **23%** of the total employees were female. Dialog was dominated by Sri Lankan as **99.6%** of total employees were locals.

A further **33,538 jobs** were supported indirectly by Dialog's operations. Its capital investment supported **48,616 jobs**. (Figure 5)

Figure 5: Total employment impact 2020



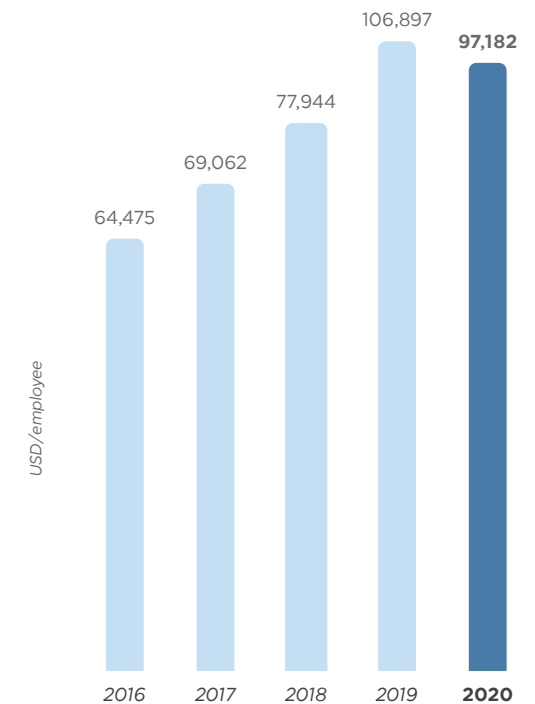
Note:
¹ Totals may not add up due to rounding
 Source: Analysis by External Consultant

Dialog's labour productivity over the last five years

Dialog's productivity, measured as Gross Value Added (GVA) per employee, **grew by a CAGR of 10.8%** from USD64,475 in 2016 to **USD97,182** in 2020.

In 2019, there was a significant increase in labour productivity due to a sharp drop in employment whilst operating profit was relatively stable. Total number of employees (including outsourced) reduced by 28% from 4,095 in 2018 to 2,933 in 2019. In 2020, the number of direct employees was 2,733. (Figure 6)

Figure 6: Dialog's labour productivity 2016-2020



Source: Analysis by External Consultant



Bangladesh

Robi is the second largest mobile network operator in Bangladesh, serving more than 50 million customers. An industry leader in rolling out innovative and new solutions, it was the first operator to introduce GPRS, 3.5G services and the first to launch 4.5G service in all the 64 districts of the

country. By the end of 2018, Robi created the largest 4.5G network in the country with nearly 8,910 sites covering 93% of the country. It is the only mobile operator to have successfully conducted the trial run of 5G and Voice over LTE technology on its 4.5G network.

Contribution to Gross Value Added



USD1,306 million (0.4% of the Nation's GDP)

Operational Direct GVA:	Operational Indirect and Induced GVA:	Capital Investment GVA:	Productivity GVA:
USD421 million	USD393 million	USD281 million	USD211 million

- ▶ Robi's total Gross Value Added (GVA) contribution to the Bangladesh economy reached **USD1,306 million**, accounting for **0.4%** of total national GDP in 2020
- ▶ Robi's operations directly and indirectly contributed **USD814 million**, accounting for **62%** of total GVA contribution
- ▶ Capital investments contributed **USD281 million** with a share of **22%** of total GVA
- ▶ GVA contribution due to the productivity improvement was **USD211 million**, accounting for **16%** of the total GVA

Capital + Operating Expenditure



USD761 million

Capital Expenditure:	Operating Expenditure:
USD248 million	USD513 million

- ▶ Robi's total Capital and Operating Expenditure reached **USD761 million** in 2020, with Capital Expenditure recorded at **USD248 million** (33%) and Operating Expenditure at **USD513 million** (67%)

Every **USD1** spent on capex translates to:

USD5.3 GVA Contribution¹

- ▶ For every USD1 Robi spent in Bangladesh through its capital investment, it added **USD5.3 GVA** to the Bangladesh economy in 2020

Direct Employees



1,371

Female:	Bangladeshi:
13%	99.9%

- ▶ **1,371 staff** were directly employed by Robi in 2020
- ▶ **13% of total employees** were women
- ▶ Bangladeshi citizens accounted for **99.9% of total employees**

Total Jobs Supported



117,412

Directly Employed:	Operational indirectly supported:	Supported by Capital Investment:
1,371	71,129	44,912

- ▶ Overall, Robi supported **117,412 jobs** in 2020 through its operations and capital investments
- ▶ Robi's operations directly and indirectly supported **72,500 jobs**
- ▶ Robi's capital investment supported **44,912 jobs**

Contribution to Public Finance



USD501 million

(1.1% of total tax revenue of the government of Bangladesh)

- ▶ Robi contributed **USD501 million** in total tax and fees to government, accounting for **1.1%** of total tax revenue of the government of Bangladesh²

Notes:

¹ Including GDP contribution from market penetration related productivity impact

² Total government tax revenue was BDT3.78 trillion (USD44.7 billion). (Source: Ministry of Finance, Bangladesh)

Bangladesh

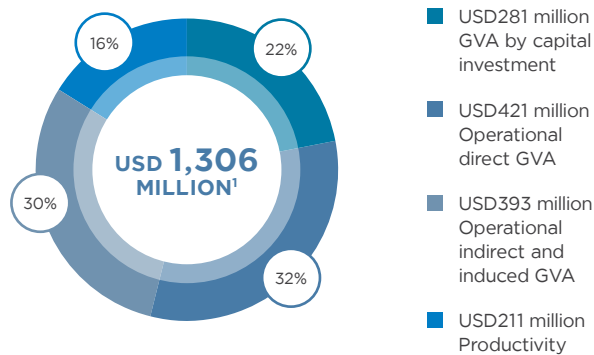
▶ Robi's total economic contribution to the Bangladesh economy

Robi's substantial operations and investments in Bangladesh contributed significantly to the country's economic growth. **With a total operating expenditure of USD513 million and capital investment of USD248 million**, Robi contributed **USD1,306 million** to the economy of Bangladesh in 2020, accounting for **0.4% of national GDP**.

Robi's operations **directly contributed USD421 million**, accounting for **32% of total GVA** contribution. Another **USD393 million** was indirectly generated through the expenditures by Robi's suppliers. **For every USD1 Robi directly added to Bangladesh economy, it generated just under another USD1 indirectly** from local suppliers.

Productivity improvements contributed **USD211 million**, accounting for **16% of total GVA**. **Capital investment** contributed a further **USD281 million**, representing a share of **22%** of the total GVA. (Figure 1)

Figure 1: GVA contribution to the Bangladesh economy 2020



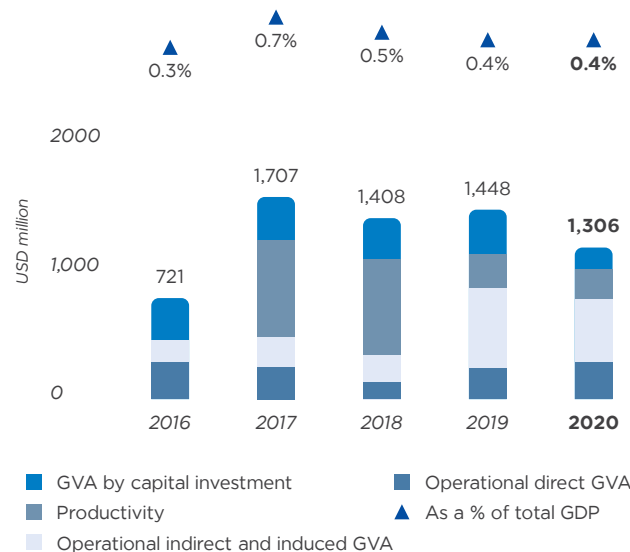
Note:
¹ Totals may not add up due to rounding
 Source: Analysis by External Consultant

▶ Robi's total economic contribution over the last five years

Robi's total GVA contribution **grew at a CAGR of 16.0%** from **USD721 million in 2016 to USD1,306 million in 2020**, representing a **0.4%** of the national GDP in 2020. However, GVA contribution for 2016 was unusually low, due to the absence of a productivity-impact GVA contribution. This arose due to 5.5% fall in national mobile subscription from 134 million in 2015 to 126 million in 2016. Looking at a six-year period from 2015 to 2020, Robi's total GVA contribution **grew at a CAGR of 0.8% from USD1,253 million to USD1,306 million**.

2016's total GVA contribution of USD721 million was a sharp drop compared to the 2019 contribution of USD 1,253 million. This was mainly due to the fluctuation of mobile penetration rate in Bangladesh.

Figure 2: GVA contribution to the Bangladesh economy 2016-2020

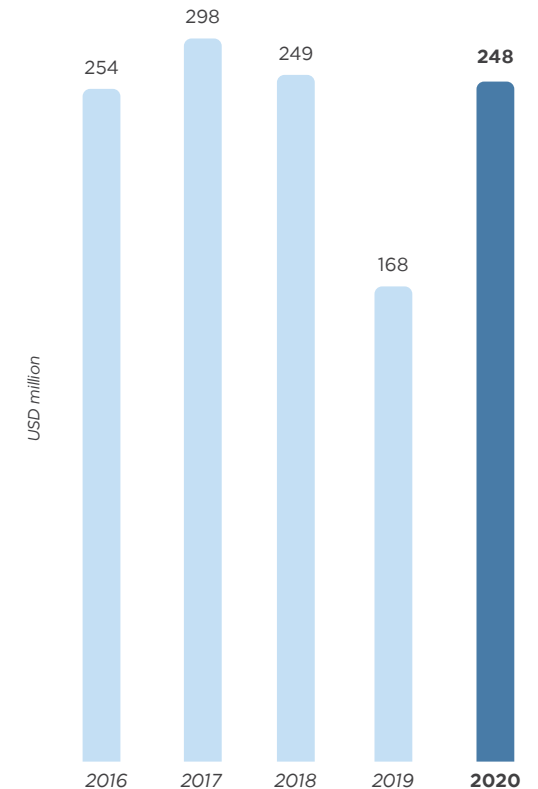


Source: Analysis by External Consultant; Bangladesh Telecommunication Regulatory Commission

▶ Investing and innovation for the long term

Robi's capital investment was **USD248 million in 2020**. The total **accumulated capital investment reached USD1,217 million** over the last five years. Capital investment plays an important role in facilitating long-term sustainable development of Robi's business and contributing to the growth of Bangladesh economy. (Figure 3)

Figure 3: Total capital investment 2016-2020



Source: Axiata

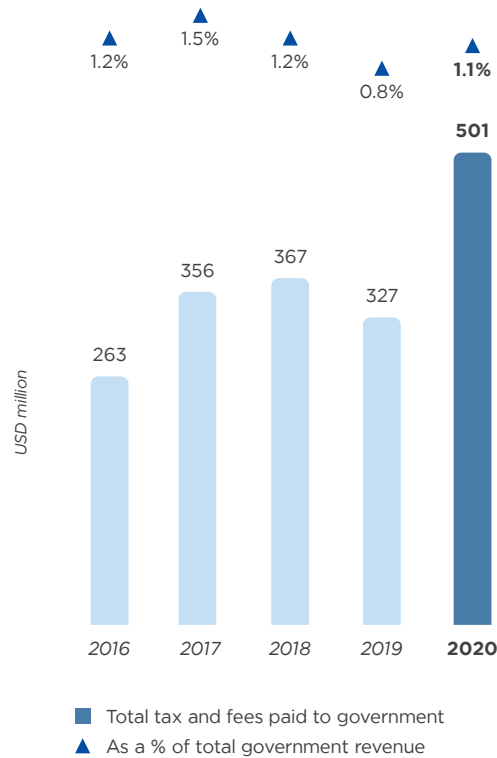
Bangladesh

Contributions to public finance

Total **accumulated tax contributions** to public finance over the last five years reached **USD1,814 million**.

Annual tax contributions in 2020 was **USD501 million, accounting for 1.1%** of total tax revenue of the government of Bangladesh. (Figure 4)

Figure 4: Total tax contribution to public finance 2016-2020¹



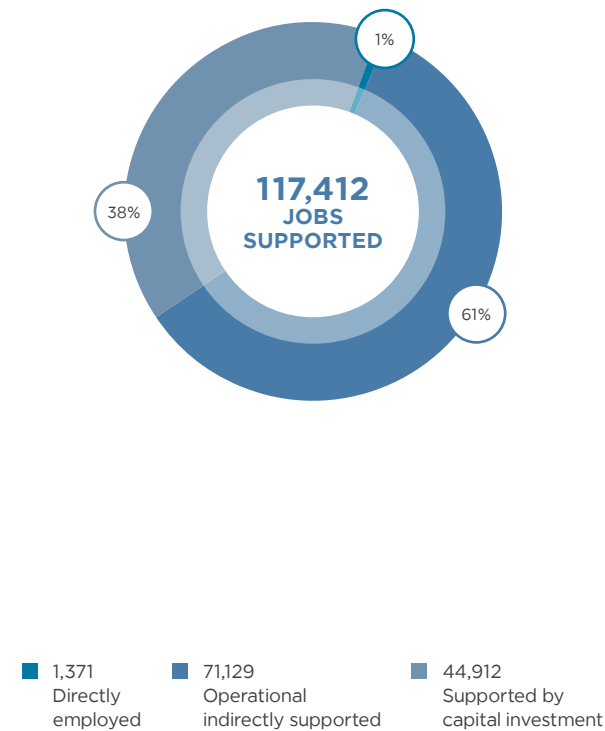
Note:
¹ Total government revenue numbers were updated based on the latest information available
 Source: Axiata and Analysis by External Consultant

Total employment impact

1,371 jobs were directly provided by Robi's operations in 2020. 13% of Robi's employees were women. The firm is predominated by Bangladesh citizens with 99.9%.

Robi's operations also indirectly supported **71,129 jobs**. A further **44,912 jobs were supported** by its capital investment. (Figure 5)

Figure 5: Total employment impact 2020



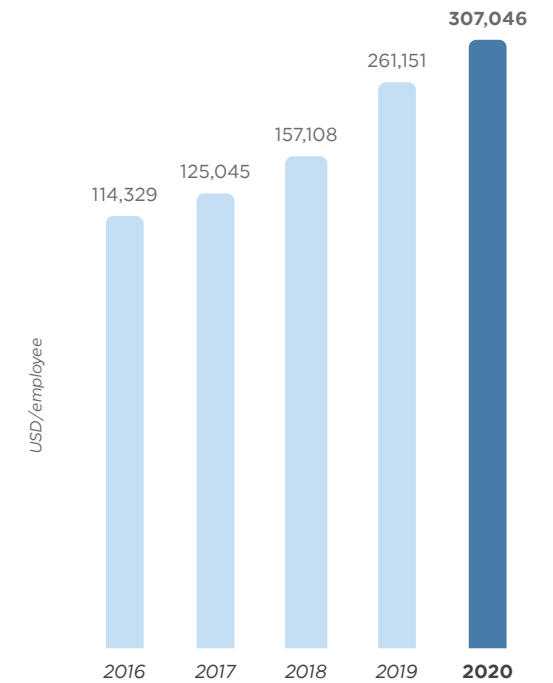
Source: Analysis by External Consultant

Robi's labour productivity

Robi's productivity, measured as Gross Value Added (GVA) per employee, increased by a **CAGR of 28% to USD307,046 in 2020** from USD114,329 in 2016, mainly driven by decreasing employment number and increasing operating profits.

In 2019, Robi's productivity grew by 66.2% from USD157,108 per worker to USD261,151 in 2019, due to a 72.9% increase in operating profits from the previous year. In 2020, operating profit grew another 10.6%, boosting labour productivity by 17.6%. (Figure 6)

Figure 6: Robi's labour productivity 2016-2020



Source: Analysis by External Consultant



Cambodia

Smart is Cambodia's leading mobile telecommunications operator, serving more than 7 million customers. Smart is at the forefront of mobile technology advancement in Cambodia with extensive national wide coverage of 99% of the population. As the first network to introduce 4G LTE in 2014, 4G+ in 2016, 4G+ with HD Voice (VoLTE) and 4.5G in 2017, subsequently in 2019 Smart hosted the first 5G live showcase in the Kingdom, manifesting its mobile data leadership position in the country.

The company is also rapidly transforming itself into a digital lifestyle brand, having introduced many innovative offerings and lifestyle entertainment value propositions. Smart aspires to be the #1 and most loved communication tech brand in Cambodia by 2022, while having a strong corporate social responsibility and sustainability agenda for national socioeconomic growth.

Contribution to Gross Value Added



USD345 million¹ (1.3% of the Nation's GDP)

Operational Direct
GVA:

USD191 million

Operational Indirect
and Induced GVA:

USD95 million

Capital Investment
GVA:

USD58 million

- ▶ Smart's total Gross Value Added (GVA) contribution to Cambodian economy reached **USD345 million**, accounting for **1.3%** of total national GDP in 2020
- ▶ Smart's operations directly and indirectly contributed **USD287 million²**, accounting for **83%** of total contribution
- ▶ **A further USD58 million** GVA was generated by Smart's capital investment, accounting for **17%** of total contribution

Capital + Operating Expenditure



USD221 million

Capital Expenditure:

USD74 million

Operating Expenditure:

USD148 million

- ▶ Smart's total Capital and Operating Expenditure reached **USD221 million** in 2020, with Capital Expenditure recorded at **USD74 million** (33%) and Operating Expenditure at **USD148 million** (67%)

Every **USD1**
spent on capex

translates to:

USD4.7 GVA
Contribution³

- ▶ For every USD1 Smart spent in Cambodia through its capital investment, it added **USD4.7 GVA** to the Cambodian economy in 2020

Direct Employees



823

Female:

36%

Cambodian:

97%

- ▶ Approximately **823 staff** were directly employed by Smart in 2020
- ▶ Around **36% of total employees** were women
- ▶ Cambodian citizens accounted for **97% of total employees**

Total Jobs Supported



55,868⁴

Directly
Employed:

823

Operational
indirectly supported:

34,119

Supported by
Capital Investment:

20,925

- ▶ Overall, Smart supported **55,868 jobs⁴** in 2020 through its operations and capital investments
- ▶ Smart's operations directly and indirectly supported **34,942 jobs**
- ▶ A further **20,925 jobs** were supported by Smart's capital investments

Contribution to Public Finance



USD95 million

(2.1% of total tax revenue of Cambodian government)

- ▶ Smart contributed **USD95 million** in tax, accounting for **2.1%** of total tax revenue of Cambodian government⁵, excluding regulatory related fees, levies and payments

Notes:

¹ Totals may not add up due to rounding

² Totals may not add up due to rounding

³ The multiplier effect decreased from 5.0 in 2019 to 4.7 in 2020, mainly due to a decrease in productivity impact

⁴ Totals may not add up due to rounding

⁵ Total government tax revenue in 2020 was estimated at USD2.88 billion. (Source: Tax collections rise in 2020 despite COVID-19 pandemic, Cambodian Journalists Alliance Association, Jan 13, 2021)

* Smart's 2020 financial numbers presented here in our National Contribution Report (pages 100-102) are pre IFRS 15



Cambodia

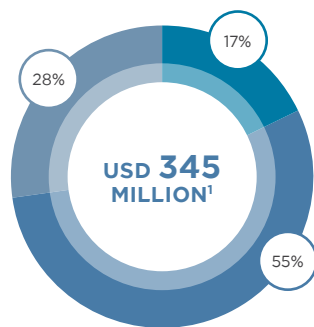
▶ Smart's total economic contribution to the Cambodian economy

Smart's substantial operations and investments in Cambodia had a strong positive impact on the Cambodian economy in 2020. **With a total operating expenditure of USD148 million and capital investment of USD74 million**, Smart's total Gross Value Added (GVA) contribution to Cambodia's economy was estimated at **USD345 million** in 2020, accounting for **1.3% of national GDP**.

Smart's operations **directly contributed USD191 million**, accounting for **55% of total GVA contribution**. It also indirectly contributed USD95 million to economic activity. For every USD1 Smart contributed directly to Cambodia's economy, another **USD0.5** was generated indirectly through local suppliers.

Capital investment contributed USD58 million, representing **17% of total GVA**. (Figure 1)

Figure 1: GVA contribution to the Cambodia economy in 2020



- USD58 million GVA by capital investment
- USD191 million Operational direct GVA
- USD95 million Operational indirect and induced GVA

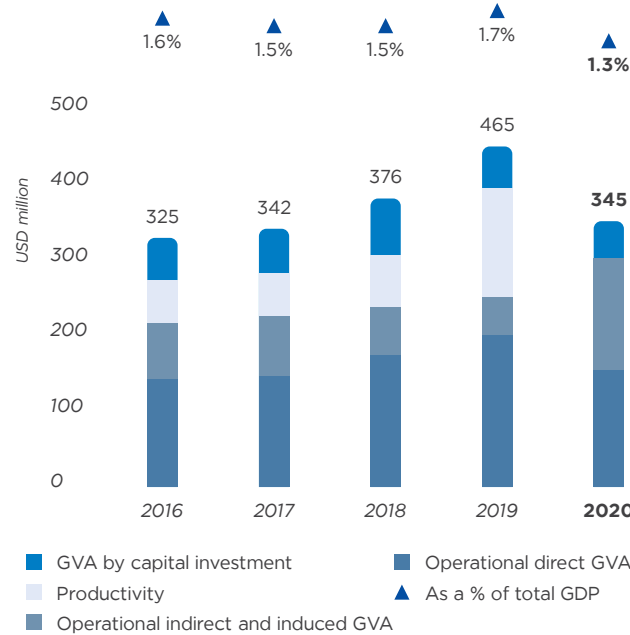
Note:
¹ Totals may not add up due to rounding
 Source: Analysis by External Consultant

▶ Smart's total economic contribution over the last five years

Smart's total GVA contribution **increased from USD325 million in 2016 to USD345 million in 2020** with a CAGR of 1.2%, representing a slightly decreasing share of the country's GDP from **1.6% to 1.3%**.

With total number of mobile subscribers in Cambodia decreasing from 21.7 million in 2019 to 20.8 million in 2020, mobile penetration rate in Cambodia fell from 139% to 125%. This resulted in a decline in productivity-impact GVA contribution. (Figure 2)

Figure 2: GVA contribution to the Cambodian economy 2015-2020

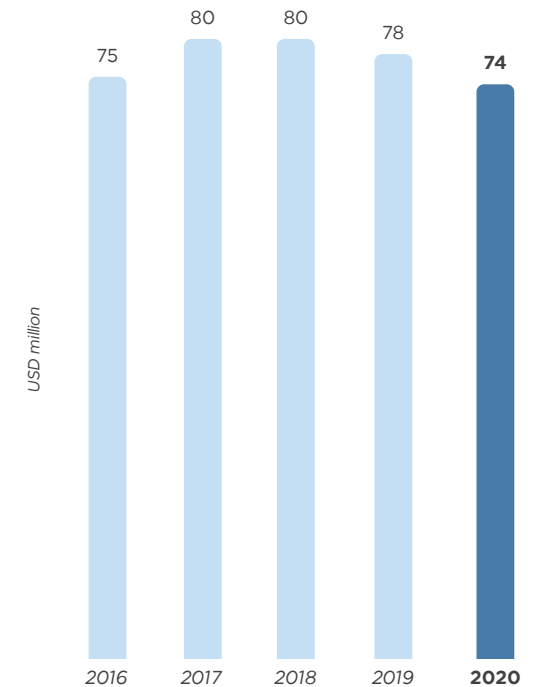


Note:
¹ Mobile subscription numbers from Telecommunication Regulator of Cambodia
 Source: Analysis by External Consultant; Telecommunication Regulator of Cambodia

▶ Investing and innovation for the long term

Total **accumulated capital investment** by Smart over the last five years **reached USD387 million**. In 2020, capital investment **fell by 5% from USD78 million to USD74 million**. Continuing capital investment supports Smart's development in Cambodia and makes a significant contribution to the Cambodian economy. (Figure 3)

Figure 3: Total capital investment 2016-2020



Note:
¹ Capital investment refers to capital expenditure and excludes any spectrum related investments
² The capex values for Smart from 2016-2018 constitute procured capex, however from 2019 onwards we had standardized the methodology to include the use of booked capex values in our NCR analyses.
 Source: Axiata



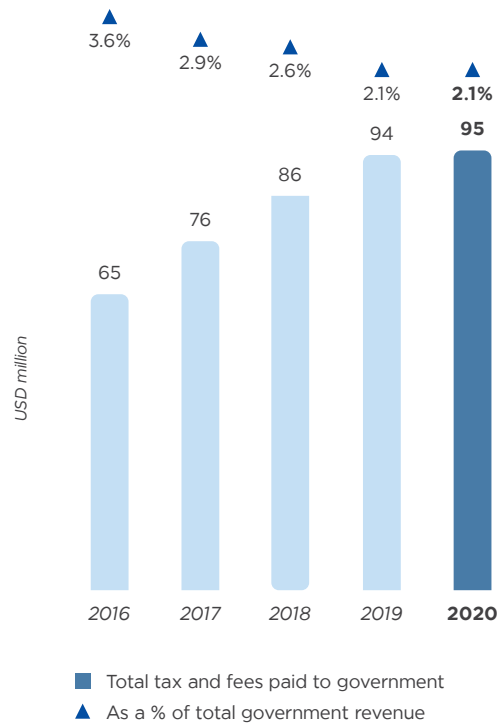
Cambodia

Contributions to public finance

Total **accumulated tax contributions** to public finance over the last five years reached **USD415 million**. Annual tax contributions have expanded from USD65 million in 2016 to USD95 million in 2020 with a CAGR of 9.8%.

In 2020, Smart contributed **USD95 million in tax, accounting for 2.1%** of total tax revenue of the Cambodian government, excluding regulatory related fees, levies and payments. (Figure 4)

Figure 4: Total tax contribution to public finance 2015-2020



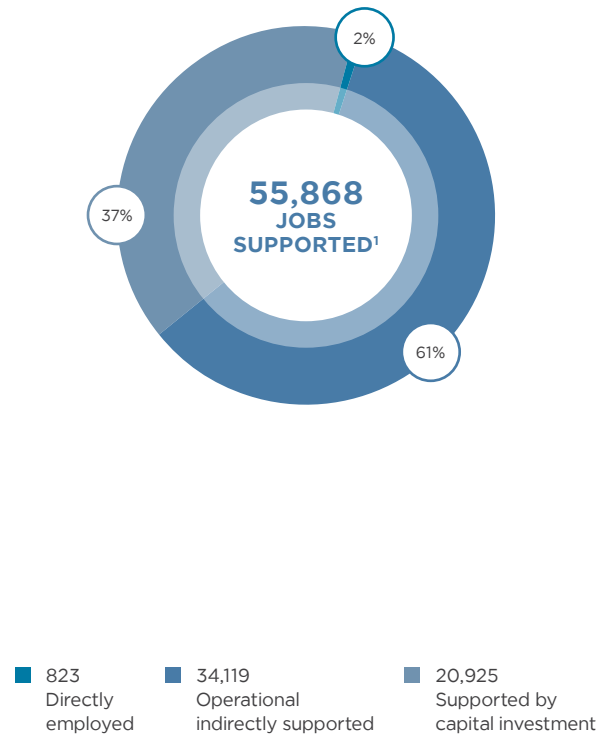
Source: Axiata and Analysis by External Consultant

Total employment impact

Smart directly **provided 823 jobs** in 2020. Cambodian citizens accounted for 97% of total employees of the firm. Around **36% of Smart employees were women**.

Smart's operations indirectly supported **an additional 34,119 jobs** and a further **20,925 jobs** were supported by Smart's capital investments. (Figure 5)

Figure 5: Total employment impact 2020

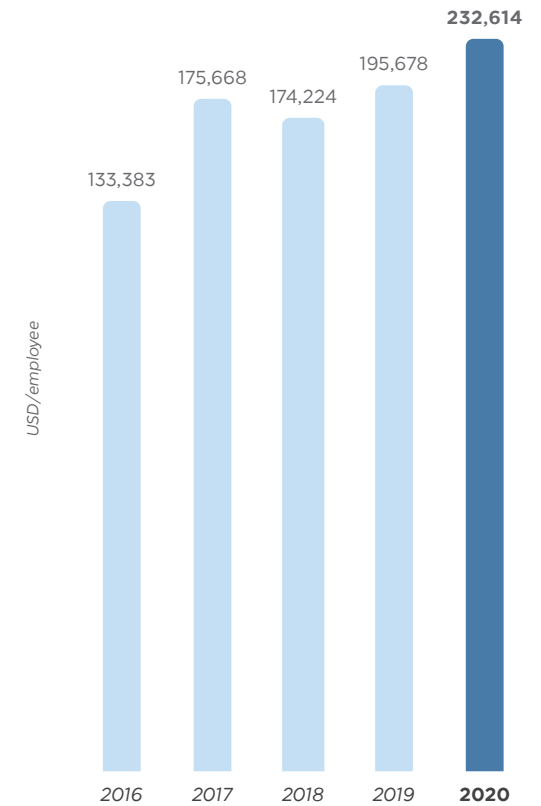


Note:
¹ Totals may not add up due to rounding
 Source: Analysis by External Consultant

Smart's labour productivity over the last five years

Smart's productivity, measured as Gross Value Added (GVA) per employee, **increased from USD133,383 in 2016 to USD232,614 in 2020 with a CAGR of 14.9%**. This is due to a rise in operating profit and a fall in employment over the same period. (Figure 6)

Figure 6: Smart's labour productivity 2015-2020



Source: Analysis by External Consultant



Nepal

Ncell is Nepal's first private sector telecom company to operate GSM services. Today, Ncell operates the country's widest 4G network and serves 15.7 million customers, providing high-quality, modern and cost-effective services.

Contributing to the vision of Digital Nepal and the development of Nepal's economy and infrastructure, Ncell is building a best-in-class network to bring digital services to people living in rural and remote areas of Nepal.

Contribution to Gross Value Added



USD463 million¹ (1.4% of the Nation's GDP)

Operational Direct GVA:

USD287 million

Operational Indirect and Induced GVA:

USD102 million

Capital Investment GVA:

USD75 million

- ▶ Ncell's total Gross Value Added (GVA) contribution to the Nepal economy reached **USD463 million¹**, accounting for **1.4%** of total national GDP in 2020
- ▶ Ncell's operations directly and indirectly contributed **USD389 million**, accounting for **84%** of total GVA contribution
- ▶ Capital investments contributed **USD75 million** with a share of **16%** of total GVA

Capital + Operating Expenditure



USD228 million

Capital Expenditure:

USD94 million

Operating Expenditure:

USD134 million

- ▶ Ncell's total Capital and Operating Expenditure reached **USD228 million** in 2020, with Capital Expenditure recorded at **USD94 million (41%)** and Operating Expenditure at **USD134 million (59%)**

Every **USD1** spent on capex¹

translates to:

USD4.9 GVA Contribution²

- ▶ For every USD1 Ncell spent in Nepal through its capital investment, it added **USD4.9 GVA** to the national economy in 2020

Direct Employees



545

Female:

24%

Nepalese:

98.0%

- ▶ **545 staff** were directly employed by Ncell in 2020
- ▶ Around **24% of total employees** were female
- ▶ Nepalese residents accounted for **98.0% of total employees**

Total Jobs Supported



35,604³

Directly Employed:

545

Operational indirectly supported:

20,245

Supported by Capital Investment:

14,815

- ▶ Overall, Ncell supported **35,604 jobs³** in 2020 through its operations and capital investments
- ▶ Ncell's operations directly supported **545 jobs**. It also indirectly supported around **20,245 jobs**
- ▶ Ncell's capital investment supported **14,815 jobs**

Contribution to Public Finance



USD279 million

(**4.3%** of total tax revenue of the Nepal government)

- ▶ Ncell contributed **USD279 million** in tax, accounting for **4.3%** of total tax revenue of Nepal government⁴

Notes:

¹ Totals may not add up due to rounding

² The multiplier effect decreased from 5.9 in 2019 to 4.9 in 2020, due to the decreased productivity-impact GVA contribution.

³ Totals may not add up due to rounding

⁴ Estimated total government tax revenue in Nepal was NPR750 billion (USD6.4 billion). (Source: Budget Speech of Fiscal Year 2020/21, Ministry of Finance, Nepal)

* Ncell's financial year ends on 15 Jul 2020, and the figures here represent Ncell's financial year figures



Nepal

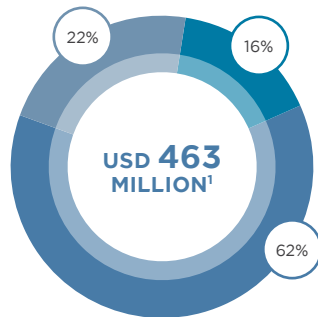
▶ Ncell's total economic contribution to Nepal's economy

Led by Ncell's total operating expenditure of USD134 million and capital investment of USD94 million, Ncell's total Gross Value Added (GVA) contribution to Nepal's economy was estimated at **USD463 million** in 2020, accounting for **1.4% of national GDP**.

Ncell's **operations directly contributed USD287 million GVA**, accounting for **62% of total GVA**. A further **USD102 million was indirectly generated** through the expenditures by Ncell's suppliers, accounting for **22% of total GVA**. For every USD1 Ncell directly added to the economy, it generated another **USD0.4** indirectly from local suppliers.

A further **USD75 million** contribution came from **capital investment, accounting for 16% of the total GVA**. (Figure 1)

Figure 1: GVA contribution to the Nepal economy in 2020



- USD75 million GVA by capital investment
- USD287 million Operational direct GVA
- USD102 million Operational indirect and induced GVA

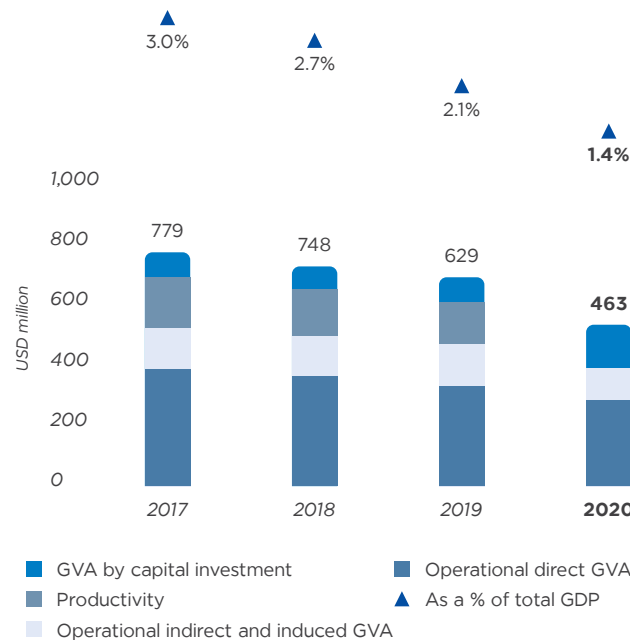
Note:
 1 Totals may not add up due to rounding
 Source: Analysis by External Consultant

▶ Ncell's total economic contribution over the last four years

Ncell's total GVA contribution **dropped by 40.6%** from **USD779 million in 2017 to USD463 million in 2020**, representing a decreased share of the country's GDP from 3.0% to 1.4%. This was mainly due to the decrease of operating profits and slower growth of mobile penetration.

Ncell's operational profits decreased from USD345 million to USD267 million over 2018-2020. The number of mobile subscribers in Nepal was up from 29.8 million in 2017 to 37.1 million in 2020, which is a penetration growth of **4.8 percentage points** over the 4-year period. (Figure 2)

Figure 2: GVA contribution to Nepal's economy 2017-2020

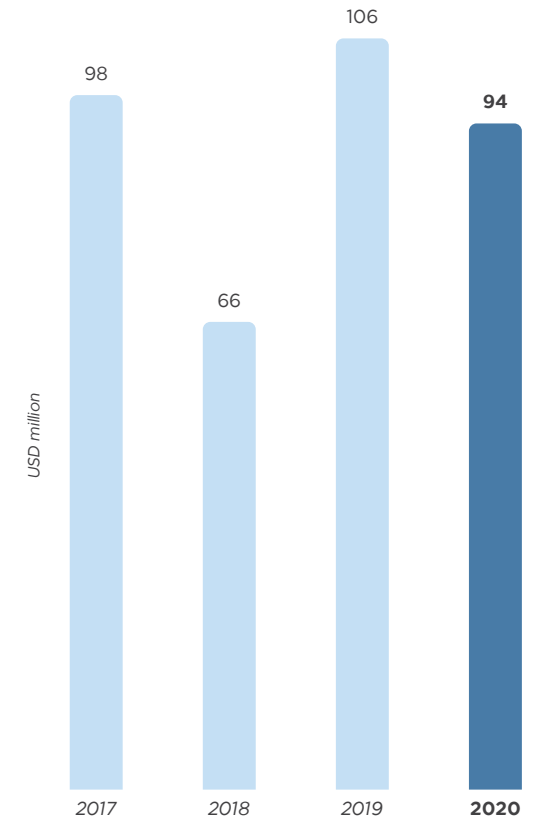


Source: Analysis by External Consultant

▶ Investing and innovation for the long term

Ncell's total **accumulated capital investment reached USD364 million** over the last four years' of operations. The capital investment **was USD94 million** in 2020. Capital investment plays a significant role in enhancing the company's competitiveness and contributing to Nepal's economy. (Figure 3)

Figure 3: Total capital investment 2017-2020



Source: Axiata

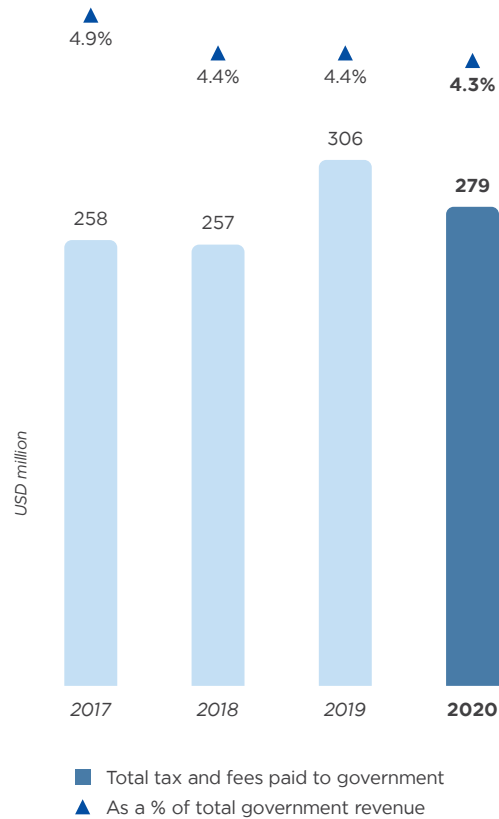


Nepal

Contributions to public finance

In 2020, Ncell contributed **USD279 million in tax, accounting for 4.3%** of total tax revenue of Nepal government. Accumulated tax contribution was **USD1,100 million for the last four years**. (Figure 4)

Figure 4: Total tax contribution to public finance 2017-2020



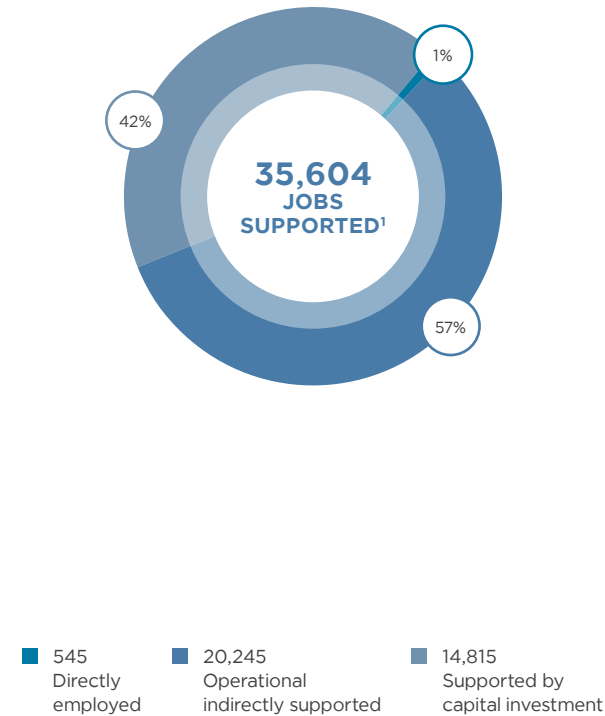
Source: Axiata and Analysis by External Consultant

Total employment impact

In 2020, there were **35,604 jobs** supported by Ncell's business in total. Ncell **directly provided 545 jobs** in 2020. 98.0% of the firm's employees were Nepalese residents and 24% of the total employees were female.

A further **20,245 jobs were supported indirectly** by its operations. Ncell's capital investment supported **14,815 jobs**. (Figure 5)

Figure 5: Total employment impact 2020

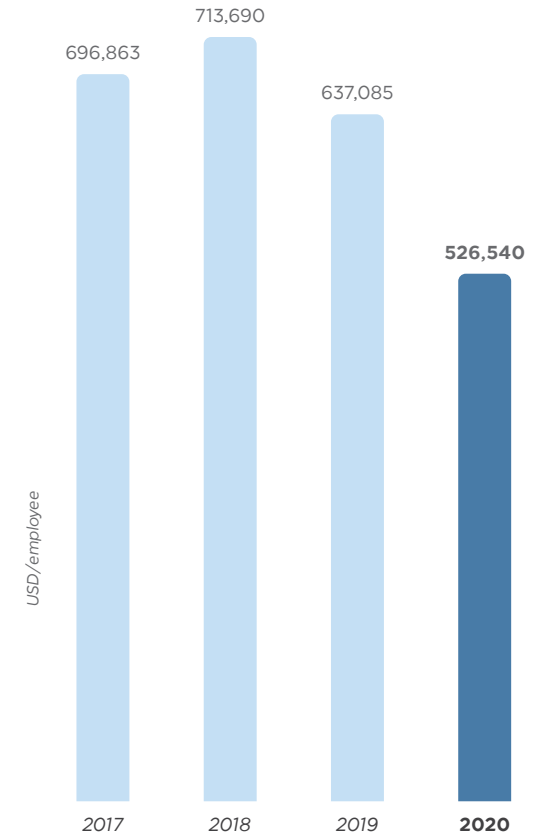


Note:
¹ Totals may not add up due to rounding
 Source: Analysis by External Consultant

Ncell's labour productivity

Ncell's productivity, measured as Gross Value Added (GVA) per employee, was estimated at **USD526,540** in 2020, a **drop by 17.4%** from USD637,085 in 2019. This is mainly due to a decrease in operating profits over 2018-2020.

Figure 6: Ncell's labour productivity 2017-2020¹



Note:
¹ Outsourced employees were excluded for all years
 Source: Analysis by External Consultant



edotco is the first and leading regional integrated telecommunications infrastructure services company in Asia. edotco specialises in end-to-end solutions in the tower services sector including co-locations, build-to-suit, energy, transmission and operations and maintenance (O&M). The regional portfolio of edotco includes over 33,500 towers, with 22,329 towers directly operated by edotco and a further 11,258 towers managed. We are also supported by our state-of-the-art real time monitoring service, echo, which helps to improve field operations whilst maximising operational

efficiencies. Headquartered in Kuala Lumpur, Malaysia, edotco has offices across Asia in Bangladesh, Cambodia, Sri Lanka, Myanmar, Pakistan, Laos and the Philippines. edotco is committed to conducting our business in a responsible and sustainable manner while upholding the highest standards of integrity for the benefit of our customers, employees, communities and developing nations.

Contribution to Gross Value Added



USD715 million¹

Operational Direct GVA:

USD323 million

Operational Indirect and Induced GVA:

USD275 million

Capital Investment GVA:

USD116 million

- ▶ edotco's total Gross Value Added (GVA) contribution across the eight economies it operates in reached **USD715 million¹**. While this is a trivial amount compared to the sum of national GDP across eight countries, for comparison this is approximately **0.2%** of Malaysia's national GDP in 2020
- ▶ edotco's operations directly and indirectly contributed **USD599 million**, accounting for **84%** of total GVA contribution
- ▶ Capital investments contributed **USD116 million** with a share of 16% of total GVA

Capital + Operating Expenditure



USD308 million

Capital Expenditure:
USD121 million

Operating Expenditure:
USD187 million

- ▶ edotco's total Capital and Operating Expenditure reached **USD308 million** in 2020, with Capital Expenditure recorded at **USD121 million** (39%) and Operating Expenditure at **USD187 million** (61%)

Every **USD1** spent on capex translates to:

USD5.9 GVA Contribution

- ▶ For every USD1 edotco spent through its capital investment, it added **USD5.9 GVA** in 2020 to the economies it operates in 2020

Direct Employees

1,314

Female:
20%



- ▶ **1,314 staff** were directly employed by edotco in 2020
- ▶ **20%** of total employees were women

Total Jobs Supported

39,669



Directly Employed:

1,314

Operational indirectly supported:

26,985

Supported by Capital Investment:

11,370

- ▶ Overall, edotco supported **39,669 jobs** in 2020 through its operations and capital investments
- ▶ edotco's operations directly and indirectly supported **28,299 jobs**
- ▶ edotco's capital investment supported **11,370 jobs**

Contribution to Public Finance



USD54 million

(**0.02%** of total tax revenue of the governments of countries it operates in)

- ▶ edotco contributed **USD54 million** in total tax and fees to government/regulators, accounting for **0.02%** of total tax/fee revenue of the governments in countries it operates in²

Notes:

¹ Totals may not add up due to rounding

² Total tax/fee revenue of governments is estimated at USD227 billion, and is the sum of government revenue across all eight countries where edotco operates. Where available, government revenue estimates are obtained from national agencies. Estimates are otherwise obtained from IMF WEO



edotco

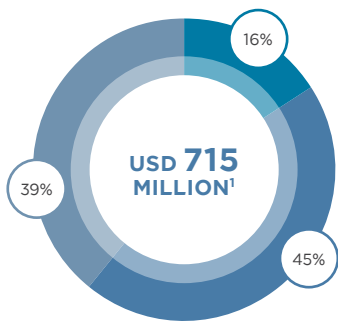
▶ edotco's total economic contribution

edotco's substantial operations and investments contributed significantly to the economic growth in countries it operates in. **With a total operating expenditure of USD187 million and capital investment of USD121 million**, edotco contributed **USD715 million** to the economies. While this is a trivial amount compared to the sum of national GDP across eight countries, for comparison this is approximately 0.2% of Malaysia's national GDP in 2020.

edotco's operations **directly contributed USD323 million**, accounting for **45% of total GVA** contribution. Another **USD275 million** was indirectly generated through the expenditures by edotco's suppliers. **For every USD1 edotco directly added to the economies, it generated just under another USD0.9 indirectly** from local suppliers.

Capital investment contributed a further **USD116 million**, representing a share of 16% of the total GVA. (Figure 1)

Figure 1: GVA contribution to economies in 2020



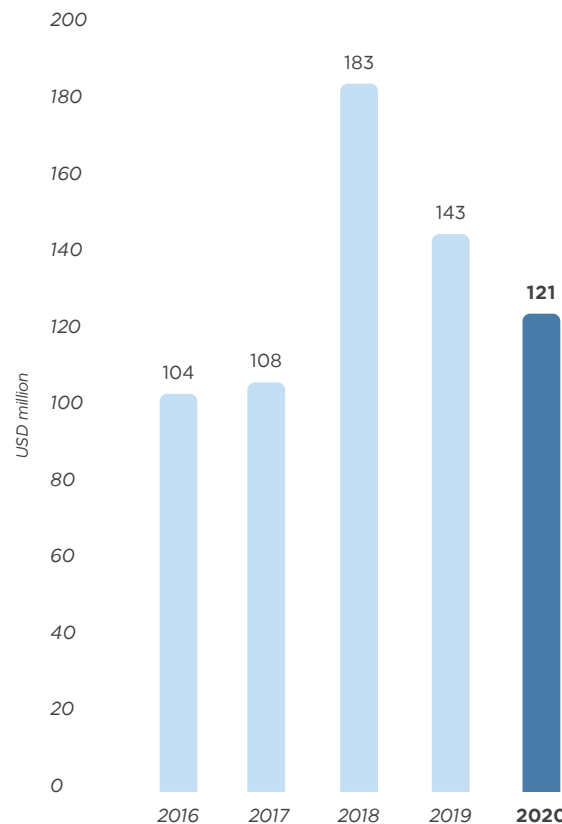
- USD116 million GVA by capital investment
- USD323 million Operational direct GVA
- USD275 million Operational indirect and induced GVA

Note:
 1 Totals may not add up due to rounding
 Source: Analysis by External Consultant

▶ Investing and innovation for the long term

edotco's capital investment was **USD121 million in 2020**. Capital investment plays an important role in facilitating long-term sustainable development of edotco's business and contributing to the growth of the eight economies it operates in. (Figure 2)

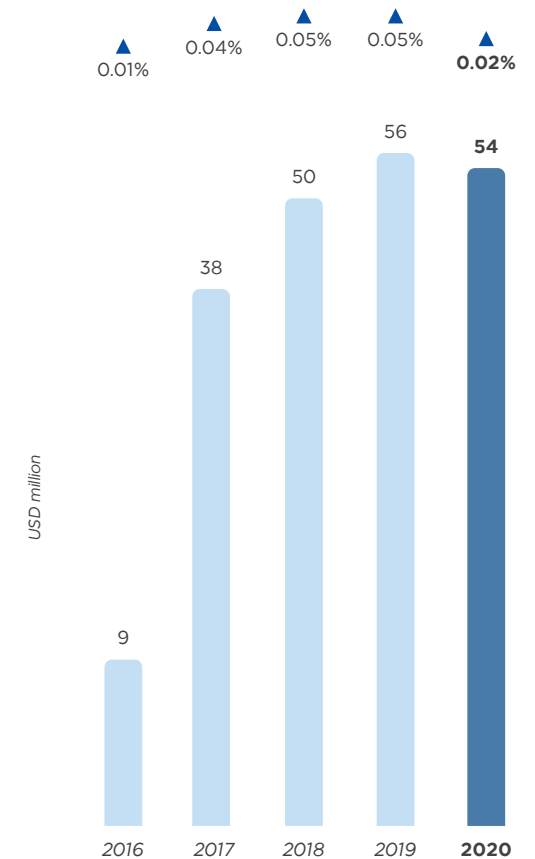
Figure 2: Total capital investment 2016-2020



▶ Contributions to public finance

Annual contributions in 2020 was **USD54 million, accounting for 0.02%** of total tax revenue of the government of economies edotco operates in. (Figure 3)

Figure 3: Total tax contribution 2017-2020



Note:
 Where available, government revenue estimates are obtained from national agencies. Estimates are otherwise obtained from IMF WEO
 Source: Axiata and Analysis by External Consultant



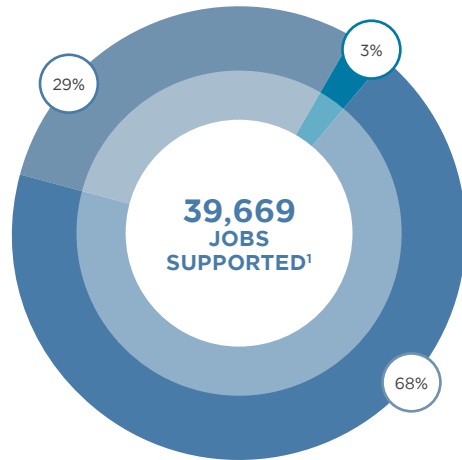
edotco

▶ **Total employment impact**

1,314 jobs were directly provided edotco's operations in 2020. 20% of edotco's employees were women.

edotco's operations also indirectly supported **26,985 jobs**. A further **11,370 jobs were supported by** its capital investment. (Figure 5)

Figure 5: Total employment impact 2020



▶ **edotco's labour productivity**

edotco's productivity, measured as Gross Value Added (GVA) per employee was **USD246,110 in 2020**.

Source: Analysis by External Consultant

1,314 Directly employed
 26,985 Operational indirectly supported
 11,370 Supported by capital investment

Note:
¹ Totals may not add up due to rounding
 Source: Analysis by External Consultant

NCR Methodology

1. Methodologies and computational formula

Direct Value Added contributions were estimated based on operational data provided by Axiata regarding operating revenues, operating expenditures, compensation of employees, and indirect taxes and levies.

Total Value Added contributions were estimated using an economic multiplier. The total multipliers (Type II) for the Telecomm industry were derived from national Input-Output (-O) tables published by OECD, ADB, and national statistical agencies.

Employment is generated through a number of avenues including:

- i Directly through Axiata and related industries.
- ii Outsourced support services (if any) including customer support and network operations and maintenance.
- iii Indirectly through firms that provide services to Axiata's operations.
- iv Induced as employees from the above spend their household income thereby generating further rounds of employment.

Total employment impact is estimated using I-O tables and *Average Value Added per Worker* derived from relevant Departments of Statistics for each country.

2. Capital Investment

- i $\text{Total Value Added} = \text{Capital Expenditure in Host Country} \times \text{Average Value Added Multiplier}$
- ii **(a) For countries where employment multipliers are available:**
 $\text{Total Employment in Host Country} = \text{Total Capital Expenditure in Host Country} \times \text{Average Employment Multiplier}$

(b) For countries where employment multipliers are not available:

$\text{Total Employment in Host Country} = \text{Total Capital Expenditure Value Added in Host Country} / \text{Average Value Added per Worker in Host Country}$

3. Operational

- i $\text{Total Value Added} = \text{Direct Value Added} \times \text{Total Value Added Multiplier}$

where:

$\text{Direct Value Added} = \text{Operating Revenue} - \text{Operating Expenditure} + \text{Compensation of Employees} + \text{Indirect Taxes and Levies}$

Note: Operating expenditure provided by Axiata excludes depreciation

- ii **(a) For countries where employment multipliers are available:**

$\text{Total Employment} = \text{Total Operating Expenditure} \times \text{Average Employment Multiplier}$

(b) For countries where employment multipliers are not available:

$\text{Total Employment} = (\text{Total Indirect Value Added} / \text{Average Value Added per Worker in Host Country}) + (\text{Direct Employment as per Axiata data})$

- iii $\text{Axiata's labour productivity} = \text{Direct Value Added} / \text{Number of Employees}$

Note: Number of Employees include both direct and outsourced employees if any.

4. Productivity Analysis

$\text{Axiata Contribution to GDP Growth} = \text{National Contribution to GDP Growth} \times \text{Market Share of Axiata}$

where:

$\text{National Contribution to GDP Growth} = \text{National Penetration Growth} \times \text{Growth Factor}$

$\text{National Penetration} = \text{Total Number of Subscribers} / \text{Population}$

Note: Growth factor was assumed to be 1.2% per 10% change in market penetration for all countries.

5. Multiplier Analysis

$\text{Capex Multiplier} = \text{Total Axiata's Value Added Contribution} / \text{Capital Expenditure}$

Note: Total Axiata's Value Added contribution includes Operational Direct Value Added, Operational Indirect and Induced Value Added, Value Added by Capital Investment, and Value Added by Productivity Impact

6. High-Level Impact Analysis of Axiata's COVID-19 Activities

Total Value Added contributions are estimated by mapping the expenditure of the activity to an I-O sector, and using the identified the Type II industry multiplier to estimate the potential GVA contribution of that activity.

$\text{Total Value-Added} = \text{Activity Monetary Expenditure} \times \text{Total Value Added Multiplier}$

$\text{Total Employment} = \text{Total Value-Added} / \text{Average Value Added per Worker in Host Country}$

Note 1: For Activity #1, "perceived value" is assumed to be total customer benefit net of total customer cost, where total customer benefit is the total monetary benefit of the product, whilst total customer cost is the total monetary costs the customer expects to incur in evaluating, obtaining, and using the product. This is used a proxy estimate for the value-added contribution of this activity.

Note 2: Some of these activities entail capital injection into a fund. The full amount of these injections may not yet convert into actual expenditures and hence the economic contributions may not yet materialise. These estimated contributions are referred to as potential contributions.

7. Future Revision of Economic Contributions Estimate

Economic contributions estimated in the latest year may be revised in future. This is largely due to a revision of the underlying economic data such as number of mobile subscribers in the country, GDP growth, population, mobile penetration growth rate, etc. For example, in 2019, the economic data available for the year 2019 is usually a preliminary estimate. In 2020, that 2019 estimate may be revised or superseded by actual figures.

Rachel Mok Huey Shyan
Senior Executive, HR Operations,
edotco Malaysia

Using old clothes to create
new pieces of clothing.

#ItBeginsWithMe



APPENDICES

About This Report

▶ **This Sustainability Report should be read together with the Axiata Integrated Annual Report 2020, and the Governance and Audited Financial Statements 2020 to understand how we create value for our stakeholders across our markets.**

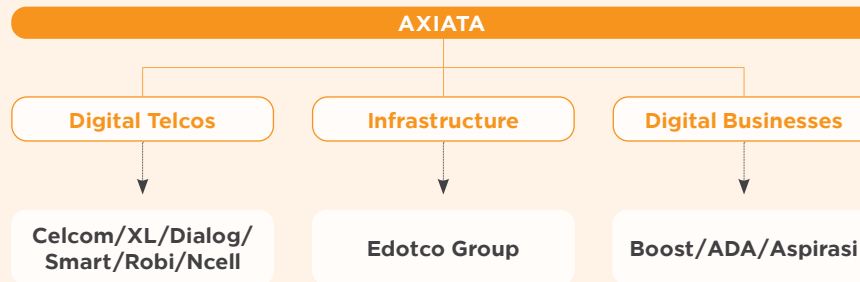
The Group’s sustainability disclosure, presented in this Sustainability Report 2020 as well as on our corporate sustainability website, details the management of the Group’s identified material matters categorised with the universally recognised pillars of ESG, as we enhance our disclosure towards common nomenclature of our stakeholders and of global analysts. This year’s report is our eighth sustainability report using the Global Reporting Initiative’s (GRI) Standards guidelines, with the addition this year of references and guidance from the Sustainability Accounting Standards Board (SASB) Telecommunications Services Standards.

Report Boundary

The Axiata Sustainability Report 2020 covers the sustainability performance of our Group Corporate Centre (CC), and key operating companies covering our digital telcos, telco infrastructure, and digital businesses. For our digital telcos, this includes Celcom (Malaysia), XL (Indonesia), Smart (Cambodia), Robi (Bangladesh), Dialog (Sri Lanka), Ncell (Nepal). Digital telco operations account for over 95% of the Group’s Operating Revenue. For telco infrastructure we include edotco Group which covers their operations in Malaysia, Cambodia, Sri Lanka, Bangladesh, Myanmar, Pakistan, Philippines and Laos. For our digital businesses, this year we have added our digital businesses in our sustainability reporting, where possible, for holistic group-wide disclosure.

The report excludes wholly owned and non-wholly owned subsidiaries and financial investments, and associate and companies that are in the process of being disposed. This report discusses the sustainability of the Group as a whole.

The level of disclosure, covering the Group as a whole as well as disclosure per material matter, has significantly increased in our 2020 Sustainability Report and on our corporate sustainability website. This is a conscious effort to disclose transparent, meaningful and comprehensive sustainability disclosure to our stakeholders, in ways that are greater aligned to the global sustainability reporting narrative, and in mediums that are easily accessible to our stakeholders. We note that our OpCos’ operating environments may vary significantly from one market to the next, but we have nevertheless made the attempt to harmonise general reporting areas, as well as highlight the achievements and milestones of our specific OpCos throughout the disclosure. Our OpCos are encouraged to produce their own standalone sustainability report to provide more insight into their respective sustainability management and context.



Data Measurement Techniques and Assumptions

All financial data disclosed in this report is identical to that of Axiata Integrated Annual Report 2020 which has been audited by an independent third party. Other sustainability information presented in this report is based on internal data collection systems and widely accepted calculation methodologies such as the Greenhouse Gas (GHG) Protocol. The information in this report is presented on a best-effort basis and is subject to continued improvement in future reporting cycles.

Assurance

A limited assurance was conducted on selected indicators of Axiata Corporate Centre, PT XL Tbk (XL Axiata) as well as Ncell Private Limited (Ncell) by KPMG Management and Risk Consulting Sdn Bhd. This year we had enhanced the scope of assurance to include Scope 1 GHG Emissions, as well as the addition of an OpCo, Ncell. This is part of our effort to enhance sustainability data reporting across Group. The assurance was conducted in accordance with the ISAE 3000 standard “Assurance engagements other than audits or reviews of historical financial information” and the ISAE 3410 standard “Assurance engagements on Greenhouse Gas Statements”. Among our key operating companies, only Dialog conducts a third-party independent assurance of their report. For more information on the subject matter and scope of assurance, please refer to KPMG Management and Risk Consulting’s assurance statement on pages 121-123.

Our Sustainability Matters

Material Matters	Description	Importance to the Group	Importance to our Stakeholder Groups	Risk Category
NEXT GENERATION DIGITAL CHAMPION				
<p>▶ Sustainable Business Growth SNCR Page 25</p>	<p><i>Consideration of Economic, Environmental and Social (EES), and positive direct and indirect value creation in our strategic investment decisions to enhance our shareholder returns</i></p>	<p>Venturing into new growth areas ensures competitive edge and business sustainability, while creating greater positive direct and indirect economic impacts to the society.</p>	<p>The Group as a strategic technology enabler supports technology partners to rapidly scale innovative digital inclusion programmes, while ensuring digital access for rural communities and developing inclusive products and services.</p>	<p>Financial Risk Market Risk Regulatory Risk Geopolitical Risk Strategic and Investment Risk</p>
<p>▶ Network Quality and Coverage SNCR Page 27</p>	<p><i>Enhancing network quality and coverage through continuous improvements in efficiency, availability and reliability</i></p>	<p>In maintaining the Group's position as the leading regional mobile network operator in the face of market competition, it is crucial to increase connectivity and enhance network reliability across the Group – ultimately, translate into positive business outcomes and strengthen our relationship with stakeholders.</p>	<p>Through quality network service and coverage, we bring connectivity to rural and urban communities, businesses and corporate enterprises to create real and tangible impacts in their lives.</p>	<p>Financial Risk Market Risk Regulatory Risk Operational Risk Strategic and Investment Risk Technology Risk</p>
<p>▶ Digital Inclusion SNCR Page 29</p>	<p><i>Providing affordable and innovative products and services in bridging the digital gap</i></p>	<p>Investments in digital services and product innovation allows us to create products and services that are appealing to our customers - bridging the digital gap in our operating markets.</p>	<p>Our investments in digital technology give better access to basic services (e.g. financial, healthcare and education), to foster inclusion and drive innovation.</p>	<p>Financial Risk Market Risk Regulatory Risk Strategic and Investment Risk Technology Risk</p>
<p>▶ Digitisation and Modernisation SNCR Page 39</p>	<p><i>Technological innovation to enhance key internal business functions, improve process efficiency and effectiveness, and promote innovation and business continuity</i></p>	<p>Such investment allows the Group to improve its internal process efficiency, effectiveness, promote innovation while ensuring business continuity, in our pursuit of becoming The Next Generation Digital Champion.</p>	<p>Enhanced internal processes provides opportunities for us to better serve our stakeholders (e.g. customers, employees) to experience a more efficient and customer-friendly services.</p>	<p>Market Risk Digital Risk Operational Risk Strategic and Investment Risk Technology Risk</p>
ENVIRONMENT				
<p>▶ Climate Action SNCR Page 43</p>	<p><i>Internal controls and monitoring mechanisms to manage environmental impacts</i></p>	<p>Affects our reputation as a responsible corporate citizen and strengthens our social license to operate through our efforts in reducing environmental impacts arising from our business.</p>	<p>Uphold our reputation as a responsible corporate citizen and maintain positive relationship with the stakeholders (e.g. local community, regulatory bodies, etc.) by minimising negative impacts to the environment.</p>	<p>Regulatory Risk Governance and Integrity Risk Operational Risk</p>
<p>▶ Resource and Waste Management SNCR Page 47</p>	<p><i>Towards circular economy within our operations as well as the solutions we can provide our customers and supply chains waste management</i></p>	<p>Resource consumption and the management of the waste we generate affects how much of what our operations produce is sent to landfill, and responsible waste management, as well as product development with resource and waste in consideration, is key towards a circular economy model.</p>	<p>The individual consumption of resources and generation of waste is an indirect impact through our customers, suppliers, employees, thus this is a value chain-wide material matter for sustainability.</p>	<p>Regulatory Risk Governance and Integrity Risk Operational Risk</p>

Our Sustainability Matters

Material Matters	Description	Importance to the Group	Importance to our Stakeholder Groups	Risk Category
SOCIAL				
<p>▶ Fair Employment and Welfare SNCR Page 52</p>	<p><i>Fostering fair recruitment practices by embracing diversity and inclusion in the workforce, and offering employees fair compensation and benefits</i></p>	<p>Promoting inclusion and ensuring employee welfare. Diverse and motivated employees allow us to broaden our perspectives and present new opportunities for business growth. Respecting labour practices strengthens our social license to operate in various operating markets.</p>	<p>Embracing a diverse, inclusive and collaborative work culture promotes employee wellbeing and enable our employees to be empowered and to achieve their best in serving the customers' needs.</p>	<p>Geopolitical Risk People Risk</p>
<p>▶ Talent Development SNCR Page 54</p>	<p><i>Promote development and uplift competencies of employees to respond to the rapidly changing and complex business environment</i></p>	<p>Our specialised development programmes increases our employees' competitive edge in responding to the rapidly changing and complex business environment.</p>	<p>As our industry evolves in the era of digital disruption, it is crucial for our employees to understand the risk of not adopting new skills and be quick to seize opportunities.</p>	<p>Geopolitical Risk People Risk</p>
<p>▶ Employee Health, Safety and Wellbeing SNCR Page 56</p>	<p><i>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</i></p>	<p>Responding to our employees' interests, expectations and requirements in the area of health, safety and wellbeing ultimately addresses people empowerment as well as a safe, productive workforce.</p>	<p>Our employees depend on the support of the added value of care and commitment from the organisation that they are a part of, more than just within the office but holistic employee care.</p>	<p>Geopolitical Risk People Risk</p>
<p>▶ Customer Service SNCR Page 60</p>	<p><i>Delivering a differentiated user experience for customers, and offering the most affordable products and services relative to customer promise in our highly competitive markets</i></p>	<p>Customer satisfaction is key to our business success. Understanding our customers' evolving needs and providing service that exceeds their expectations allows us to remain relevant and competitive.</p>	<p>Our customers/community depend on us to deliver our commitment through innovative products and services, playing a prominent role in the telecommunication industry.</p>	<p>Market Risk Cyber Risk Operational Risk Strategic and Investment Risk</p>
<p>▶ Supply Chain Management SNCR Page 62</p>	<p><i>Consideration of EES factors across supply chain management and processes</i></p>	<p>Suppliers are an integral part of our business operations to ensure quality services and help to shape innovative products, while ensuring customer satisfaction.</p>	<p>Our efforts to support local vendors and partners is crucial in upgrading the qualifications of local suppliers/vendors, on par with the global and regional service providers.</p>	<p>Operational Risk Governance and Integrity Risk</p>
<p>▶ Community Development SNCR Page 66</p>	<p><i>Financial and non-financial contributions to support local communities, underprivileged and underserved groups</i></p>	<p>Foster positive relationships with our stakeholders, particularly local communities and regulators, as we contribute to national aspirations to uplift the wellbeing of local communities and protect the environment.</p>	<p>Uphold our reputation as a responsible corporate citizen and maintain positive relationship with the stakeholders (e.g. local community, regulatory bodies, etc.) by supporting the local communities' needs, based on the national context or priorities.</p>	<p>Geopolitical Risk Governance and Integrity Risk</p>
<p>▶ Emergency and Disaster Response SNCR Page 70</p>	<p><i>Providing society in times of emergency and disaster, through the contribution of our business streams in disaster response</i></p>	<p>The value that we as a regional telco company can provide to society in times of emergency and disaster response is significant in terms of connectivity and sharing of alerts and warnings.</p>	<p>The dependency of society on connectivity in the event of an emergency of disaster is high therefore our stakeholders rely on telcos to ensure this area is responsibly managed.</p>	<p>Market Risk Regulatory Risk Strategic and Investment Risk Technology Risk</p>

Our Sustainability Matters

Material Matters	Description	Importance to the Group	Importance to our Stakeholder Groups	Risk Category
<p>GOVERNANCE</p> <p>▶ Business Ethics and Compliance SNCR Page 77</p>	<p><i>Enhance business integrity compliance within the ambit of Malaysian and international laws on bribery and corruption</i></p>	<p>We seek to uphold a culture of ethics and integrity. The inability to do so may impact/limit our growth, relationship with stakeholders and our reputation as a reliable organisation.</p>	<p>It is of utmost importance to secure and maintain a relationship based on trust with the relevant stakeholders.</p>	<p>Regulatory Risk Cyber Risk Digital Risk Operational Risk Geopolitical Risk Governance and Integrity Risk</p>
<p>▶ Privacy and Data Protection SNCR Page 80</p>	<p><i>Protection of all data, information and intellectual property against cyber security breaches</i></p>	<p>The security of our stakeholders' data is of utmost importance in maintaining a transparent relationship, and also to ensure long-term viability of our business.</p>	<p>Stakeholders entrust us with their data, and we maintain that trust with the commitment to ensuring the security and privacy of their data.</p>	<p>Cyber Risk Digital Risk</p>
<p>▶ Regulatory and Political Risk SNCR Page 83</p>	<p><i>Management of the evolving changes in the regulatory landscape and political context</i></p>	<p>The value that we as an organisation can provide through our businesses is determined by the regulatory landscape and addressing the evolving changes of this and the political context.</p>	<p>Our efforts to contribute to regulatory developments as a regional telco as well as responsible management of risks in the areas we operate in are part of our response to our stakeholders.</p>	<p>Regulatory Risk Geopolitical Risk Governance and Integrity Risk</p>

Management Of Material Risks And Opportunities

Axiata uses an integrated assurance methodology to manage our risks and opportunities, to catalyse long-term value creation. The following outlines our material risks, along with our Group's exposure

Risk Category	Mitigating Actions and Opportunities Arising
Financial Risk	<p>Risk Owners: Axiata Treasury Management Centre</p> <ul style="list-style-type: none"> ▶ Closely monitoring forex movements and formulates hedging strategies to minimise exposure on foreign loans ▶ Monitoring Gross Debt/EBITDA level to ensure it is within the set threshold ▶ Revisiting investment/funding plans, reviewing product plans and monitoring OpCo dividend policy ▶ Reviewing business structure to identify business leakages and enhance the business model
Market Risk	<p>Risk Owners: OpCo CEOs</p> <ul style="list-style-type: none"> ▶ Aggressive M&A, focusing on industry consolidations in targeted markets ▶ Seeking opportunities for telco infrastructure sharing to reduce investment costs ▶ Investing in new technologies for the competitive edge ▶ Establishing strategies with digital players to meet evolving customer needs and reap higher revenue yield per customer
Regulatory Risk	<p>Risk Owners: Group Regulatory</p> <ul style="list-style-type: none"> ▶ Collaborating with other telco players to present a united voice advocating strict compliance, and fair and transparent policies ▶ Active engagements and dialogues with regulatory and government officials to anticipate emerging regulations, and highlight and address concerns of the telco sector, to advocate sustainable regulatory regimes ▶ Participating in government consultations and industry events to foster collaboration and knowledge sharing for best industry policies and practices ▶ Dedicated Subject Matter Experts to monitor regulatory compliance at Group level and across all OpCos
Cyber and Data Privacy Risk	<p>Risk Owners: Group Risk and Compliance Management Committee</p> <ul style="list-style-type: none"> ▶ Maturing cyber security and data privacy across all OpCos against global benchmarks and best practices by adopting and aligning to internationally recognised standards such as the NIST1 Framework, AICPA/CICA2 and CMMI3 Privacy Maturity models ▶ Establishing a long-term Data Privacy and Cyber Security Strategy Framework and Roadmap, ensuring alignment and standardisation across all OpCos to meet strategic objectives ▶ Embedding Cyber Security and Data Privacy controls by design across all business facets by incorporating the related standards and requirements in: <ul style="list-style-type: none"> • Protecting our hardware and software • Improving Training and Awareness • Reducing Third-party risk through the Supplier Code of Conduct and contract clauses • Periodic automated assessments and remediation to identify gaps ▶ Incorporating Cyber Security and Data Privacy performance into OpCos KPI scorecards
Operational Risk	<p>Risk Owners: Group Enterprise Risk Management, Group Technology, Group Procurement</p> <ul style="list-style-type: none"> ▶ Monitoring vendor performance, especially for major and high risk vendors ▶ Monitoring supply availability, according to current and future needs ▶ Exploring alternative vendors to reduce dependencies ▶ Establishing clear Business Continuity Management (BCM) plans to address supply chain risks, disruptions, and the business recovery strategy based on multiple crisis simulation scenarios

and potential impacts, and identifies mitigation measures which are linked to our Axiata strategy and future opportunities.

Risk Category	Mitigating Actions and Opportunities Arising
Geo-Political Risk	<p>Risk Owners: OpCo Management, Group Regulatory</p> <ul style="list-style-type: none"> ▶ Closely collaborate with OpCos to track market geo-political developments, and tap into their local expertise, familiarity and connections to assess changing scenarios ▶ Maintain a neutral stance and foster healthy government relations across all markets ▶ Contribute to national socioeconomic development through various CSR programmes
Strategic and Investment Risk	<p>Risk Owners: Mergers and Acquisitions Committee, Group Corporate Development</p> <ul style="list-style-type: none"> ▶ Active M&A activities balanced by robust due diligence to evaluate, manage and anticipate potential risks and challenges ▶ Post-acquisition transitional teams to ensure alignment and adoption of Axiata's organisational, operational and cultural values ▶ Seeking opportunities for infrastructure sharing to manage cost whilst maintaining strategic alliances ▶ Closely monitoring the market landscape to anticipate other developments that may heighten competition
People Risk	<p>Risk Owners: Group People Division</p> <ul style="list-style-type: none"> ▶ Active talent hiring agenda and robust talent development programmes ▶ Competitive salary packages benchmarked against peers, attractive performance-based rewards and a positive working environment ▶ Imposing stringent working protocols and SOPs4 for Work-In-Office and Work-From-Home arrangements to combat COVID-19 ▶ Enhancing the AxiataCares programme at Group and OpCo levels
Technology Risk	<p>Risk Owners: Group Technology</p> <ul style="list-style-type: none"> ▶ Constantly reviewing and refreshing our technology to remain relevant whilst maintaining financial prudence ▶ Future-proofing is a critical criterion in network equipment selection and built into the procurement process ▶ Increasing digitisation and automation efforts to ensure optimum technology utilisation ▶ Proactively conducting studies on technological advancements, especially in 5G, while charting future network strategy ▶ Monitoring the implementation of various systems and applications across all divisions and seeking opportunities for consolidation and synergies
Governance and Integrity Risk	<p>Risk Owners: Group Risk and Compliance, Group Human Resource, Group Sustainability</p> <ul style="list-style-type: none"> ▶ Axiata's Code of Conduct guides personnel conducting business for/on behalf of the Group ▶ Implementation of Group-wide Corporate Compliance Programme to build strong governance in conformance to the T.R.U.S.T. principles defined in the Guidelines On Adequate Procedures issued by the Prime Minister's Department, and strengthening Axiata's compliance maturity ▶ Establishment of a strong governance structure with the BRCC and the Risk and Compliance Management Committee ▶ Appointment of a Group Chief Risk and Compliance Officer reporting to the BRCC and setting up the Compliance function at Group and OpCo levels ▶ Establishing the Sustainability Steering Committee and developing the Net-Zero Carbon Roadmap, ensuring Group-wide efforts towards common goals

List Of Abbreviations

Over-The-Top (OTT)	Get Out of Diesel (GOOD)	Memorandum of Understanding (MoU)
Annual General Meeting (AGM)	Gigajoule (GJ)	Ministry of Higher Education (MoHE)
Axiata Digital (AD)	Global Reporting Initiative (GRI)	Minority Shareholder Watchdog Group (MSWG)
Axiata Digital Innovation Fund (ADIF)	Government-Linked Company (GLC)	Malaysia Digital Economy Corporation (MDEC)
Axiata Digital Labs (ADL)	Greenhouse Gas (GHG)	Mobile Virtual Network Operator (MVNO)
Axiata Digital Services (ADS)	Gross Domestic Product (GDP)	Net Promoter Score (NPS)
Axiata Procurement Centre (APC)	Gross Value Added (GVA)	Occupational Health and Safety (OHS)
Axiata Treasury Management Centre (ATMC)	Group Accelerated Development Programme (GADP)	OpCo Accelerated Development Programme (OADP)
Axiata Young Talent Programme (AYTP)	Group Risk Management Committee (GRMC)	Operating Companies (OpCos)
Base Transceiver Stations (BTS)	GSM Association - An association of mobile operators and related companies devoted to supporting the standardising, deployment and promotion of the GSM mobile telephone system (GSMA)	Operating Expenditure (Opex)
Board Audit Committee (BAC)	GSMA's Humanitarian Connectivity Charter (HCC)	Personal Accident (PA)
Business Continuity Management (BCM)	High Throughput Satellite (HTS)	Personal Data Protection Act (PDPA)
Business Development Programme (BDP)	Human Resources (HR)	Profit After Tax (PAT)
Capital Expenditure (capex)	Improvement, Innovation, Investment & Impact (4i)	Senior Leadership Team (SLT)
Compound Annual Growth Rate (CAGR)	Info-communications Media Development Authority (IMDA)	Short Messaging System (SMS)
Connected Women Commitment Initiative (CWCI)	Information and Communications Technology (ICT)	Small and Medium Enterprises (SME)
Corporate Responsibility (CR)	International Finance Corporation (IFC)	Standard & Industrial Research Institute of Malaysia (SIRIM)
Corporate Social Responsibility (CSR)	International Long Distance (ILD)	Strategic Partners Development Programme (SDP)
Cyber Security Operations Centre (CSOC)	International Standard on Assurance Engagement (ISAE)	Supplier Performance Management (SPM)
Cyber Security Steering Committee (CSSC)	Internet Data Centre (IDC)	Sustainability Engagement Index (SEI)
Department of Education (DOE)	Internet of Things (IoT)	Uncompromising Integrity. Exceptional Performance (UI,EP)
Department of Hydrology & Meteorology (DHM)	Key Performance Indicators (KPI)	University Leadership Development Programme (ULDP)
Disaster and Emergency Warning Network (DEWN)	Kilowatt (kW)	Unstructured Supplementary Service Data (USSD)
Disaster Readiness Programme (DRP)	Local Partner Development Programme (LPDP)	Value Added Services (VAS)
edotco Group (e.co)	Majlis Amanah Rakyat (MARA)	Vendor Development Programmes (VDP)
Employee Engagement Survey (EES)	Malaysian Communication and Multimedia Commission (MCMC)	Venture Capital (VC)
Enterprise Risk Management (ERM)	Malaysian Sustainability Reporting Awards (MasRA)	Year on Year (YoY)
Environmental, Social and Governance (ESG)	Market Capital (Market Cap)	Young CEO Development Programme (YCDP)
Economic, Environmental and Social (EES)		
First Line Manager (FLM)		

Data In Numbers

Aspect	Indicator	Detail	Unit	Celcom	XL	Dialog	Robi	Smart	Ncell	edotco	CC	Overall	
Market Presence	202-1	Ratios of standard entry level wage vs local min wage	Male	2.01:1.0	1.4:1.0	1.7:1.0	3.4:1.0	1.0:1.0	2.2:1.0	2.5:1.0	2.5:1.0	1.3:1.0	
			Female	2.01:1.0	1.4:1.0	1.7:1.0	3.4:1.0	1.0:1.0	1.8:1.0	2.5:1.0	2.5:1.0	1.3:1.0	
	202-2	Local Senior Management* ¹	%	83%	80%	90%	78%	36%	22%	80%	60%	66%	
Procurement Practices	204-1	Spending on local suppliers* ²	%	19%	96%	45%	52%	32%	63%	82%	50%	55%	
		Spending on foreign suppliers	%	81%	4%	55%	48%	68%	37%	18%	50%	45%	
Energy	302-1	Direct energy consumption	GJ	217,163.83	144,958.57	73,135.29	89,705.06	80,378.08	46,553.54	885,593.61	-	1,537,487.99	
		Indirect energy consumption	GJ	301,080.37	2,799,170.50	634,083.31	723,676.11	350,933.29	256,640.01	1,834,066.24	1,514.00	6,901,163.83	
Emissions	305-1	Scope 1 GHG emissions*	Tonnes CO ₂ e	14,515.59	9,669.54	4,888.80	5,942.74	5,371.77	3,098.34	59,061.41	-	102,548.19	
	305-2	Scope 2 GHG emissions	Tonnes CO ₂ e	56,062.76	599,587.45	123,793.58	128,791.23	60,970.76	216.85	306,936.68	281.86	1,276,641.18	
Employment	401-1	Employees by gender	Male	1,319	1,110	2,107	1,189	524	413	1,047	168	7,877	
			Female	1,125	484	626	182	299	132	267	149	3,264	
			Total employees	2,444	1,594	2,733	1,371	823	545	1,314	317	11,141	
			Women in Leadership positions	%	22%	33%	30%	0%	0%	2%	30%	22%	18%
		401-1	Joining the group (by gender category)	Male	62	48	70	135	66	15	97	64	557
				Female	34	35	47	41	39	3	43	27	269
		401-1	Joining the Group (by age category)	< 30 years old	34	38	83	129	83	11	43	37	458
				31-49 years old	55	43	30	46	22	5	80	47	328
				> 50 years old	7	2	4	1	0	2	17	7	40
Health & Safety	403-1	H&S representation	%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
	403-2	Injuries (workforce)	Number	3	1	6	0	0	0	1	0	11	
		Fatalities	Number	0	0	0	0	0	0	1	0	1	
		403-2	Lost Day Rate	LTIFR	0.48	0.18	0.55	0	0	0	0.24	0	n/a
Training	404-1	Average training hours per year per employee (by gender category)	Male	2.7	25.3	30.9	43.0	30.0	20.1	15.5	8.5	22.0	
			Female	2.9	26.4	39.0	42.0	28.2	14.8	16.7	7.1	22.1	
		Average training hours per year per employee (by employee category)	Senior Management	83.1	23.1	12.8	39.0	50.4	15.1	22.2	18.1	33.0	
			Mid Management	1.6	29.5	45.0	41.0	31.5	17.1	23.2	6.9	24.5	
			Executive	2.7	35.3	33.0	44.0	24.9	18.9	10.6	13.8	22.9	
		404-1	Non-executive	3.8	24.2	26.7	n/a ³	29.7	19.8	1.9	4.0	15.7	
		404-3	Percentage of employees receiving regular performance and career development* ⁴	%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Diversity	405-1	Staff diversity (by age category)	< 30 years old	197	250	780	406	449	28	178	62	2350	
			30-50 years old	1872	1,267	1,854	935	363	506	916	188	7901	
			> 50 years old	375	77	99	30	11	11	220	67	890	

Note:

¹ Senior Management is defined as CEO and CEO-1. Local country refers to citizens of respective OpCo country

² Local percentage considers weightage given to local participation in ownership, management, employment, and extent of value added locally as defined by Axiata Procurement Centre

³ Robi's employee profile in 2020 excludes non-executive level employees

⁴ Total employees receiving performance review includes an average of employees by gender as well as employee category

* KPMG Malaysia provided Limited Assurance on the Selected Sustainability Indicators. In relation to the previous year assurance activities, Scope 2 GHG and Average training hours have been excluded from the boundary of the limited assurance. However, KPMG Malaysia finds that Axiata has notable enhancement in ensuring accuracy of its data. In relation to Scope 2 GHG, KPMG observed enhancement in data collection process with adoption of third-party online database, establishment of specific team responsible to monitor energy consumption at Axiata. In relation to Average training hours, KPMG observed improved accuracy of training hours, where Axiata exclude break period from the sessions, newly introduced training reward programme for employees completing over 60 hours of training for the year, and introduction of mandatory training programme for all OpCos to standardise and improve understanding of Axiata's operations (e.g. data privacy and anti-bribery training sessions).

GRI Content Index

This Content Index provides an overview of the GRI Standard (in Accordance Core) Disclosures made in this report, the Axiata Integrated Annual Report (IAR) 2020, and the Governance and Audited Financial Statements (GAFS) 2020.

General Standard Disclosures		Page Number
GRI Standards 102: General Disclosures		
Organisational Profile		
102-1	Name of the organization	Pg. 5
102-2	Activities, brands, products, and services	Pg. 5-6, IAR Pg. 60-79
102-3	Location of headquarters	IAR Pg. 105
102-4	Location of operations	Pg. 6
102-5	Ownership and legal form	Pg. 5, GAFS Pg. 185
102-6	Markets served	Pg. 5
102-7	Scale of the organization	Pg. 5, IAR Pg. 60-79
102-8	Information on employees and other workers	Pg. 51-53
102-9	Supply chain	Pg. 61-64
102-10	Significant changes to the organization and its supply chain	None
102-11	Precautionary Principle or approach	Pg. 76-77, GAFS Pg. 35
102-12	External initiatives	Pg. 25
102-13	Membership of associations	Pg. 26
Strategy		
102-14	Statement from senior decision-maker	Pg. 7-11
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	Pg. 52
Governance		
102-18	Governance structure	Pg. 76, IAR Pg. 80-103

General Standard Disclosures		Page Number
Stakeholder Engagement		
102-40	List of stakeholder groups	Pg. 17-19
102-41	Collective bargaining agreements	Pg. 52
102-42	Identifying and selecting stakeholders	Pg. 17-19, IAR Pg. 33-34
102-43	Approach to stakeholder engagement	Pg. 17-19, IAR Pg. 33-34
102-44	Key topics and concerns raised	Pg. 17-19, 112-114
Reporting Practice		
102-45	Entities included in the consolidated financial statements	GAFS Pg. 162-170
102-46	Defining report content and topic Boundaries	Pg. 111
102-47	List of material topics	Pg. 14-15, 112-114
102-48	Restatements of information	None
102-49	Changes in reporting	Pg. 111
102-50	Reporting period	Pg. 111
102-51	Date of most recent report	Pg. 111
102-52	Reporting cycle	Pg. 111
102-53	Contact point for questions regarding the report	sustainability@axiata.com
102-54	Claims of reporting in accordance with the GRI Standards	Pg. 111
102-55	GRI content index	Pg. 118-120
102-56	External assurance	Pg. 121-123

GRI Content Index

This Content Index provides an overview of the GRI Standard (in Accordance Core) Disclosures made in this report, the Axiata Integrated Annual Report (IAR) 2020, and the Governance and Audited Financial Statements (GAFS) 2020.

GRI Disclosure Number	GRI Disclosure Title	Page Number	External Assurance
GRI Topic-Specific Standards 200: Economic			
201: Economic Performance			
103	Management Approach	IAR Pg. 15-29, 60-79	
201-1	Direct economic value generated and distributed	Pg. 85-109, IAR Pg. 51-59, 60-79	
201-3	Defined benefit plan obligations and other retirement plans	GAFS Pg. 87	
202: Market Presence			
103	Management Approach	Pg. 5, 85-86	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Pg. 117	
202-2	Proportion of senior management hired from the local community	Pg. 117	CC, XL, Ncell
203: Indirect Economic Impacts			
103	Management Approach	IAR Pg. 15-29, 60-79	
203-1	Infrastructure investments and services supported	IAR Pg. 60-79	
203-2	Significant indirect economic impacts	IAR Pg. 60-79	
204: Procurement Practices			
103	Management Approach	Pg. 61-64	
204-1	Proportion of spending on local suppliers	Pg. 117	CC, XL, Ncell
205: Anti-Corruption			
103	Management Approach	Pg. 77-78	
205-1	Operations assessed for risks related to corruption	Pg. 77-78	
205-2	Communication and training about anti-corruption policies and procedures	Pg. 77-78	
205-3	Confirmed incidents of corruption and actions taken	See notes	

GRI Disclosure Number	General Standard Disclosures	Page Number	External Assurance
206: Anti-Competitive Behaviour			
103	Management Approach		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	None reported	
GRI Topic-Specific Standards 300: Environmental			
302: Energy			
103	Management Approach	Pg. 42-46	
302-1	Energy consumption within the organization	Pg. 46	
302-3	Energy intensity	Pg. 46	
302-4	Reduction of energy consumption	Pg. 43-46	
305: Emissions			
103	Management Approach	Pg. 42-46	
305-1	Direct (Scope 1) GHG emissions	Pg. 46	CC, XL
305-2	Energy indirect (Scope 2) GHG emissions	Pg. 46	
305-4	GHG emissions intensity	Pg. 46	
305-5	Reduction of GHG emissions	Pg. 43-46	
307: Environmental Compliance			
103	Management Approach	Pg. 42	
307-1	Non-compliance with environmental laws and regulations	None reported	

GRI Content Index

This Content Index provides an overview of the GRI Standard (in Accordance Core) Disclosures made in this report, the Axiata Integrated Annual Report (IAR) 2020, and the Governance and Audited Financial Statements (GAFS) 2020.

GRI Disclosure Number	GRI Disclosure Title	Page Number	External Assurance
GRI Topic-Specific Standards 400: Social			
401: Employment			
103	Management Approach	Pg. 51-58	
401-1	New employee hires and employee turnover	Pg. 117	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pg. 52, GAFS Pg. 87	
402: Labor/Management Relations			
103	Management Approach	Pg. 52	
402-1	Minimum notice periods regarding operational changes	See notes	
403: Occupational Health and Safety			
103	Management Approach	Pg. 56	
403-1	Workers representation in formal joint management-worker health and safety committees	Pg. 56, 117	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Pg. 56, 117	
404: Training and Education			
103	Management Approach	Pg. 54-55	
404-1	Average hours of training per year per employee	Pg. 117	
404-2	Programs for upgrading employee skills and transition assistance programs	Pg. 54-55	
404-3	Percentage of employees receiving regular performance and career development reviews	Pg. 117	CC, XL, Ncell
405: Diversity and Equal Opportunity			
103	Management Approach	Pg. 53	
405-1	Diversity of governance bodies and employees	Pg. 53, 117, IAR Pg. 81-82	
405-2	Ratio of basic salary and remuneration of women to men	Pg. 117	
406: Non-discrimination			
103	Management Approach	Pg. 52	
406-1	Incidents of discrimination and corrective actions taken	None reported	

GRI Disclosure Number	GRI Disclosure Title	Page Number	External Assurance
407: Freedom of Association and Collective Bargaining			
103	Management Approach	Pg. 52	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Pg. 52	
408: Child Labor			
103	Management Approach	Pg. 52	
408-1	Operations and suppliers at significant risk for incidents of child labor	Pg. 52	
409: Forced or Compulsory Labor			
103	Management Approach	Pg. 52	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Pg. 52	
413: Local Communities			
103	Management Approach	Pg. 29-38, 65-73	
413-1	Operations with local community engagement, impact assessments, and development programs	Pg. 29-38, 65-73	
418: Customer Privacy			
103	Management Approach	Pg. 59, 80-82	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	None reported	
419: Socioeconomic Compliance			
103	Management Approach	GAFS Pg. 25-26	
419-1	Non-compliance with laws and regulations in the social and economic area	None reported	

Notes:
 Disclosure 205-3: We have chosen not to disclose at this time
 Disclosure 402-1: Minimum notice period according to local laws

Independent Assurance Report To The Members Of Axiata Group Berhad

(Company No. 242188-H)
(Incorporated in Malaysia)

Report on the Limited Assurance of the Selected Sustainability Indicators

In accordance with the terms of our engagement, we, KPMG PLT, have been engaged by the Board of Directors of Axiata Group Berhad to provide limited assurance on the Selected Sustainability Indicators (“identified as the Selected Sustainability Indicators”) for the year ended 31 December 2020 as published by Axiata Group Berhad in its Sustainability & National Contribution Report 2020 (“the Report”).

Board and Management’s Responsibilities

The Board of Directors and Group Management of Axiata are responsible for the preparation and presentation of the Selected Sustainability Indicators in accordance with Global Reporting Initiative (“GRI”) Standards, as well as Axiata Group Berhad’s definition and calculation methodologies which are to be disclosed in the Report including any significant inherent limitations, and the information and assertions contained within it; for determining the objectives in respect of sustainable development performance and reporting, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

The Board of Directors and Group Management is responsible for preventing and detecting fraud and for identifying and ensuring that Axiata Group Berhad and its subsidiaries (hereinafter referred to as “Axiata Group” or “the Group”) complies with laws and regulations applicable to its activities.

The Board of Directors and Group Management is also responsible for ensuring that staff involved with the preparation and presentation of the description and the Report are properly trained, information systems are properly updated and that any changes in reporting encompass all significant Operating Companies (“OpCos”).

Our Responsibilities

Our responsibility is to carry out a limited assurance engagement and to express a limited assurance opinion based on the work performed and evidence obtained.

We conducted our engagement in accordance with International Standard on Assurance Engagements (“ISAE”) 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information and ISAE 3410, Assurance Engagement on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board (“IAASB”). ISAE 3000 requires that we plan and perform the engagement to obtain limited assurance about whether the Selected Sustainability Indicators is free from material misstatement.

Our Independence and Quality Control

KPMG PLT applies the Malaysian Approved Standard on Quality Control, ISQC 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other relevant ethical requirements of the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Independent Assurance Report To The Members Of Axiata Group Berhad

(Company No. 242188-H)
(Incorporated in Malaysia)

Selected Sustainability Indicators

Selected Sustainability Indicators includes the following data for the year ended 31 December 2020:

- ▶ Scope 1 Greenhouse Gas (“GHG”) Emissions (GRI 305-1);
- ▶ Percentage of employees receiving regular performance & career development (GRI 404-3);
- ▶ Spending on local suppliers (GRI 204-1); and
- ▶ Local senior management (GRI 202-2).

The boundary of the limited assurance engagement by KPMG represents the OpCos’ operations in Malaysia (Corporate Center of Axiata (“CC”), Celcom Axiata Berhad (“Celcom”), edotco Group Sdn Bhd (“edotco”), Indonesia (PT XL Axiata Tbk (“XL Axiata”)), Nepal (Ncell Axiata Limited (“Ncell”)), Bangladesh (Robi Axiata Limited (“Robi”), edotco), Sri Lanka (Dialog Axiata Group (“Dialog”)), Cambodia (Smart Axiata Company Limited (“Smart”), edotco), Myanmar (edotco), Pakistan (edotco), Laos (edotco), and Philippines (edotco), except for the following indicator:

- ▶ Scope 1 GHG Emissions, for operations in Nepal (Ncell).

The selected OpCos for our site level testing on both qualitative and quantitative criteria for 2020 increased from the previous year of two OpCos to three OpCos, as follows:

- ▶ CC (Malaysia);
- ▶ XL Axiata (Indonesia); and
- ▶ Ncell (Nepal) – additional OpCo for site level testing in 2020.

In this limited assurance engagement, all OpCos were reviewed at group level testing on both qualitative and quantitative criteria.

Procedures Performed

Our limited assurance engagement on the Selected Sustainability Indicators consists of making enquiries, primarily of persons responsible for the preparation of the Selected Sustainability Indicators presented in the Report, and applying analytical and other evidence gathering procedures, as appropriate. These procedures included:

- ▶ Enquiries of management to gain an understanding of the processes for determining material issues for key stakeholder groups;
- ▶ Interviews with senior management and relevant staff at group level and selected OpCo level concerning sustainability strategy and policies for material issues, and the implementation of these across the OpCos;
- ▶ Interviews with relevant staff at the group and OpCo level responsible for providing the Selected Sustainability Indicators in the Report;
- ▶ Interviews with OpCos, selected on the basis of a risk analysis including the consideration of both quantitative and qualitative criteria;
- ▶ Identify the risks of material misstatement of the Selected Sustainability Indicators and the Report, whether due to fraud or error, design and perform limited assurance procedures to address those risks and obtain limited assurance evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- ▶ Obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control;
- ▶ Comparing the Selected Sustainability Indicators presented in the Report to corresponding information in the relevant underlying sources on a sample basis to determine whether all the relevant information has been appropriately included in the Report;
- ▶ Evaluated the Selected Sustainability Indicators presented in the Report to determine whether they are in line with our overall knowledge of, and experience with, the sustainability performance of the Group;
- ▶ Evaluated the remainder of the Report to determine whether there are any material misstatements of fact or material inconsistencies based on our understanding obtained as part of our assurance engagement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Independent Assurance Report To The Members Of Axiata Group Berhad

(Company No. 242188-H)
(Incorporated in Malaysia)

Inherent Limitations

Due to the inherent limitations of any internal control structure it is possible that errors or irregularities in the information presented in the Report may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Report, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Opinion

Our opinion has been formed on the basis of, and is subject to, the matters outlined in this Independent Limited Assurance Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the limited assurance procedures performed and evidence obtained, as described above, nothing has come to our attention that would lead us to believe that the Selected Sustainability Indicators included in the Report of the Group for the year ended 31 December 2020, have not in all material respects, been prepared and presented in accordance the GRI Standards, as well as the Group's definition and calculation methodologies.

Purpose of our Independent Limited Assurance Report

In accordance with the terms of our engagement, this Independent Limited Assurance Report on the Selected Sustainability Indicators has been prepared for Axiata Group and for no other purpose or in any other context.

Restriction of use of our Independent Limited Assurance Report

Our Independent Limited Assurance Report should also not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Axiata Group, for any purpose or in any other context. Any party other than the Axiata Group who obtains access to our Independent Limited Assurance Report or a copy thereof and chooses to rely on our Independent Limited Assurance Report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we do not accept nor assume responsibility and deny any liability to any party other than the Axiata Group for our work, for this Independent Limited Assurance Report, or for the opinion we have reached.

Our Independent Limited Assurance Report is released to the Axiata Group on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Axiata Group's own internal purposes) or in part, without our prior written consent.

Assured by: KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants
Malaysia

12 May 2021

