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Head of Sustainability
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I believe in buying local
and ethically-sourced products.

#ItBeginsWithMe

**GET TO
KNOW US**

We Are Axiata: This Is Our Investment Case

▶ **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 more than 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

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
Hemmed 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



▶ 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.

Axiata today is a diverse and resilient business with a strong foothold in the three distinct business segments of Digital Telcos, 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.

Note: ¹ Includes edotco Group and Axiata Digital employees

We Are Axiata: This Is Our Investment Case

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

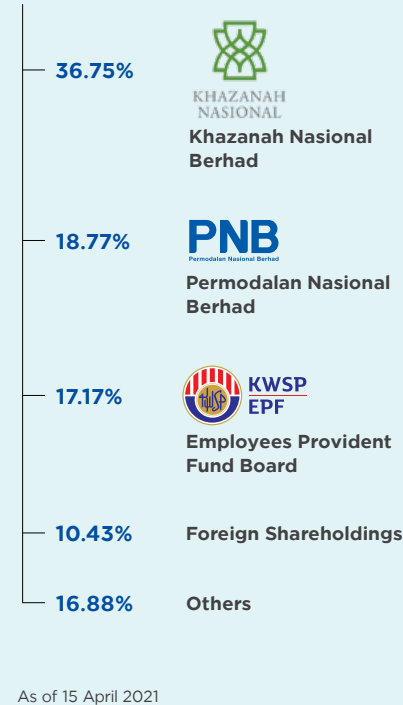
Partnership

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



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

We Are Axiata: This Is Our Investment Case

The Group is on a strong trajectory towards achieving our Axiata 5.0 Strategy to become The Next Generation Digital Champion by 2024

- ▶ Our Aspirational Targets will drive our journey of repositioning Axiata as a High Dividend Company

5	Achieve these targets within 5 years	10	Reduce cost per GB to < USD0.10
20	Increase Group EBIT margin to > 20%	20	Increase dividend per share to > 20 sen

ROIC > WACC

We are financially resilient

- ▶ Operating Free Cash Flow – **RM3.3 billion in 2020**
- ▶ Total dividend per share of 7 sen in 2020 as Axiata transitions towards becoming a High Dividend Company by 2024
- ▶ **Strengthened liquidity position** via issuance of the 10-year USD500 million Sukuk (10-year Sukuk), 30-year USD1 billion Notes from a Euro Medium Note Programme (30-year Euro Medium Term Notes) and Syndicated Multi-Currency Shariah-compliant sustainability-linked financing¹
- ▶ **Strengthened capital structure** as average loan tenure at Company level improved to 16 years, and at Group level to 10 years, due to the issuance of the 10-year Sukuk and the 30-year Euro Medium Term Notes

We have promising growth potential recognised by international investors

In August 2020, Axiata conducted a dual-tranche offering comprising the 10-year Sukuk and 30-year Euro Medium Term Notes:

- ▶ 10-year Sukuk
 - Issued at 2.163%
 - The lowest USD 10-year Sukuk rate from Malaysia
 - The third tightest rate from the telco sector globally
- ▶ 30-year Euro Medium Term Notes
 - Issued at 3.064%
 - Third lowest 30-year coupon offering by a telco issuer globally
 - Lowest 30-year coupon for an Asian corporate
 - Largest 30-year tranche size from an Asian telco
- ▶ Oversubscription from a diversified investor base both by investor type and geographical region
- ▶ High-quality orderbook with oversubscription at:
 - 7.6x on the 10-year Sukuk
 - 3.0x on the 30-year Euro Medium Term Notes

We are a premium blue chip ESG² compliant stock

- ▶ **3-star rating** for ESG compliance on the FTSE4GOOD Bursa Malaysia Index
- ▶ **MSCI³ ESG Rating A**

We have strong foundations with great assets

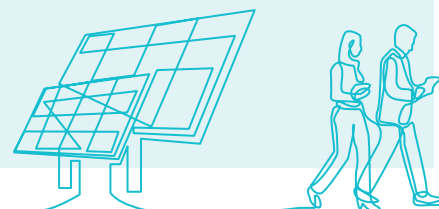
- ▶ **Energetic and skilled leadership** across our regional markets
- ▶ **Diverse and future-proofed** Modern, Agile and Digital workforce

We have a proven track record of delivering on growth promises

- ▶ **More than doubled revenue from RM11.4 billion** in 2008 to RM24.2 billion in 2020
- ▶ **Improved market capitalisation by 21% to RM34.3 billion as at end 2020**, from RM28.3 billion at closing of first day of trading post IPO in 2008
- ▶ Diversified our business from a pure-play mobile operator in **10 countries** in 2008 to a Triple Core Business of Digital Telcos, Digital Businesses and Infrastructure holding company in **11 countries in 2020**

We have a resilient and diverse business model, with competitive differentiation

- ▶ **Digital Telcos** – Digital transformation products and services for Enterprises and Consumers
- ▶ **Digital Businesses** – Data analytics, AI and Machine Learning in the digital economy
- ▶ **Infrastructure** – Data analytics to drive 5G growth



Notes: ¹ The USD800 million Syndicated Financing, announced on 11 May 2020 underscores Axiata's commitment towards ensuring the alignment of its business strategies and sustainability framework
² ESG = Environmental, Social and Governance
³ MSCI = Morgan Stanley Capital International

IAR

For more details on:
 - Our financial performance, please refer to pages 50 to 58 of the "Our Financial Resilience" section
 - Our ESG initiatives and outcomes, please refer to pages 42 to 49 of the "Towards Becoming The Next Generation Digital Champion" section
 - Our business performance, please refer to pages 15 to 29 of the "In Conversation With The President & Group Chief Executive Officer" section, and pages 59 to 78 of the "Delivering Our Strategy" section
 - Our COVID-19 contributions, please refer to pages 8 to 9 of the "Get To Know Us" section
 - For further information on our Aspirational Targets, please refer to page 39 of "Realising Our Vision" section

SNCR

For more details of our ESG commitments, please refer to the SNCR

GAFS

For more details on our leadership and financial statements, please refer to the GAFS

This Was The Environment We Operated In

Throughout 2020, Axiata and our Operating Companies (OpCos) in 11 markets across ASEAN and South Asia were not spared from the realities of an operating environment that was shaped by the far reaching impacts of the COVID-19 pandemic.

	Operating Environment	Strategic Implications	Way Forward
▶ Key Market/ Industry Trends	<ul style="list-style-type: none"> In the post-COVID-19 world, telcos are now essential utility services, providing business critical connectivity and resiliency Telcos are facilitating Work-From-Home (WFH) arrangements, keeping individuals and societies connected and informed, and enabling access to medical, financial, commercial and other essential services during mandated lockdowns 	<ul style="list-style-type: none"> Axiata has benefitted from these shifts, and is therefore performing better compared to companies in other infrastructure sub-sectors Enterprises seeking digital transformation products and services to accelerate their adoption of technology Need to ensure always on connectivity to provide reliable connection services 	<ul style="list-style-type: none"> Axiata took extensive measures to address challenges and opportunities arising from the new norms Accelerate innovations in digital product and service portfolio for Consumer, Home and Enterprise segments towards capturing new normal opportunities Leverage on the Collective Brain to harness best practices and Group-wide insights and learnings, to chart future growth across the regional footprint
▶ Macroeconomic Environment	<ul style="list-style-type: none"> The COVID-19 pandemic inflicted multiple shocks on the ASEAN and South Asia regions as domestic shutdowns caused an economic recession Unemployment has risen, and the spending power of consumers and businesses has reduced In many markets, Governments have regulated for telcos to provide free data and bonus recharge to help their population with difficulties they faced 	<ul style="list-style-type: none"> Many high value business customers have either ceased operations or are seeking reductions in services/payments Consumers are looking for more competitively priced packages and value added offers Given the economic uncertainty and difficulty in predicting the pace of recovery, Axiata withdrew its guidance on Headline KPIs¹ on 21 May 2020 Foregone revenue due to free data and bonus recharge in Malaysia, Indonesia, Cambodia, Sri Lanka, Bangladesh and Nepal 	<ul style="list-style-type: none"> Maintain strong balance sheet and liquidity position Continue to focus on conserving cash via disciplined cost management and capex efficiency, while building a war chest for new normal opportunities Address customer challenges by catering to their preferences through content windowing, tiered pricing and tailored services according to segmented needs and affordability levels
▶ Regulatory Environment	<ul style="list-style-type: none"> Uncertainty and volatility in spectrum allocations especially for future 5G network, and approvals to expand digital financial services Modernisation of sectoral legislation and regulatory framework and development of national digital economy blueprints in some markets Greater scrutiny of big tech over digital competition concerns may see introduction of digital regulations, a start to ensure regulatory fairness 	<ul style="list-style-type: none"> Proactive regulatory management as a core component of Stakeholder Management under the 10 Key Focus Areas of the Axiata 5.0 strategy Develop public policy thought pieces on the digital economy and IR 4.0² Shareholder representatives in key markets who would represent Axiata's interests on the ground 	<ul style="list-style-type: none"> Regulatory compliance a key pillar in ensuring positive reputation with stakeholders Proactively managing stakeholders including support from the Government of Malaysia in protecting investments overseas Conducting joint advocacy campaigns with the GSMA, International Telecommunication Union (ITU) and other international bodies to ensure adequate supply of 4G and 5G spectrum across the footprint Joint advocacy with ITU and the World Bank to assist governments wishing to reform and modernise current legislative and regulatory frameworks
▶ Digital Shift	<ul style="list-style-type: none"> Homes are now seen as the new centre of gravity, as lockdowns led to WFH and greater utilisation of online platforms As demand for digital connectivity skyrocketed, network traffic surged Even as online activities increased, customers expect their data privacy to be protected 5G roll outs delayed in most markets 	<ul style="list-style-type: none"> Provide broadband incentives to businesses and consumers to encourage them to stay at home Improve network stability to enable consumers to adopt to the new ways of working and learning Enhance security capabilities and improve service delivery for our employees to enable them to WFH Axiata's Group Security Operations Centre (GSOC) instrumental in supporting network resilience by discovering and remediating external threats Enhance training and awareness efforts on Privacy and Cyber Security to build a cyber-resilient culture 	<ul style="list-style-type: none"> Axiata continues to support digital agendas within its markets of operation by enhancing technology capabilities Enhance security and data protection capability to provide uninterrupted service and inspire customer confidence Provide more Internet-based services to enable customers to connect and adopt the new norms in working and learning
▶ Competitive Landscape	<ul style="list-style-type: none"> Industry revenue dropped as consumers and businesses suffered financially from the impacts of the pandemic This intensified competition in the telco sector, as players sought to maintain revenue in a difficult market 	<ul style="list-style-type: none"> While demand for data has increased, intensified competition between telcos have further eroded data prices Need for OpCos to differentiate themselves from their competitors in the market Leveraging on the Collective Brain to gain cost savings that will bolster our financial fundamentals 	<ul style="list-style-type: none"> Focus on the refined strategic approach of the Six Core Business Dimensions within Axiata's 10 Key Focus Areas to capture new normal opportunities Continuously enhance customer experiences and provide value added propositions As digital lifestyles become more entrenched, to provide a distinctive competitive proposition via converged service offerings for the Consumer, Home and Enterprise segments Establish Axiata as the digital transformation product and service provider for businesses

Notes: ¹ KPIs = Key Performance Indicators ² IR 4.0 = Industrial Revolution 4.0