



OUR **SUSTAINABILITY** **JOURNEY**



Every step we take is guided by our commitment to safeguard the planet and improve every life we touch.

Proactive and forward-thinking - this is the DNA embedded within TM. All progress made along our ESG Roadmap has far-reaching benefits for generations to come.

All decisions we make ensure that our path forward is not only secure but also sustainable.

OUR COMMITMENT TO YOU



Tan Sri Mohammed Azlan Hashim

Chairman

Dato' Imri Mokhtar

Managing Director/
Group Chief Executive Officer

Dear Stakeholders,

At TM, our goal is to use technology to empower communities, businesses and Government to shape a Digital Malaysia. This is part of our commitment to nation building and sustainable development, prioritising positive impacts with every business decision.

Sustainability is critical to our long-term success which as both a moral obligation and an opportunity to create value for all stakeholders. In 2022, we conducted an in-depth materiality exercise to ensure that we are fully aligned with the needs and concerns of our stakeholders. By engaging proactively and addressing the issues most important to them, we are able to deliver long-term value and create meaningful change.

To make sustainability a core component of our operations, we have integrated sustainability-related key performance indicators (KPIs) across all divisions. This enables us to effectively monitor and assess our progress towards achieving our sustainability objectives while fostering a culture of sustainability throughout the organisation. We have also aligned our sustainability commitments with the United Nations Sustainable Development Goals (UN SDGs) to drive positive outcomes that contribute to the global sustainability agenda.

Throughout the year, we continued to progress under each of our sustainability pillars:



Building a Digital Malaysia

Connectivity is a fundamental right and everyone should have access to reliable and affordable digital services. This is shown through our commitment and support for the Government's JENDELA action plan, which aims to close the digital divide and promote inclusive socio-economic development. In 2022, we accelerated our fixed broadband deployment in over 6.2 million premises, achieving 69% towards at least 70% of premises with high-speed Internet access to enable Digital Malaysia by 2025.



Protecting the Planet

Environmental well-being is an essential component of achieving sustainable societies and economies. One of our main environmental priorities is addressing climate change, which poses significant risks to our stakeholders and society as a whole. We have reduced our carbon emissions by 12.45% this year by using renewable energy and efficient practices and we aim to reach net zero by 2050. We are also adopting TCFD reporting recommendations, with plans to issue our first TCFD report by mid-2023 – two (2) years ahead of Bursa Malaysia's listing requirements.



Putting People First

People remain at the heart of our transformation into a human-centred TechCo. Our employees are the backbone of TM, to whom we provide fair opportunities, diversity and inclusion, resulting in an Organisational Health Index (OHI) score increased from 77 at mid-year to 80 at year end of 2022. We also support our supply chain partners, who help us meet our nation building goals and contributed RM3.53 billion to local suppliers in 2022. We also empower communities through Yayasan Telekom Malaysia (YTM)'s social programmes, with RM8.1 million invested to improve the lives of 67 female entrepreneurs and over 47,000 community members in 2022.



Strengthening Our Integrity

We believe in operating with integrity, honesty and fairness in all of our business practices. We have a strict zero-tolerance policy against any unethical behaviour, corruption, or bribery. Our policies and procedures are designed to ensure total compliance with laws, regulations and industry standards and we continuously update them to keep up with the ever-changing business environment. Recently, we were honoured with the Gold Category in the AIGA organised by the Malaysian Institute of Integrity (IIM). This prestigious award recognises our commitment to high standards of integrity and governance, putting us at the forefront of trusted companies in Malaysia.

Our unwavering commitment to sustainability has helped us outperform many of our peers within our industry. We have received a full rating of 4 out of 4 stars on the FTSE4Good Bursa Malaysia Index, placing us among the top 98 constituents of the index. On FTSE Russell global rating, we have seen an overall improvement in ESG score to 3.6 against 3.1 in 2021. Additionally, we improved our CDP rating to 'B' from 'C' and 'A-' from 'B-' for the CDP SER last year, highlighting our improved resilience against ESG risks. These accomplishments demonstrate our focus on creating long-term value for all stakeholders.

As we continue to advance our sustainability agenda, we remain steadfast in our dedication to serving all our stakeholders as we accelerate our transformation from a leading converged Telco into a human-centred TechCo. Thank you for being part of our journey and for your continued support.

Tan Sri Mohammed Azlan Hashim
Chairman

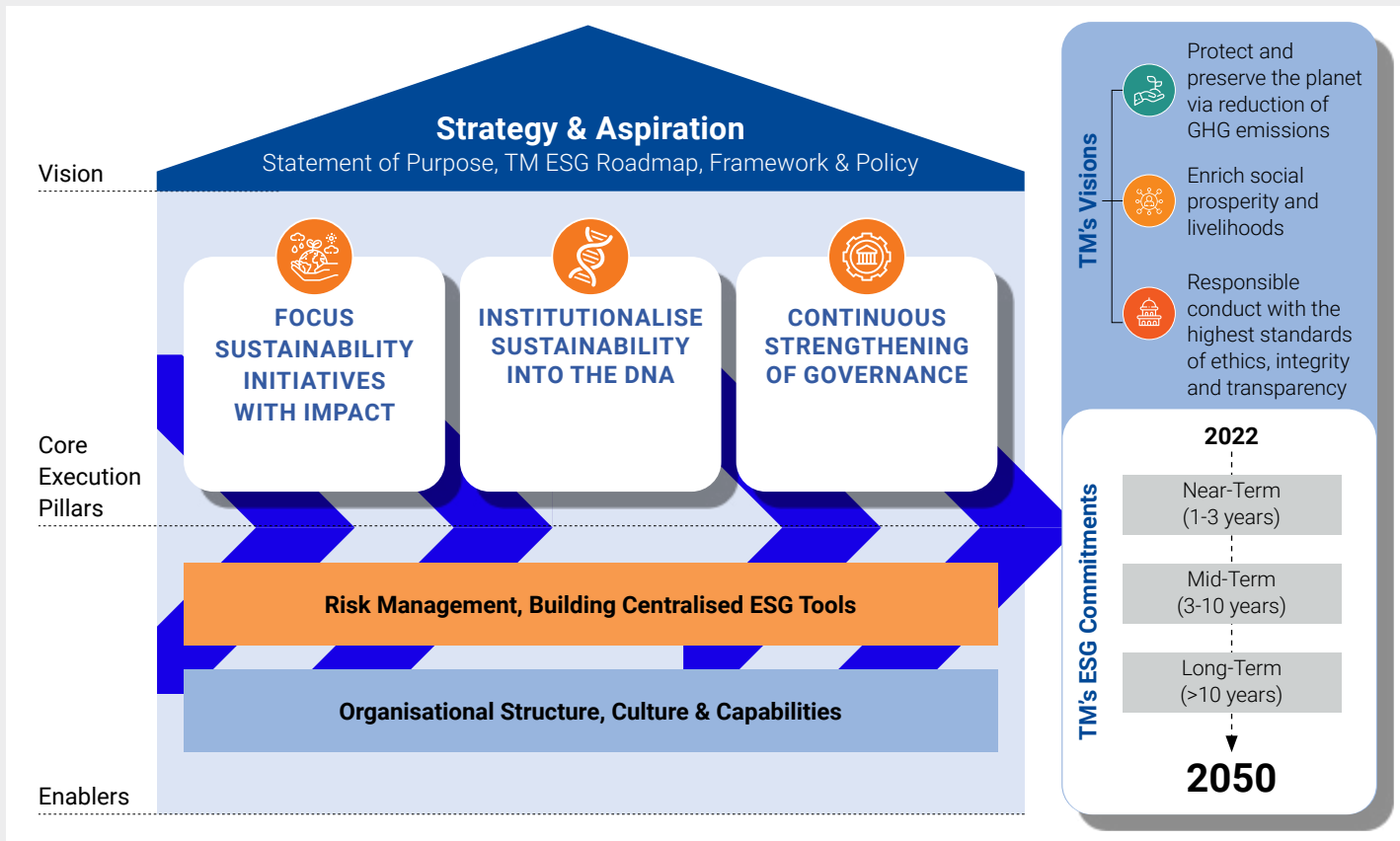
Dato' Imri Mokhtar
Managing Director/Group CEO

SUSTAINABILITY STRATEGY

1 Strategy and Aspiration

At TM, we view sustainability as an essential part of doing business. Therefore, we continue to integrate sustainability into the DNA of our organisation. With strong foundations built in collaboration with our leadership team and stakeholders across the Group, we are able to make great strides each year in our sustainability journey. This is supported by TM's Sustainability Architecture, which enables us to address our material matters and deliver positive sustainability impacts.

In further institutionalising sustainability, we have embedded ESG-related KPIs across our business for greater accountability and performance. This is operationalised through TM's sustainability programmes, which enable us to progressively improve our ESG practices and accelerate our aspirations of driving a Digital Malaysia.



By integrating sustainability into our strategy, we are able to build our business resilience, create inclusive value for stakeholders, meet our nation building agenda and contribute to solving global sustainability challenges.

Through Our Sustainability Pillars...	...we create sustainable value for our stakeholders...	...and our business performance...	...while contributing to the Government's nation building ambitions...	...and the UN's Global Goals
Building a Digital Malaysia 	<p>Customers: Provide innovative and inclusive technological solutions that enable them to thrive in an increasingly digital world</p> <p>Communities: Deliver critical Internet access to rural areas, thus connecting communities to essential services such as education, banking and healthcare</p>	<ul style="list-style-type: none"> Contributes to our long-term financial growth Reinforces our position as an industry leader Improves our competitive advantage 	<p>JENDELA: A five (5)-year action plan to improve the quality and reach of Malaysia's communication network and close the digital divide</p> <p>MyDIGITAL: A national initiative to transform Malaysia into a digitally-driven, high-income nation and a regional digital leader</p>	

Material Matters: M1 M2 M3 M4 M5 M6

New TM Compass:

Through Our Sustainability Pillars...	...we create sustainable value for our stakeholders...	...and our business performance...	...while contributing to the Government's nation building ambitions...	...and the UN's Global Goals
Protecting the Planet 	<ul style="list-style-type: none"> Suppliers: Strengthen the supply chain through environmental standards/requirements Communities: Contribute to ecological resilience to protect society from climate change and other environmental challenges 	<ul style="list-style-type: none"> Saves costs through improved operational efficiency Mitigates climate-related damage to our infrastructure Stays ahead of rising environmental regulations and costs (i.e., carbon tax) 	<p>Malaysia Climate Change Action Council: Malaysia aims to reduce its greenhouse gas (GHG) emissions intensity by 45% across the economy by 2030, with an aspiration of achieving net zero emissions by 2050</p> <p>Green Technology Master Plan Malaysia: A national plan to develop green technology and create a low-carbon economy, by 2050</p>	 




Material Matters: M7 M8 M12

New TM Compass: 

Putting People First 	<ul style="list-style-type: none"> Employees: Create an inclusive and nurturing work environment that builds their careers Suppliers: Empower the rights and development of everyone in the supply chain Communities: Contribute to socio-economic progress through educational and social programmes for underserved communities 	<ul style="list-style-type: none"> Increase productivity and performance of employees Strengthen supply chain resilience for minimal disruptions Improve public trust and brand reputation 	<p>Malaysian Code on Corporate Governance (MCCG): To encourage gender diversity, Boards must have at least 30% women directors.</p> <p>Shared Prosperity Vision 2030: Addresses disparities to protect and empower the <i>Rakyat</i> in ensuring that no one is left behind by 2030</p>	    
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Material Matters: M9 M10 M11 M12 M13

New TM Compass: 

Strengthening Our Integrity 	<ul style="list-style-type: none"> Employees: Create a culture of integrity and fairness for a better work environment Government & Regulators: Avoids fraud and corruption that may negatively affect economic growth 	<ul style="list-style-type: none"> Prevents regulatory penalties and related costs Strengthens TM's image as a sustainable and responsible company 	<p>The National Anti-Corruption Plan: An anti-corruption policy that reflects the <i>Rakyat's</i> expectations for a greater corrupt-free nation that promised transparency, accountability and integrity</p>	 
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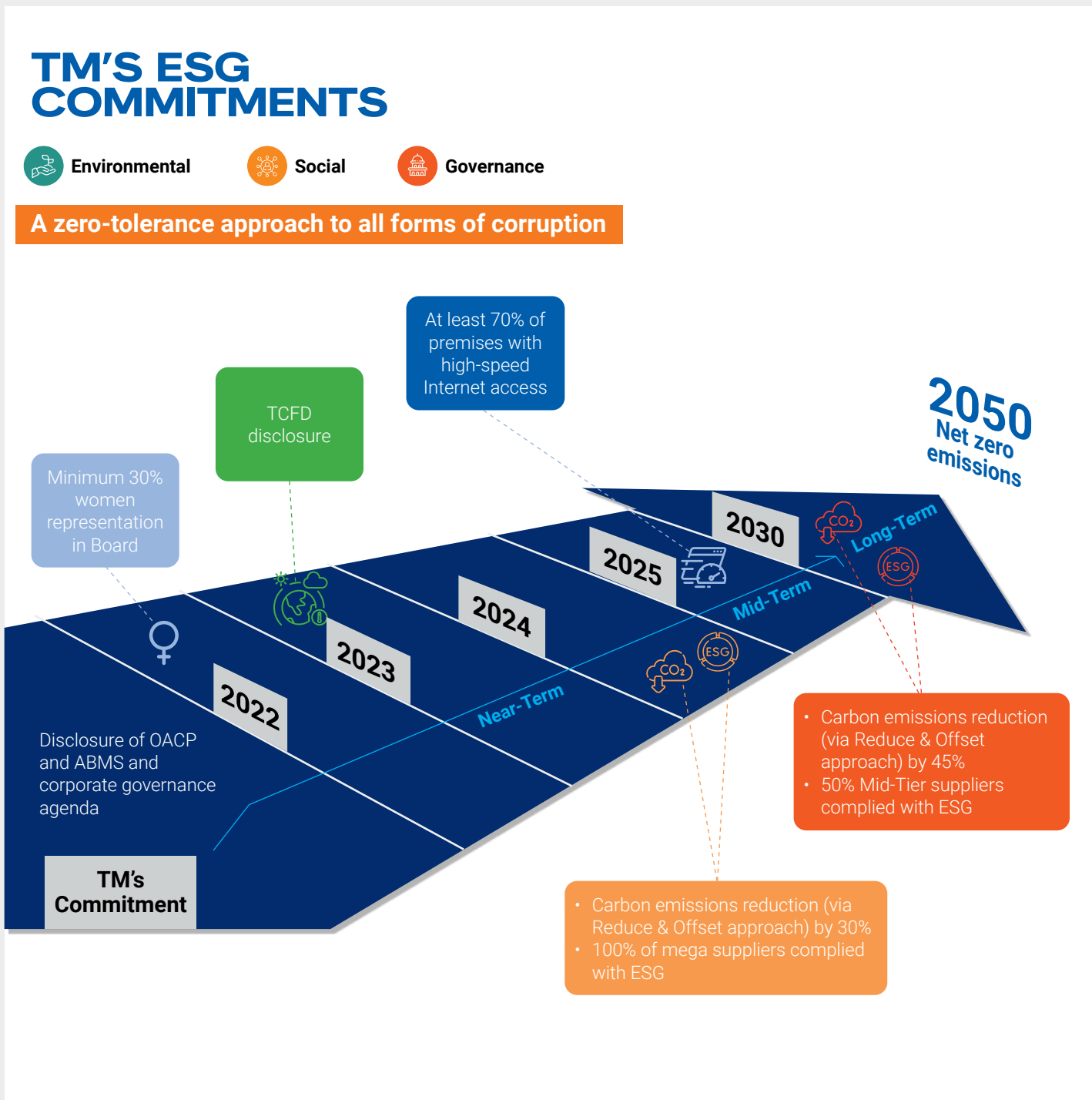
Material Matters: M14

New TM Compass: 

2 ESG Roadmap & Commitments

We are dedicated to creating a positive impact on society and the environment and our ESG Roadmap is crucial in fulfilling our sustainability goals. This roadmap offers a clear and comprehensive framework for our leadership team, employees, partners and other stakeholders to collaborate and develop a strong ESG ecosystem.


To achieve our ESG commitments, we are implementing various initiatives across our business, spearheaded by our leadership team. We understand that sustainability is an ongoing journey and we are committed to continuously improving our ESG performance to create a more sustainable future for everyone.





3 Contributing to the Global Agenda

As a global citizen, we are committed to generating sustainable impact that extend beyond Malaysia's borders. Our sustainability agenda aligns with the UN SDGs, enabling us to translate our business activities into meaningful global contributions. Through the mapping of our activities and material matters against the specific SDG targets and indicators, we identified the most impactful and influential SDGs resulting in nine (9) Focus SDGs.

SDG Targets	TM's Contributions
SDG1: No Poverty 	Target 1.5: By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters <ul style="list-style-type: none"> • 27,572 affected community members assisted through Humanitarian Disaster Response • RM8.1 million contributed to community initiatives
SDG4: Quality Education 	Target 4.1: By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes <ul style="list-style-type: none"> • >5,000 students from 51 different schools reached through TM Future Skills • RM13.4 million channelled into the Future Leaders Scholarship Programme
	Target 4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship <ul style="list-style-type: none"> • Develop future digital leaders through MMU, a comprehensive higher education ecosystem that empowers students for innovation and entrepreneurship ventures
	Target 4.b: By 2020, substantially expand globally the number of scholarships available to developing countries, in particular least developed countries, small island developing States and African countries, for enrolment in higher education, including vocational training and information and communications technology, technical, engineering and scientific programmes, in developed countries and other developing countries <ul style="list-style-type: none"> • RM15.6 million worth of scholarships disbursed to support the academic ambitions of high-potential students
SDG5: Gender Equality 	Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life <ul style="list-style-type: none"> • 31% of management positions held by women • 36% of Board members are women
SDG8: Decent Work and Economic Growth 	Target 8.4: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation and encourage the formalisation and growth of MSMEs, including through access to financial services <ul style="list-style-type: none"> • RM8.1 million contributed to community development initiatives • 69 suppliers reached through BVDP
	Target 8.6: By 2020, substantially reduce the proportion of youth not in employment, education or training <ul style="list-style-type: none"> • 100% YTM scholars employed within six (6) months of graduating • 25 Asnaf and youth entrepreneurs trained through YTM's entrepreneurship programmes
	Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants and those in precarious employment <ul style="list-style-type: none"> • 14,388 employees trained on human rights policies/procedures • 23% decrease in OSH-related incidents due to TM's enhanced OSH governance structure • 6,766 employees are unionised

	SDG Targets	TM's Contributions
SDG9: Industry, Innovation and Infrastructure 	Target 9.5: Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private R&D spending	<ul style="list-style-type: none"> • RM62.3 million invested in TM R&D • Continue to develop smart solutions to enable Malaysia's digital ecosystem
	Target 9.c: Significantly increase in access to ICT and strive to provide universal and affordable access to the Internet in least developed countries by 2030	<ul style="list-style-type: none"> • >3.4 million broadband ports • >690,000 km of domestic fibre optic • >340,000 km of submarine cables with 32 submarine cable systems • 62 TMix Nodes
SDG10: Reduced Inequalities 	Target 10.1: By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average	<ul style="list-style-type: none"> • 6,000 B40 school students reached through Unifi Mobile Package for students • 60 students from B40 families helped via #MYBAIKHATI campaign
SDG11: Sustainable Cities and Communities 	Target 11.4: Strengthen efforts to protect and safeguard the world's cultural and natural heritage	<ul style="list-style-type: none"> • 649 direct and indirect jobs for musicians, art performers, filmmakers, B40, unemployed & PPR created • 10,137 trees planted with 5,000 trees at reserved forests
	Target 11.5: By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global GDP caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations	<ul style="list-style-type: none"> • RM1.9 million pledged for floods relief
SDG12: Responsible Consumption and Production 	Target 12.4: By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with the agreed international frameworks and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment	<ul style="list-style-type: none"> • 19.5% reduction in scheduled waste
	Target 12.6: Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle	<ul style="list-style-type: none"> • 55% of suppliers comply with TM's environmental requirements • 88% suppliers comply with TM's social requirements
SDG13: Climate Action 	Target 13.2: Integrate climate change measures into national policies, strategies and planning	<ul style="list-style-type: none"> • ESG and climate change risks have been included as part of our BRC agenda • Increase business and operational resilience through robust BCM programme set-up and implementation • Established carbon-reduction targets, including net zero emissions by 2050 • 12.45% emissions reduction from 2019 baseline

SUSTAINABILITY SCORECARD

BUILDING
A DIGITAL
MALAYSIA

- **69%** premises reached with high-speed Internet access
- **88%** Unifi customer's network-related faults restored within 24 hours against 86% target for 2022
- **1,265** cyber security incidents resolved/handled
- **39** NPS Score (2021: 23)

PROTECTING
THE PLANET

- **12.45%** reduction of carbon emissions against 2019 baseline
- **10,137** trees planted including 5,000 trees planted at reserved forests for carbon sequestration
- **75%** reduction of scheduled waste against 2019 baseline
- **79%** reduction of Air-Travel Emissions against 2019 baseline

PUTTING
PEOPLE FIRST

- **88%** of suppliers meet the ESG social requirements
- **55%** of suppliers meet the ESG environment requirements
- **~RM3.53 billion** contract value awarded to local suppliers
- **RM2.24 billion** contract value awarded to Bumiputera Vendors
- **36%** women representation in Board
- **31%** of women in Management
- **32 average total hours** of training per employee
- **35%** of employees with collective agreements

STRENGTHENING
OUR INTEGRITY

- **97%** OACP action plan completion (Target by 2024/2025: 100%)
- **100%** ABMS certification (Target by 2024/2025: 100%)
- **35** operations effectively assessed and managed for corruption risks

ACHIEVEMENTS (ESG RATINGS):


CDP
Rating
= B

Supplier
Engagement
Rating (SER) = A-



Constituent of FTSE4Good
Bursa Malaysia with a
4 out of 4 stars rating



Rated by FTSE
Russell with
3.6 ESG rating

FAIR & TRANSPARENT COMMUNICATION



WHY WE CARE

In our most recent materiality exercise with our stakeholders, Fair & Transparent Communication emerged as the most critical concern. This highlighted the need to improve the way we communicate. Our stakeholders expect honest, open and timely communication, which ensures we remain accountable for our actions and decisions. It also helps keep our stakeholders well-informed of developments, thus building more trust and credibility.

Fair and transparent communication fosters innovation and collaboration as we gain valuable insights and feedback that help us identify new growth opportunities. This can lead to more effective strategies and decision-making for improved performance and long-term viability. Our goal is to create a shared understanding of our vision, mission and values – allowing all our stakeholders to feel connected with our nation building agenda. This in turn will help us gain support for TM to accelerate the country's transformation into a full-fledged Digital Malaysia by 2030.

What Our Stakeholders Expect

- Regular engagements and updates
- Participation in decision-making
- Open and honest communication

WHAT IS OUR APPROACH

Since the identification of Fair & Transparent Communication as a critical material matter, the Strategic Communications (SC) team has been re-evaluating our current approach to communications. Instead of increasing the amount of communication activities, we need to channel our communication in better ways. The team plans to adopt a more focused and targeted approach to how we share information. We continuously explore new ways of communicating and engaging with our stakeholders so that our messages are more visible and available to them. Our focus is to tighten the alignment of our communication assets in order to deliver information more effectively. We will also leverage our strengths in technological innovation, such as AI and data analytics, to create smarter and more agile communication pathways.

In 2023, we aim to roll out a strategy to drive various initiatives, guided by a revised TM Communication Policy with the aim of improving our fair and transparent communications. The new strategy and policy will cover our communication approach from a stakeholder perspective. It will address communication issues raised during the materiality exercise and promote a culture of honesty, transparency and accountability across TM.

Deployed Capitals:

Met Strategic Aspirations:

Stakeholders Affected:

Sustainability Impact:

HOW WE CREATED VALUE IN 2022

1 Keeping Customers Informed

Our customers need to stay informed of any developments that may impact their experience with us. With this in mind, we provide proactive notifications to customers on a range of matters, including billing reminders, potential downtimes and errors, as well as awareness of new features or solutions.

In addition, we offer customers differentiated engagement experiences through our self-service and digital platforms. Our efforts have been fruitful, with a remarkable 14% reduction in human-assisted interactions with customers.



↳ For more information on our customer engagement platforms, please see pages 100-103

2 Engaging with Employees

For our employees, we continued to provide clear communications on various matters related to our strategy, messaging and business updates. We also organised engagement sessions with compiled feedback, which was then shared with relevant departments or individuals to address. Through our top-down approach, the management team also shared critical information with employees via townhalls and other events.



EMPLOYEE COMMUNICATION CHANNELS



Suara TM

How it Works:

Email updates are delivered twice a month on various events and activities occurring across TM.

Impact & Achievements:

- 24 issues of Suara TM newsletters published in 2022
- Around 22,000 employees reached across the Group (including subsidiaries and temporary employees)



Yammer

How it Works:

Social media updates from SC to employees on our internal employee platform.

Impact & Achievements:

- 217 posts by SC in 2022
- 5,913 employees registered on Yammer



Media Monitoring

How it Works:

Timely updates on digital and mainstream news about TM, our partners and competitors, as well as developments across the industry.

Impact & Achievements:

- Around 300 employees at General Manager levels and above received daily news monitoring reports
- Media Value Index (MVI) = RM25.35 million
- Share of Voice (SOV) = 39.91%
- Net Sentiment Score (Media Impact Score) = 5.4/10



Jom Bersama GCEO

How it Works:

An all-employee hybrid session with the GCEO on our latest business performance and updates, targeted for employees at the Executive level and above.

Impact & Achievements:

- Six (6) Jom Bersama sessions, with an average of 8,711 participants each
- Total Jom Bersama viewers online: 52,265
- 45.85% of participants are permanent TM employees

Coffee & Chat with CEO

How it Works:

A casual engagement between the GCEO and small groups of employees from the Executive and Non-Executive pool, primarily technical and frontline workers.

Impact & Achievements:

- Executed the inaugural session with employees in September 2022
- 26 employees participated

Turun Padang (Townhall)

How it Works:

Physical and hybrid engagements between TM leadership with employees at various states and at regional offices.

Leaders involved include:

Group Chief Executive Officer (GCEO)	
Chief Operating Officer (COO)	Chief Marketing Officer (CMO)
Chief Strategy Officer (CSO)	Chief Network Officer (CNO)
Chief Human Capital Officer (CHCO)	Business Heads

Impact & Achievements:

- Five (5) sessions were held in 2022, with four (4) physical sessions in Terengganu, Penang, Sabah and Sarawak
- 850 *Warga TM* attended the physical sessions, while over 600 *Warga TM* tuned in virtually

Jom Sembang

How it Works:

A 'Getting-to-Know-You' virtual engagement session, with employees getting up-close and personal with individual Top Management team members.

Impact & Achievements:

- Average Rating: >4.5 out of 5

Jom Sembang 2022

Tengku Muneer Tengku Muzani, Chief Strategy Officer Date: 8 March 2022	Ir. Ts. Azizi A. Hadi, Chief Operating Officer Date: 26 July 2022
Sarinah Abu Bakar, Chief Human Capital Officer Date: 18 March 2022	Raja Azrina Raja Othman, Chief Information Security Officer Date: 17 August 2022
Shazurawati Abd Karim, EVP TM One Date: 30 March 2022	Mohamad Mohamad Zain, Chief Risk Officer Date: 4 October 2022
Krish Datta, CEO Credence Date: 14 April 2022	Azni Risa Ramlan, VP, Business Innovation and Technology (BI Tech) Date: 11 October 2022
Nazeem Nasir, Director Transformation Office Date: 5 July 2022	
Total reach: 1,391	

3 Working Closely with Our Regulators

As the primary regulator in Malaysia's communications and multimedia industry, MCMC is both a regulator and collaborative partner for TM. Throughout the year, we maintained regular communications with the MCMC to establish a strong and mutually beneficial relationship while adhering to their guidelines and requirements.

We addressed key issues impacting our business through various platforms, including official visits from key stakeholders, regular online or in-person meetings and collaborative programmes and projects. For instance, in July 2022, we hosted the Interim Chairman of MCMC for an official visit to TM, where we shared our business direction and contribution to national development.

TM also participated in the weekly JENDELA Industry Communications Meeting as a subcommittee chaired by MCMC to discuss coordination and resolve issues involving Telcos and JENDELA action plans and execution. Through our partnership with the MCMC, we collaborated on several programmes for the benefit of the nation, such as the launch of Pusat Ekonomi Digital (PEDi), the nationwide tour of Jelajah Aspirasi Keluarga Malaysia, Ruang Bicara Bernama TV talk show, Tea Talk @ MCMC knowledge-sharing forum, among others.

4 Sharing Information with the Public

For engagements with external stakeholders, such as with community members or the media, we organised open sharing sessions, including meetings, visits, media briefings and press conferences. A few measurements observed for media engagement include MVI, SOV and Net Sentiment Score.

We also published TM's IAR 2022 to disclose our key strategies, plans, performance and future direction. Our annual reports uphold the highest standards of transparency and accountability, receiving multiple recognitions and accolades.



REPORTING AWARDS

- **NACRA Awards 2022**
 - Gold Award for Best Annual Report in Bahasa Malaysia
 - Silver Award for Best Sustainability Reporting
- **Australasian Reporting Awards 2022 (ARA 2022)**
 - Gold Award for Integrated Annual Report

INNOVATION & TECHNOLOGY



WHY WE CARE

As Malaysia's Digital Enabler, our role is to drive the country's progress through innovative solutions. Developed countries often have high technology adoption rates and we can achieve this by using modern technologies like 5G and data analytics. Smart technologies can also create better living conditions for society, contributing to sustainable and inclusive progress.

Our transformation into a human-centred TechCo focuses on using innovation and technology to improve people's lives. As new technologies and competitors emerge, it is essential to adapt continuously to meet society's needs. Doing so improves our competitiveness, provides higher returns for shareholders, improves the quality of life for customers and establishes Malaysia as a digital powerhouse.

What Our Stakeholders Expect

- Smart and innovative offerings
- Customised product solutions
- Application of new technologies

WHAT IS OUR APPROACH

At TM, innovation prevails through TM Research & Development (TM R&D). As the key enabler in driving TM's digital aspiration, TM R&D's innovation moves beyond connectivity to create new value-added digital and smart services, covering customer experience, process optimisation, as well as new business opportunities. With strength in intelligent platforms, IR4.0 technologies and connectivity, we help businesses solve operational issues and co-create solutions for the global market:

- **Intelligent Support Systems:** Driving seamless and best-in-class customer experience by providing reliable, AI driven, predictive and end-to-end solutions
- **Workforce Related:** Creating state-of-the-art solutions with safety and productivity as the top priority to boost efficiencies at the workplace
- **Data Brokerage:** Creating new revenue opportunities through smarter platforms, cultivating better insights and spawn the creation of new services
- **IoT Industry:** Creating IoT solutions for the industries to benefit from the industrial revolution

Today, we are monetising TM R&D as a business, offering R&D as a service. Our goal is to provide a smarter ecosystems solutions to enrich humanity and bring progress to nations. We strive to stay relevant with our new innovative solutions that the market cannot do without and take on projects that provide multi-fold benefits to businesses and the global market.

TM R&D Focus Areas

- Academic Research (Fundamental)
- Industry Research (Exploratory)
- Co-Creation Projects (with Industry)
- Commercialisation

Deployed Capitals:  

Met Strategic Aspirations:   

Stakeholders Affected:  

Sustainability Impact:   

HOW WE CREATED VALUE IN 2022

1 Smart and Intelligent Solutions

TM R&D focuses on enabling a Digital Malaysia through research, creating new intellectual property rights and developing innovations that solve real-world problems. The goal is to trigger a mindset shift amongst Malaysians from being a nation of consumers to becoming a nation of producers, as we believe that having the ability to produce will contribute to sustainable development.

With this in mind, major investments and developments were made by TM R&D in 2022, primarily within Digital Innovation, Connectivity Innovation and Workforce Mobility.

	2020	2021	2022
Investments in R&D	RM65.0 million	RM61.4 million	RM62.3 million

Through TM R&D and collaboration with internal stakeholders involving TM Global, TM One, GNT, Unifi and GHCM, we have developed and commercialised a comprehensive suite of product solutions that supports business growth and improves the lives of our customers.

TM'S SMART PRODUCTS & SOLUTIONS

Smart Traffic Analytics and Recognition System (STARS)

A unified traffic control system with a single central monitoring platform equipped with real-time analytics, notification and resolution of traffic problems.

How It Creates Value:

Enhances the efficiency of municipality and township management, while transforming cities to focus on smart solutions surrounding safety, green and efficient operations, aligned to the carbon reduction commitment and Smart City Index framework.

Impact & Achievements:

- Improved traffic flow in Ipoh up to 51% especially during peak hours
- Enabling Low Carbon Cities by 2030 through enabling carbon emissions reductions

i-CBYD (i-Call Before You Dig)

An advanced AI platform that proactively detects and manages third party contractor work.

How It Creates Value:

Reduces unnecessary outages by proactively managing network issues, which contributes to improving the customer experience.

Impact & Achievements:

- Eliminated 73 breakdowns with RM2.5 million in cost avoidance
- 66 critical and high-risk nodes covered nationwide

**Software Defined Wide Area Network (SDWAN)**

A software-defined approach to managing the WAN delivering seamless connectivity, centralised orchestration and increased automation.

How It Creates Value:

Maximise network and business agility, simplify operational management and enhance security and resilience.

Impact & Achievements:

Adaptive, application-aware and future-ready network that connects branches, on-premises assets and cloud platforms for improved productivity

**FOMS (Fibre Optic Monitoring System)**

A platform that monitors incidents related to fibre cable cut and degradation of the Fibre Optic Cable E-side (Main Cable).

How It Creates Value:

Minimises fibre issues for better network reliability, quality and stability.

**PROPNETS (Proactive Passive Network Systems)**

A smart system that quickly detects, isolates and resolves last mile issues affecting Unifi's service disruption.

How It Creates Value:

Delivers more seamless experience and connectivity to Unifi customers.

**Southern Gateway**

A digital application that embeds computer vision AI and ML capabilities for self-supervision and self-verification during service installation, restoration and maintenance.

How It Creates Value:

Enhances service quality and customer experience.

**TROIKA**

An intelligent demand management system targeting "Zero" Waiters within JENDELA requirements. The solution automates Unifi's demand management and real-time port mapping with the objective of proactively and reactively managing demand and converting unfulfilled orders to serviceable orders immediately.

How It Creates Value:

Accelerates waiters' clearance time from 41 to 14 days, thus improving customer experience.

**PEOPLE**

PEOPLE is an all-in-one platform to assist employee's productivity needs. It simplifies and enhances employee experience by digitalising HR processes. In addition, PEOPLE keeps track of employees progression within the organisation and allows them to achieve high performance culture.

How It Creates Value:

Simplifies employee experience and empower HR department from the tip of a finger.



CAMELIA

An intelligent support system for passive network fault diagnostic and prediction, including for enterprise products. The system leverages best-in-class technologies to transition from reactive to proactive/predictive troubleshooting capabilities.

How It Creates Value:

Improved customer network restoration time to within 24 hours.

2 Elevating Malaysia's Entertainment

Beyond making life easier for Malaysians, we continue looking for innovative ways to create interesting and exciting avenues for all. We are advancing our entertainment offerings through the establishment of edge services and gaming as well as various streaming content including sports and many more.

This year, we made significant progress in expanding our edge services by embarking on the e-Sports scene and hitting a new milestone through collaborations with global digital players in offering the ultimate gaming experience.



TM'S DIGITAL SOLUTIONS



Edge Facilities

What We Did:

- Provided regional integrated digital infrastructure closer to end users to improve customer experience via high capacity and low latency services
- Deployed neutral edge facilities at targeted locations for immediate 5G and edge readiness

Impact & Achievements:

- Retrofit 7 TM exchanges for in-country edge facilities



Edge Gaming

What We Did:

- Enabled gaming service providers to reach Malaysia and ASEAN gamers in providing greater customer journey and network quality
- Fortified our edge ecosystem in supporting low latency requirements through network resiliency and seamless digital experience across the globe

Impact & Achievements:

- Deployment of edge nodes in the Philippines to support Edge Gaming requirements
- Collaborations with e-Sports and cloud gaming providers
- Seamless connectivity within the ASEAN region enabling superior gaming experience and quality



Unifi TV

What We Did:

- Enhanced our content offerings by providing the best entertainment pack in the market – available on all devices and HD content

Impact & Achievements:

- Customers enjoy access to 17 streaming apps, including Disney+ Hotstar, Mango TV, SPOTV Now, SIAR and many more



AWARDS & ACCOLADES FOR INNOVATION

- Innovative Tech Companies of the Year Award at the Asia Corporate Excellence & Sustainability (ACES) Awards 2022
- Malaysia Technology Excellence Awards (for FIRA and SPICE.ai)

NETWORK STABILITY & QUALITY



WHY WE CARE

Demand for connectivity and communication services has soared over recent years, especially since the onset of the pandemic. All segments of society – businesses, Governments and the general public – require fast and quality connection to live, work and play. Even just a moment of downtime can impact our stakeholders. For individuals, interrupted services can limit their access to critical services, such as banking or e-learning, thus negatively affecting the customer experience. Businesses that face outages can experience disruption and losses, with the severity based on the sector.

As a strategic partner for Malaysia's sovereign communications, any network failure can cause severe consequences to the Government and their ability to serve its people. Therefore, optimal network performance is a bedrock for our long-term value creation. This means delivering fast, high-quality and reliable services that truly make life easier while accelerating our Digital Malaysia aspirations.

What Our Stakeholders Expect

- High-quality and fast Internet
- Uninterrupted network service

WHAT IS OUR APPROACH

At TM, we strive to actively protect our stakeholders from network issues. We are continuously improving our network resilience against network disruptions. Our BCM system and DRP are designed to ensure fast recovery against potential threats that may disrupt our service, which include natural disasters, cyber security breaches, riots/public disorder and disruption to logistic operations due to theft/robbery.

↳ For more information on BCM and DRP, please see pages 217 to 222

Beyond network continuity, we also ensure that the high-quality service delivered is fast and reliable. Our products and services are governed by a range of regulations, certifications and standards that ensure we consistently deliver world-class service quality and performance that meet the needs of our customers.

Policies, Certifications & Regulations

- TM Business Initiative Governance Framework Policy
- Mandatory Standards of Access & Mandatory Standards of Quality of Services
- MCMC Short Range Devices Technical Standards
- QMS ISO 9001
- BCMS ISO 22301:2019
- ISMS ISO 27001:2013
- Standards for Customer Premise Equipment
- Metro-Ethernet Forum (MEF) Certification

Deployed Capitals:  

Met Strategic Aspirations:   

Stakeholders Affected:  

Sustainability Impact:  

HOW WE CREATED VALUE IN 2022

1 Addressing Network Disruption

We face a range of factors and challenges that threaten our network’s reliability and continuity. Therefore, throughout the year, we intensified efforts to improve service quality and assurance through various initiatives. This includes proactively monitoring sources of potential disruption to strengthen the resilience of our infrastructure and services.

How We Address Network Disruption

Top Issues Related to Network Stability	Improvement Measures
Third-Party Fibre Issues	Worked closely with third-party contractors like TNB, Prasarana (LRT3 and MRT work), Syabas and local councils to reduce potential network damage incidents that can affect customer services (i.e. accidentally hitting TM’s cables during any roadwork/MRT/Air Selangor construction work)
Natural Disasters	Strengthened collaborations within our Crisis Management Team, consisting of the management and recovery teams, to ensure crises are managed swiftly and effectively
Old/Aged Equipment	Replaced old and ageing technology (i.e. copper, metro-ethernet network, Soft-switch and Optical Line Terminal (OLT)) with new technologies via network modernisation exercises
Fibre Cut by External Parties	Revised network design through more extensive use of fibre networks to increase the fault tolerance from fibre cuts
Inefficiencies in Network Recovery	Proactively monitored our network through an automated system (RPA) for infrastructure and services recovery Deployed Next-Generation OSS Solution, a single platform that enables Service Impact Analysis to detect and react to incidents more efficiently

2 Recovering from Disasters

Our infrastructure network is exposed to damages from natural disasters, such as floods, landslides and storms. Ensuring the reliability of our network means protecting our assets and stakeholders against such events. With this in mind, we established TM’s Crisis Management Team to effectively manage any crises that occur. The team is made up of members of our management team and recovery team.

The Crisis Management Team’s abilities were tested during the 2021/2022 Malaysian flash floods. Through a joint effort between various teams, including Network Operations Centre (NOC), Network Maintenance Operations (NMO), Facility Management (FM) and PAKAR Semboyan, we mobilised our resources to swiftly recover our network and services, as well as rescue stranded employees at a hill station. We also replaced customers’ equipment that was damaged during the flood at zero cost to ease their burden and ensure they remain connected.

IMPACT & ACHIEVEMENTS

87% of the network infrastructure and 98% of services successfully recovered within 20 days during the flood

Replacement of equipment at 11,009 Customer Premises

Awards & Recognition:
Business Continuity Institute (BCI) APAC Award 2022
Business Continuity Institute (BCI) Global Award 2022



3 Delivering High-Speed Internet

To thrive in a Digital Malaysia, customers will require access to high-speed Internet connectivity. Hence, our nation building efforts include continuously expanding our high-speed broadband connectivity to more areas. This helps boost the growth of local industries as well as deliver a more seamless online experience for customers.

In 2022, Unifi offered fast unlimited Home Fibre with speeds up to 800Mbps. This resulted in Unifi reaching three (3) million subscribers who benefited from fast broadband experience.

4 Faster Installation Times

In keeping customers connected to our network, we improved manpower optimisation and quality of installation for our fibre broadband.



▶ **96%**
of new fixed services installed within four (4) days

▶ **91%**
of customers experienced no fault within their first 30 days

5 Knowledge Sharing on Quality

We believe in the power of exchanging knowledge with others to create a better ecosystem that benefits everyone. This approach extends to our network quality, with our experts engaging in various knowledge-sharing opportunities to contribute to as well as learn from others.

This year, we actively contributed to two (2) platforms:

1. **International Convention on Quality Control Circles (ICQCC) 2022** is a prominent international platform for productivity and quality practitioners, as well as organisations from various countries, to congregate and compete against each other to improve their innovation projects. Two (2) teams from TM's NOC participated in the event.
2. **Malaysia Technical Standards Forum Berhad** develops and recommends codes for the communication and multimedia industry in Malaysia. TM is an active member of the organisation and participated in the International Telecommunication Union (ITU) events for quality standardisation.

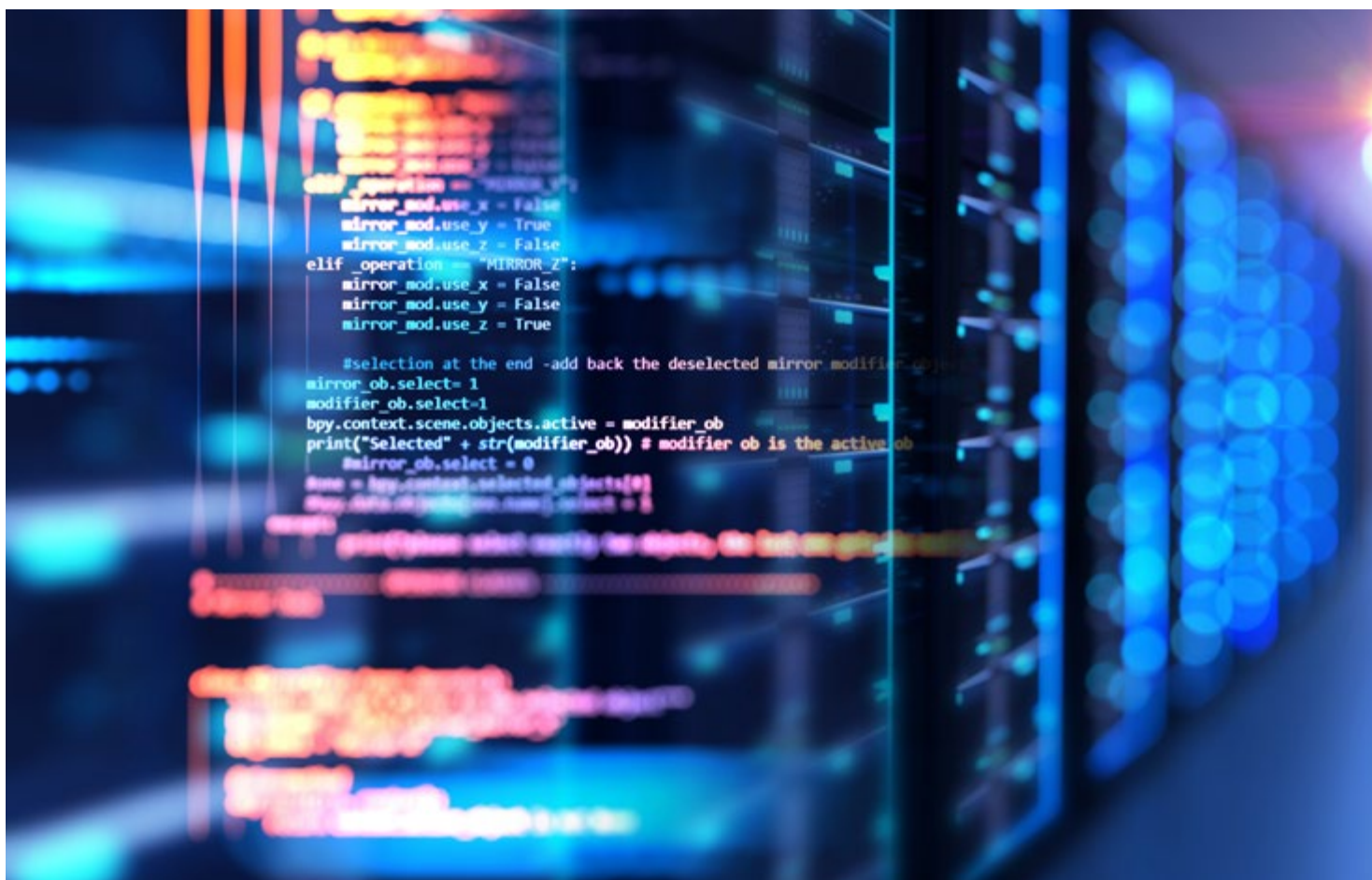
6 Overall Performance

90% of customers' Internet services were restored **within 24 hours**

55% reduction in fibre cable faults

96% installation cycle time as per the agreed timeline with customers

CYBER SECURITY



WHY WE CARE

Given the nature of our business as a digital enabler, we face various cyber security risks and threats that can have severe consequences for our society, businesses and the Government. A cyber attack on our network infrastructure can force us to shut down critical services, disrupt socio-economic well-being and cause major losses for TM. Protecting our digital landscape is crucial to avoid such consequences.

Moreover, cyber breaches can lead to the loss of critical stakeholder information. Successful attacks can result in severe impacts on both individual and business customers, including credit card and identity theft, sensitive information leaks and reputational damage. Therefore, we have a responsibility to protect and manage the data entrusted to us.

What Our Stakeholders Expect

- Protection against cyber crime and threats
- Responsible use of stakeholder data
- High-quality and continuous network service

WHAT IS OUR APPROACH

TM's cyber security is overseen by the Group Information Security (GIS). Our goal is to continuously improve our cyber security governance, compliance, risk management and operations management throughout our business. Through these programmes, we are able to build infrastructure protection against cyber threats, protect stakeholder data and ensure the high availability of our critical services at all times. The GIS team is critical to our business continuity and ensuring a secure experience for our customers and stakeholders as we advance our digital objectives.

Our cyber security efforts are governed by the following policies, frameworks and certifications to ensure we deliver world-class protection at all times:

- TM's Information Security Policy
- Information Security Management System (ISO/IEC27001, ISO/IEC27017, ISO/IEC27018)
- Payment Card Industry Data Security Standards (PCI DSS)
- BCMS

Deployed Capitals:  

Met Strategic Aspirations:   

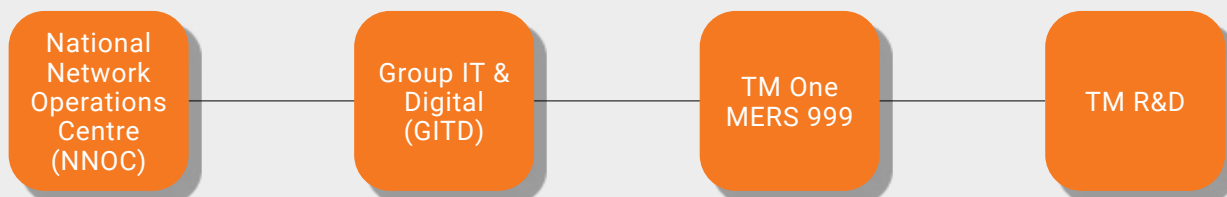
Stakeholders Affected:    

Sustainability Impact:  

HOW WE CREATED VALUE IN 2022

1 Enhancing Our Security Policies & Standards

Our GIS team regularly reviews and updates our Information Security Policy and TM’s cyber security standards based on evolving risks and threats to our business assets. We also maintain ISO/IEC 27001 certifications to manage and govern information in various operational areas:



We also received certifications for our various systems and platforms, particularly for those that customers regularly utilise.

TM One Cloud Alpha Edge	Achieved certifications in: <ul style="list-style-type: none"> • ISO/IEC 27001 ISO/IEC 27017 & ISO/IEC 27018 • PCI DSS Certification
TM Payment Gateway (PG) System	Sustained PCI DSS Certification
Business Continuity Management System (BCMS)	Included GIS Security Operation Centre (SOC) within the scope of BCMS Operation of TM NOC Gallery certification.

2 Strengthening Security Measures

Cyber security needs to evolve constantly with the dynamic digital landscape. It requires continuous improvements in our fundamentals and systems. Therefore, we continue to strengthen our cyber security measures to ensure they remain resilient and robust.

What We Did in 2022	Achievements
Expanded our Centralised Vulnerability Assessment System (CVAS) to continuously scan and identify security issues on TM information assets	261 systems/applications on boarded onto CVAS for 5,109 assets
Conducted regular security assessments and penetration testing by internal and external teams	>5000 IP addresses security assessment and penetration testing by internal and external teams
Enhanced Endpoint Security Management to protect against security incidents	18,238 corporate devices have been installed with End Point Protections
Fortified Identity and Access Control Management	Enablement of Multifactor Authentication (MFA) at network gateways for remote working personnel and vendors, as well as corporate email access
Enabled data protection at Microsoft O365 cloud and endpoint for devices with TM data	Enabling data protection email and endpoint devices (MDM/MAM) where TM business data resides
Adopted Security by Design to ensure security control standardisation across assets and effectiveness is measurable	Enhance existing security baseline, incorporating security requirements from design architecture and contractual terms, until implementation of digitalisation initiatives

3 Elevating Our Cyber Security Culture

The responsibility to protect our business and customers from cyber threats, does not solely rest with the GIS team. It requires groupwide effort and awareness to ensure all employees and related stakeholders uphold the highest standards of cyber security practices. Therefore, throughout 2022, we implemented various programmes and awareness sessions designed to enhance our cyber security culture across the Group.



CYBER SECURITY AWARENESS PROGRAMMES 2022

TM's Cyber Security Response Drills

Objective:

To increase our employee's awareness and preparedness against potential cyber attacks.

What We Did:

We organised a drill exercise that exposed network, system, application, cloud administrators and engineers, as well as security analysts to multiple cyber attack scenarios. This enabled us to understand their preparedness to managing potential cyber related crises and close any gaps.

Impact:

70 cyber technical employees across ten (10) lines of business

Cyber Security Webinars

Objective:

To fortify our employee's awareness on the cyber secure culture at workplace, strengthening TM against cyber attacks as 'Human Firewall'.

What We Did:

To introduce our employees to the current state of the cyber security threat landscape and workplace cyber security best practises, we hosted a cyber security webinar session. This is to enable interactive engagements of employees with subject matter experts in security, for greater understanding and appreciation of cyber security best practices in their daily activities, which will significantly strengthen TM's defences against cyber attacks.

Impact:

524 employees across the Group (including subsidiaries)



Security Awareness Packs

Objective:

To ensure that employees understand and are aware of their potential contribution to continuous effort in strengthening and enforcing the organisation’s cyber security policies and posture.

What We Did:

We delivered continuous fortnightly security awareness and advisory information via email to all employees to keep them updated on development of cyber attacks and countermeasures.

Impact:
100% of employees reached



Email Phishing Simulation Campaign

Objective:

To strengthen employees use of the best practices for protecting themselves against potential phishing scams.

What We Did:

We conducted an email phishing simulation exercise, in which we sent out simulation phishing emails to nearly 18,000 mailboxes as part of simulation exercises in TM to gauge and promote cyber security awareness in Q1 and Q4, 2022.

Impact:
100% of employees reached
Positive reduction in employees compromised:
Phase 1: 23% Phase 2: 7%



External Engagements for Best Practices

Objective:

To engage with external stakeholders and experts to shape and encourage cyber security culture and awareness across industry and across sectors in Malaysia.

What We Did:

We participated and contributed to the Communication & Digital industry technical code development with Malaysia Technical Standard Forum Berhad (MTSFB), as well as organised a knowledge-sharing session on cyber security with educational institutions, that is Universiti Kuala Lumpur (UniKL) and Universiti Malaya (UM).

4 Overall Performance

We are pleased to report zero cases of data loss in 2022, despite an increase in online breaches and data-related incidents. Increase of incidence ticket was due to the improvement of security tools, controls and resources resulting in greater threat visibility and early detection. This reflects the robustness of our system, which is prepared to counteract the rising trend in cyber attacks in the market.

Number of data loss



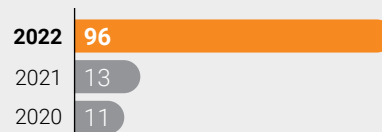
Number of online breaches



Number of cyber security incidents resolved/handled



Number of data-related incidents



CUSTOMER EXPERIENCE



WHY WE CARE

Creating customer value has always been at the core of what we do. Our legacy is built on how we have been able to connect with customers and deliver on their communication needs. As society shifts towards a digital future, we need to evolve along with our customers' changing needs. This includes adapting to their growing expectations, which have been influenced by new technologies and solutions that facilitate fast and seamless customer interactions. Transforming the customer experience transformation can unlock new opportunities, drive growth, reduce costs, improve competitiveness and create sustainable value.

As we continue to improve our customer's journey and experience, we must not forget the importance of human connection in customer service. It is not just about making things quick and easy, but also about showing empathy, kindness and compassion. Our human-centred approach aims to provide personalised and meaningful services that build long-term trust and satisfaction with our customers.

What Our Stakeholders Expect

- Simple and seamless interactions
- Fast response times
- Customer-friendly platforms

WHAT IS OUR APPROACH

Through TM's Customer Experience (CX) team, we adopt a 'customer first' management approach, in which we focus on elevating CX at every touchpoint of their journey. Our key focus areas include proactively managing end-to-end usage experience through analytics, strengthening processes and optimising resources at touchpoints and establishing strong fundamentals in the continuous improvement of our CX. In our effort to make our customer's life easier, we deliver differentiated and new digital experiences for our customers by empowering them through various self-service digital platforms.

We also balance the efficiency that comes with digital technology together with the emotional connection delivered by our frontliners. This means providing the necessary support and training to our frontliners to ensure they are always ready to address customer concerns with respect and empathy. To future-proof our organisation and align with TM's aspiration of becoming a human-centred TechCo, we are also building capabilities to empower customers to make choices and drive convergence benefits through personalised and omnichannel experiences.

With a customer-first mindset, we strive to deliver exceptional customer experience through three (3) key principles:

- **Simple** – Simple and efficient, easy to deal with
- **Convenient** – Multiple touchpoints to serve all customers using their preferred channels
- **Contextual** – Experience that is personalised and relevant to the customer

Deployed Capitals:  

Met Strategic Aspirations:   

Stakeholders Affected: 

Sustainability Impact:  

HOW WE CREATED VALUE IN 2022

1 Driving a System of Continuous CX Improvement

The continuous improvement of TM's CX means shifting from measuring Net Promoter Score (NPS) to operationalising NPS as a system within the Group. Through Voice of Customer (VOC), we are able to gather various customer feedback to drive improvement throughout our touchpoints.

In 2022, we integrated our CX Value Programmes into the customer journey, driven by agile execution. These programmes were designed to address key needle moving episodes in the customer journey. Shifting from measuring NPS to adopting NPS as a system is to improve our way of working to become more customer centric.

Our ability to deliver on the customer promise is now defined within five (5) key performance metrics:



2 Improving the Customer Journey

Our efforts in enhancing CX cover every aspect of their journey with us. From their first interaction at our touchpoints, to the end point of resolving their concerns, we continuously find ways to make their journey easier.

Enhancements Made in 2022	
What We Did in 2022	Achievements
<p>Improve Service Waiting Time</p> <p>How? Accelerated infrastructure rollout and site provisioning through analytics</p>	<ul style="list-style-type: none"> • Three (3) out of four (4) customers who registered for new subscriptions within Unifi coverage area were serviced within 14 days
<p>Increased Service Availability</p> <p>How?</p> <ul style="list-style-type: none"> • Accelerated the refresh of aged fibre last mile in high fault areas • Proactive fault and performance management using software, predictive analytics and RPA 	<ul style="list-style-type: none"> • 55% fault reduction at identified high fault areas • Reduction of fault interaction ratio from 7.1 to 4.7 per 100 customers
<p>Fast and Accurate Resolutions</p> <p>How?</p> <ul style="list-style-type: none"> • Increased capability to restore within 24 hours up to 86% • Improve quality of resolution at customer fronting touchpoints including Contact Centre, Digital, TMpoint and Field Team 	<ul style="list-style-type: none"> • 88% Unifi customer's network-related faults restored within 24 hours • 89% first-time-right resolution across all touchpoints

3 Delivering a Differentiated Digital Experience

In making life easier for our customers, we continuously enhance our digital touchpoints for a more seamless and user-friendly experience. Through these applications, we strive to empower customers to easily resolve issues while keeping them engaged and well-informed.

DIGITAL EMPOWERMENT OF CUSTOMERS



EasyFix

What is it?

A convergence app within MyUnifi app that allows customers to self-diagnose and troubleshoot any issues.

2022 Enhancements

- Network Check: Customers are able to check the network status within their areas
- Auto-Ticket Creation: Customers will also be connected to a Live Chat agent if their network issue remains unresolved after self-troubleshooting



MyUnifi

What is it?

An all-in-one app that allows Unifi customers to manage their accounts, bills and more.

2022 Enhancements

Managing Appointments: Customers are able to book their appointments for installation and restoration activities, as well as track the restoration appointment.



TM Speedometer

What is it?

A tool that enables customers to perform service checks and receive notifications for any outages.

2022 Enhancements

Self-Ticket: Customers receive an automatic ticket for any performance issues detected.



WhatsApp for servicing

What is it?

A servicing notification platform for proactive fixing and predictive service faults.

2022 Enhancements

Early Notifications: Customers will be notified upfront of any service faults, which will then prompt proactive fixing, customer premises equipment (CPE) replacement and a customer feedback survey for TM One Smart Services. This has increased our reachability and engagement rates up to 90% and 50%, respectively.



Unifi HERO-Buddy

What is it?

A self-troubleshooting mobile app that empowers employees to become Care Crew Ambassadors and provide assistance to any customers that encounter issues, either online or offline. The app provides employees with technical information, helps identify problems and offers quick solutions for faster issue resolution.

2022 Enhancements

Employee Empowerment: Customers can engage with any TM employee for assistance, as the employees will have access to technical information related to Unifi, identify issues faced by customers and ultimately provide the best solution to resolve issues faster.

As a testament to continuous efforts in digitally transforming CX, we recorded growth in the adoption and usage of our digital applications and platforms.



4 Overall CX Performance

Our CX team has remained steadfast in creating a seamless and personalised experience for our customers, resulting in various improvements and awards within the field.

Net Promoter Score



Complaints Received through MCMC on Unifi fix: 57% reduction

AWARDS & RECOGNITION

Awards/Certification	Awarding Body
Connectivity Networks (Silver)	Putra Brand Awards 2021
Marketing Leader of The Year (Silver – TM One)	Marketing Excellence Awards 2021
TOP 3 – For TM Mengukir Malaysia – Raya Kufi	The Star Nation’s Favourite by Malaysian 2022
Converging the Best Content and Device Offering: (Bronze – Unifi Anytime Anywhere campaign)	MDA Awards 2022
Best Digital Nation Video Award – Digital Malaysia #Progress for All (Top 15)	Mobile 360 Digital Video Award 2022
TOP 10 winners of the Merdeka TVCs of 2022 (TM’s TVC title: Ibu, Kisah Seorang Tokoh Kemerdekaan)	MARKETING Magazine’s Experts’ Choice of Top Merdeka TVCs
Best Outsourced Inbound Contact Center (Silver – Unifi)	23rd Contact Centre Industry Excellence Awards 2022
Prime Gold Award for Edubite & Gold Award for Debt Collection Gig	International Convention on QC Circle (ICQCC) 2022 (Jakarta)
Unifi recommender – Interactive video (Bronze – Unifi)	Marketing Excellence Award
Best Customer Experience Awards 2022	CXP Best Customer Experience Awards 2022
Best in Consumer Satisfaction for Pay television (UnifiTV)	MCMC Star Rating Awards
Kancil Awards 2022: TM Mengukir Malaysia – Kufi Art <ul style="list-style-type: none"> • Best Print & Publishing-led Integrated Campaign • Innovation in Design • Digital Experiences • Best Use of Cultural Insights in Design • Creative Effectiveness: Design • Typography: Campaign 	Kancil Awards 2022
Kancil Awards 2022: TM Mengukir Malaysia – Ibu <ul style="list-style-type: none"> • Best Use of Cultural Insights in Film & Branded Content • Best Use of New Realities in Storytelling • Best Use of Cultural Insights in Design • Best Use of Cultural Insights in Digital Experiences • Best Digital-led Integrated Campaign • Best Use of Cultural Insights in Brand Experience & Activation 	

AFFORDABILITY & INCLUSION



WHY WE CARE

With digitalisation becoming more widespread, access to inclusive connectivity is increasingly important. COVID-19 made this even more critical, as digital technologies became essential for accessing services like finance, education and healthcare. However, the crisis also exacerbated existing inequalities for those who lack Internet access, particularly in rural areas like Sabah and Sarawak.

As a nation-builder, we are committed to closing this digital divide and promoting inclusive socio-economic development. We are dedicated to digital inclusion and making services available, accessible and affordable. Our transformation into a human-centred TechCo means prioritising people and ensuring that nobody is left behind in a Digital Malaysia.

TM's ESG Commitments
At least 70% of premises with high-speed Internet access by 2025

- What Our Stakeholders Expect**
- Closing the digital divide
 - Wide network coverage
 - Affordable bundle packages

WHAT IS OUR APPROACH

We strongly support the Government's JENDELA plan to close the digital divide and actively contribute to nationwide fiberisation efforts to improve broadband coverage. Our main objective is to extend our reach to areas where it is most needed and to deliver affordable product propositions that cater to the varying financial needs of our diverse customer base. Our approach to affordable and inclusive connectivity is embedded in all our key business areas.

Through Unifi, we offer affordable convergence services to our home and SME customers, with a particular focus on micro and small businesses and ensuring that all Malaysians can enjoy the benefits of broadband everywhere. Unifi also serves as a one-stop service centre for SMEs in Malaysia and addresses their business needs.

TM One delivers smart solutions to the enterprise and public sector to create smart communities, cities and a smart nation for a more inclusive society. TM One supports the Government's JENDELA projects through its smart solutions.

TM Global continues to proliferate digital inclusivity nationwide through extensive high-speed broadband access coverage and deployment of 4G and 5G sites. Supported by the widest network coverage in Malaysia, with more than 690,000 km fibre optic cables across the nation, TM Global strives to create an augmented domestic telecommunication ecosystem connecting Malaysians to their loved ones, locally and across borders.

Deployed Capitals:

Met Strategic Aspirations:

Stakeholders Affected:

Sustainability Impact:



HOW WE CREATED VALUE IN 2022

1 Expanding Our Coverage

Throughout the year, we continued to expand our network infrastructure to address the rising demand for connectivity. We broadened our coverage, with improved quality of Internet experience for Malaysians.

Under JENDELA, we accelerated our deployment of fixed broadband in over 6,280,308 premises, achieving 69% towards at least 70% of premises with high-speed Internet access to enable Digital Malaysia by 2025. We also continued making great strides in expanding our other infrastructure network to further close the digital divide between urban, suburban and rural communities.

	2020	2021	2022
Expansion of fibre cables (domestic)	>600,000 km	>650,000 km	>690,000 km
Connectivity of submarine cable	>300,000 km	>320,000 km	>340,000 km
Submarine cables (built and installed)	~30 cables	30 cables	32 cables
High-speed broadband activated access ports	2.7 million	>3.0 million	>3.4 million
TMiX Nodes	-	>30 TMiX nodes	62 TMiX nodes
Points of Presence (worldwide)	28	28	29

In promoting the sharing of telecommunication infrastructure and complying with the local authority's requirements in Putrajaya, TM Global continues to deploy new sites for mobile network operators' (MNO) 4G expansion and DNB's new 5G sites via the Distributed Radio Access Network (DRAN) solution.

**DRAN Infrastructure****Impact:**

Improved mobile coverage in Putrajaya with a minimum average speed of 35Mbps by MNO providers.

Uptake:

Successfully installed 55 DRAN sites in Putrajaya since 2021.

As part of our contribution to materialise the Digital Malaysia aspiration, TM Global continues to enrich digital ecosystem through acceleration of Malaysia's 5G rollout under the 5G Single Wholesale Network (SWN) agreement with DNB.

~4,000
sites deployed, exceeded
40% targeted 5G population
coverage in 2022

We also remained on track with our network modernisation efforts. This includes:

**New 5G Core****What Is It?**

A critical network element that acts as a brain for mobile networks, where it establishes reliable and secure connectivity for the end user and provides access to mobile services.

Value Created

- 2,600 5G sites successfully integrated into our core network to 5G enhanced mobile broadband (eMBB) services as of 31 December 2022
- 50,000 subscribers with certified 5G phones have much higher video quality and better latency for streaming and gaming services

Network Generation Transport (NGT)

What Is It?

A transport infrastructure designed with the primary objective of enabling TM to serve current and foreseeable future business requirements from all market segments including consumer, enterprise, public sector and wholesale from any mobile or fixed network operator in Malaysia.

Value Created

- Cumulative transport network of more than 4,000 5G sites nationwide from 2021
- Enabling high bandwidth and low latency services nationwide

Free Space Optic (FSO)

What Is It?

An optical communication technology that uses light propagation in free space to wirelessly transmit data for communications networking.

Value Created

- Provide 10G backhaul connectivity solution in recent K-POP 1 project sites:
 - Pulau Aman, Pulau Pinang
 - Pulau Bumbum, Sabah
 - Pusa, Sarawak

2 Delivering Coverage to Rural Communities

In addition to expanding our infrastructure, we are exploring innovative ways to enable broadband services to communities in rural areas, thus further closing the digital divide.

Fast Internet for Rural Areas (FIRA)

We installed a device at premises that provide broadband connectivity to customers located approximately 5 km or more from the base station. FIRA offers high-speed broadband connectivity for rural sites that is outside of our fibre network such as Pusat Komuniti Desa (PKD) under Kementerian Pembangunan Luar Bandar (KPLB).

IMPACT & ACHIEVEMENTS

- 13 sites have deployed FIRA and enjoyed wireless broadband connectivity with lower infra cost
- Successful Proof of Concept (POC)
 - Sekolah Batu Laut at Selangor coast
 - Petronas Engineering Yard in Kemaman
 - Petronas Petrol Station at Federal Highway
 - Starbucks outlet in Kangar Jaya, Perlis

Fixed Wireless Access (FWA)

Under the Government's JENDELA initiative, we provided immediate solutions to unreachable areas via fibre using Fixed Wireless Access (FWA) to ensure service continuity for local communities.

IMPACT & ACHIEVEMENTS

- 56,169 FWA subscribers since 2021

3 Affordable Connectivity for Customers

Beyond coverage, we are scaling affordable Internet access through low-cost broadband packages. This drives further inclusion for our diverse customer base.

CARBON EMISSIONS



WHY WE CARE

Climate change is among the biggest obstacles to TM's nation building aspirations affecting social progress, inclusiveness and prosperity. Governments, businesses and individuals alike need to drastically reduce carbon emissions to avoid the most catastrophic effects of climate change. This includes extreme social challenges such as physical health effects, food, water and livelihood security, forced displacement and other risks.

From a business perspective, climate change also brings great socio-economic risks to the communications sector. These include physical risks such as damages to network infrastructure, disruptions to operations and supply chains and employee health and safety. There are also risks related to the global transition towards a low-carbon economy, such as tighter consumption regulations and investors' expectations. As a company that is committed to sustainability, we must take progressive action, align with the global climate agenda and protect our stakeholders and business sustainability from the worst effects of climate change.

What Our Stakeholders Expect

- Carbon reduction efforts
- Energy efficient processes

TM's ESG Commitments

- 30% carbon emissions reduction by 2024
- 45% carbon emissions reduction by 2030
- Net Zero emissions by 2050

WHAT IS OUR APPROACH

TM addresses climate change by continuously minimising our operational emissions. We look to improve our process efficiencies, investing in low-carbon technologies, embarking on renewable energy and adopting carbon offset initiatives. All levels of the Group play an active role in carbon emissions reduction, from the leadership team driving TM's Value Programmes that focuses on energy savings across TM, to the continuous support of all employees in executing programmes. As part of our continuous improvements, we strive to expand our scope of carbon tracking and reporting so that it is more representative of our impact.

Deployed Capitals:  

Met Strategic Aspirations:  

Stakeholders Affected:     

Sustainability Impact:  

WHAT IS OUR APPROACH

1
**SCOPE 1:
DIRECT EMISSIONS FROM FUEL
CONSUMPTION**

This year, we added the emissions from our gensets to our Scope 1 boundary, in addition to the fuel consumed by our vehicle fleet.

We calculated the carbon emissions from fuel consumption using the IPCC Guidelines for National Greenhouse Gas Inventories, 2006.

2
**SCOPE 2:
INDIRECT EMISSIONS FROM
ELECTRICITY CONSUMPTION**

We have significantly expanded our Scope 2 boundary from eight (8) sites to 100% of TM assets in Peninsular Malaysia, with plans to cover all sites across Malaysia next year.

We calculated the carbon emissions equivalent of the electricity used according to the Fourth Biennial Update Report Under the United Nations Framework Convention on Climate Change by The Ministry of Natural Resources, Environment and Climate Change Malaysia.

3
**SCOPE 3:
INDIRECT EMISSIONS FROM
OTHER ACTIVITIES**

We cover two (2) key dimensions for Scope 3:

- Air Travel:** The flights taken by TM employees for business-related matters, which is calculated using The Civil Aviation Organisation (ICAO) Carbon Emissions Calculator.
- Waste Production:** Solid waste data collected from our operations are converted into carbon emissions following the Intergovernmental Panel on Climate Change (IPCC) Guidelines for National GHG Inventories, 2006.

As part of our continuous improvement, we aim to expand our Scope 3 boundary to include employee commuting by 2023

We have a climate change risk management strategy to manage the risks posed by climate change to our business. This includes protecting our network infrastructure from climate-related damage so we can continue providing uninterrupted service to our customers while transitioning to a low-carbon economy.

We are also working to align our business with the TCFD reporting framework. This will help us to understand and evaluate the risks and opportunities associated with climate change. By disclosing information on climate-related risks, opportunities and governance, we aim to increase transparency and help stakeholders make informed decisions, while demonstrating our commitment to climate action. We plan to publish our TCFD report by mid-2023, two (2) years ahead of Bursa Malaysia's requirements.

HOW WE CREATED VALUE IN 2022

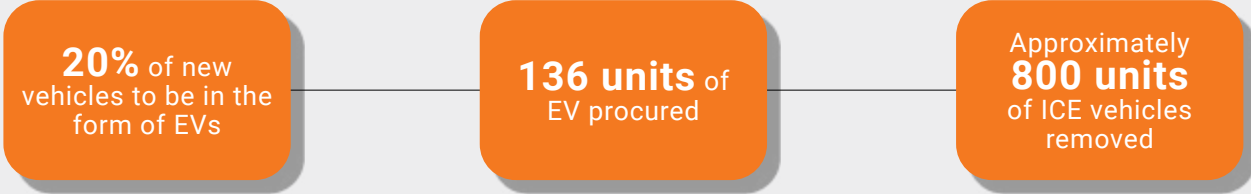
1 Scope 1: Fuel Consumption

Our main source of Scope 1 emissions is fuel used for our vehicle fleet. Therefore, throughout 2022, we continued to minimise our fleet's carbon footprint through various fuel-saving initiatives:

What We Did

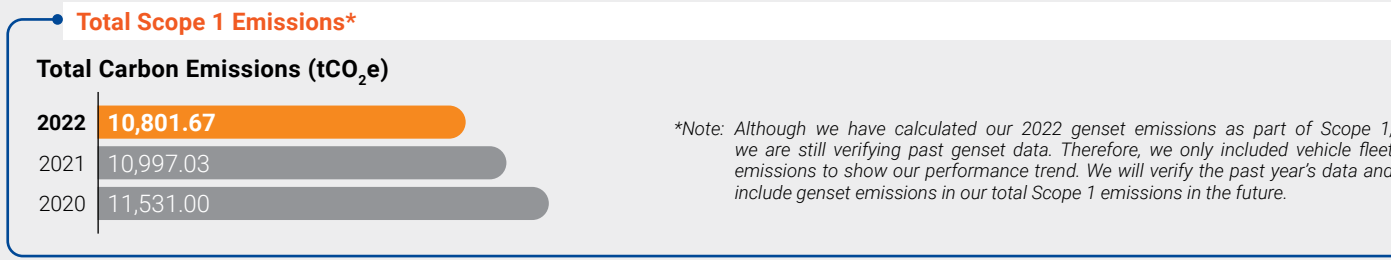
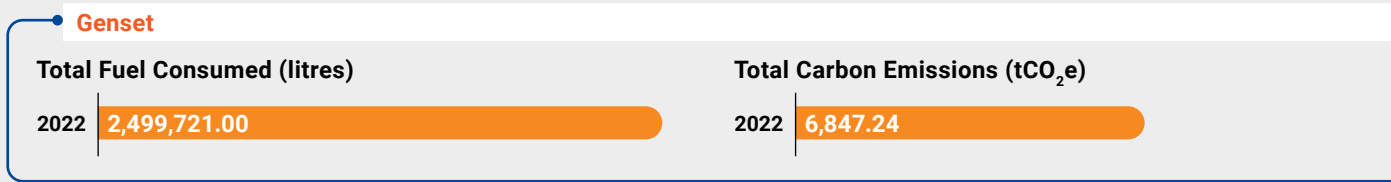
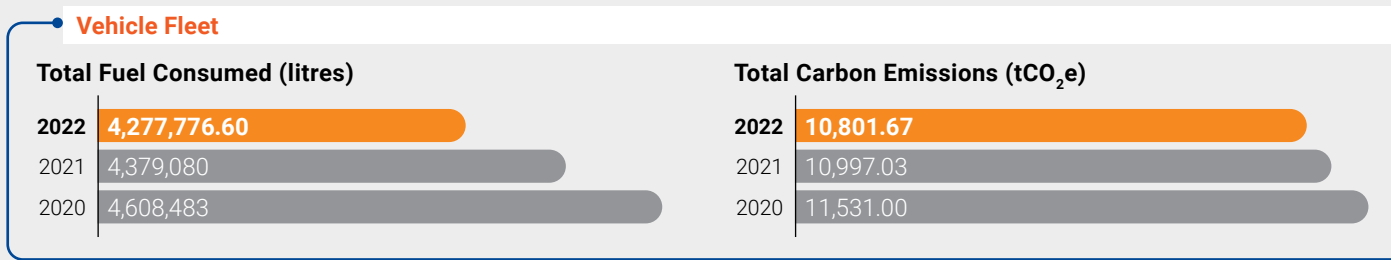
Vehicle Optimisation Programme	<p>Reduced the number of vehicles used by our LOBs and subsidiaries based on their business requirements</p> <p>Impact & Achievements:</p> <p>Number of vehicles</p> <table border="1"> <tr> <td>2022</td> <td>3,462</td> </tr> <tr> <td>2021</td> <td>3,779</td> </tr> <tr> <td>2020</td> <td>3,917</td> </tr> </table>	2022	3,462	2021	3,779	2020	3,917
2022	3,462						
2021	3,779						
2020	3,917						
Smart Fleet Monitoring System (TM CONVES BIZ)	Deployed TM R&D's smart solution for vehicle management to monitor usage, efficiency and status of vehicles						
TM EZFleet (Car Sharing)	Enabled vehicle sharing among employees via a digital platform, TM EZFleet						

We are also in the process of converting our vehicle fleet into electric vehicles (EV) to further minimise emissions from internal combustion engines (ICE). This will be guided by our newly-established TM Fleet Electrification & EV Infrastructure (TMEEVI) Blueprint 2022-2025, which includes the following targets:



Through this blueprint, we project to reduce emissions by 3,000 tCO₂e annually by the end of 2025 (approximately 36% of current emissions). As of 2022, we have already received delivery of our first three (3) EVs in the form of light-utility van.

Through our efforts, we managed to reduce our total Scope 1 Emissions by 1.77%.



2 **Scope 2: Electricity Consumption**

We continued the implementation of our value programmes for electricity cost savings, with various energy-efficiency initiatives that aim to reduce our total electricity consumption. Through our energy-efficiency initiatives, we achieved 36.29 million kWh reduction in consumption.

Energy-Efficiency Initiatives

Network Element Shutdown

Implemented network modernisation to ensure only high efficiency network elements remained in operation. This included shutting down any underutilised network elements and migrated the services to more utilised networks.

Impact:

- Reduced electricity consumption with a cost saving amounting to RM4.59 million (9.65 million kWh)



Energy Performance Contracting (EPC)

Enhanced facilities system by outsourcing an energy performance contractor. This included the replacement of an inverter air conditioner to enhance its efficiency and effectiveness in contributing to the facilities' equipment.

Impact:

- Reduced electricity consumption at additional 26 sites with cost savings amounting to RM6.9 million (13.6 million kWh)



Energy Efficiency Optimisation (EEO)

Focused on quick wins and low-cost measures in energy efficiency, which include environment optimisation, lighting optimisation and power factor correction.

Impact:

- Reduced electricity consumption at 233 sites with cost savings amounting to RM0.71 million (1.66 million kWh)



Cooling Unit Upgrading (CUU)

Replaced 564 conventional air-conditioning units with more energy-efficient inverter air-conditioning.

Impact:

- Reduced electricity consumption with cost savings amounting to RM0.66 million (1.3 million kWh)



Purchase of I-REC certificates

Powered our three (3) key data centres, namely KVDC, IPDC and CTDC, with renewable energy through the I-REC scheme by TNBX. This is part of our efforts to reduce our operational carbon footprint by embracing renewable sources.

Subscribed:

- 27 million kWh (21,060 tCO₂e offsets)

We continue to improve energy efficiency at our data centres to reduce our overall Scope 2 emissions. We have equipped our data centres with solutions and technologies to improve their energy performance.



ASHRAE Thermal Guidelines

What We Did:

Maintained a safe operating temperature for ICT equipment while optimising power consumption.



Containment of Energy

What We Did:

Enabled more efficient cooling and prevent mixing of cold air supply aisles and hot air exhaust aisles.



Data Centre Infrastructure Management

What We Did:

Integrated monitoring and real-time system through distributed sensors to monitor power usage, temperature and humidity to ensure an optimum environment.



Energy-Efficient Lighting

What We Did:

Utilised motion control and Light-Emitting Diodes (LEDs) to reduce energy consumption.



ISO 50001:2018 Energy Management System (EnMS)

What We Did:

Upskilled and reskilled our data centre team on EnMS, as well as conduct regular audits to ensure compliance.

In 2022, we expanded our Scope 2 boundary to include all our operations in Peninsular Malaysia and recalculated our emissions for 2019, 2020 and 2021. This helped us better understand our performance over time. Additionally, through renewable energy, we were able to reduce our Scope 2 carbon emissions in 2022 by 4.61%.

TM Electricity Consumption

TM Node (kWh)



Station (kWh)



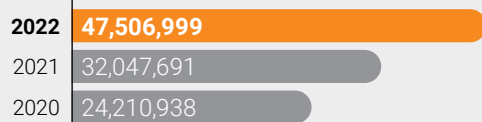
FTTS (kWh)



3RD Parties (kWh)



Data Centre (kWh)



Cabin (kWh)

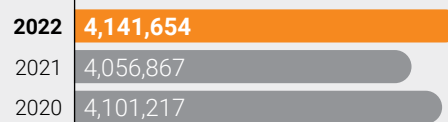


Note: Increase in energy consumption from the business expansion at our data centres

Commercial (kWh)



Others (kWh)



Total Scope 2 Emissions

Total Carbon Emissions, Overall Electricity Usage (tCO₂e)



3 Scope 3: Emissions from Other Activities

Our climate action extends beyond energy reduction. We also track and report indirect forms of emissions to gain a better understanding of areas to improve. These include:



WASTE GENERATION:

We track our solid waste and carbon emissions at eight (8) sites using our Environmental Management System (EMS).

↳ For more efforts in responsible waste management and disposal, please see pages 108 to 110



AIR TRAVEL:

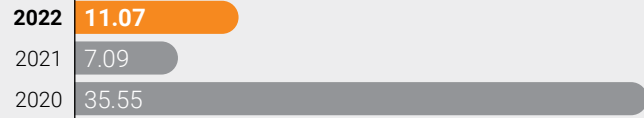
We continued to reduce employee air travel by using virtual platforms for meetings and engagements. This saves money and reduces our Scope 3 emissions.

Scope 3 Emissions

Waste Generated (tCO₂e)



Air Travel (tCO₂e)



Total (tCO₂e)



4 Overall Performance

We continued to make great progress in reducing our carbon emissions each year, as we remain in progress to achieving our climate targets and becoming net zero carbon company by 2050. In 2022, we managed to reduce our total carbon emissions by 12.45% from our 2019 baseline, on our way to achieving our emissions reduction target of 45% by 2030.

Total Carbon Emissions (Scope 1, 2 & 3 emissions)

Total Carbon Emissions (tCO₂e)



Overall Reduction from 2019 baseline (%)



ENVIRONMENTAL QUALITY



WHY WE CARE

As we work towards improving the lives of Malaysians, we must also take responsibility for our impact on the environment. With so much emphasis on the climate agenda, we must not forget about other environmental issues like air quality, noise pollution and the availability of natural resources. Staying true to our commitment, we are adopting a comprehensive approach to protecting the environment.

While safeguarding the interests of our communities and stakeholders, good practices in environmental protection is also good for our business. It helps us avoid wastages, pollutions and environmental non-compliances, which can negatively impact public trust and lead to potential losses i.e., fines and penalties. On the other hand, impactful environmental initiatives can lead to cost savings and a healthy work environment. By minimising our environmental impact, we contribute to our business resilience while supporting a more sustainable economy for the country.

What Our Stakeholders Expect

- Environmental health and well-being
- Regulatory compliance

WHAT IS OUR APPROACH

At TM, we are committed to building a culture of high environmental standards and compliance. Our approach is to be proactive in which we actively monitor our impact on the environment while raising awareness of best practices amongst our employees and stakeholders. Through environmental monitoring, we stay ahead of environmental risks and opportunities that might have been overlooked. To ensure strong governance, the outcomes of our environmental monitoring are reviewed by the Group Risk Management and Transformation Office, who deliver a quarterly report to TM's Board Risk Committee (BRC).

At our data centres, several activities have been introduced in line with environmental protection:

- **Legal & Regulatory Requirements: Compliance risk identification and assessment on DOE, DOSH and Suruhanjaya Tenaga legal requirements**
- **Establishment on Register of Legal & Regulatory Requirements Form to evaluate compliance**
- **Waste Control Guidelines – Monitoring of wastes generated by the organisation, involving or in relation to environmental issues**
- **Chemical Control Guideline – Guideline for chemicals used by the organisation, involving or in relation to any environmental, occupational health and safety issues.**

We have also implemented an Environmental Management System (EMS) at eight (8) TM sites to help us achieve our environmental goals through review, evaluation and improvements of our environmental performance. Our activities and operations are guided by TM's Environmental Policy, which articulates our commitments and approach to taking care of our natural world. All employees and relevant stakeholders are expected to adhere to this policy in their daily work, with action taken against any misconduct.

Deployed Capitals:

Met Strategic Aspirations:

Stakeholders Affected:

Sustainability Impact:

HOW WE CREATED VALUE IN 2022

1 Monitoring Our Environmental Impact

We adopt a proactive approach to Environmental Stewardship by actively monitoring the air, noise and water quality surrounding our operations across the Group. This ensures our compliance with DOE’s requirements for environmental monitoring.

Dust Monitoring

Acceptable Dust Limit: 400mg/m ³		Genset 1 (mg/m ³)	Genset 2 (mg/m ³)	Genset 3 (mg/m ³)	Genset 4 (mg/m ³)	Genset 5 (mg/m ³)
Commercial Buildings	Menara TM, Kuala Lumpur	397.7	142.3	260.2	178.5	-
	Admin Complex & IDC, Cyberjaya	39.14	33.46	44.98	32.88	29.37
	Wisma TM MITC	118	-	-	-	-
Exchange	Bukit Timbalan	74	55	88	-	-

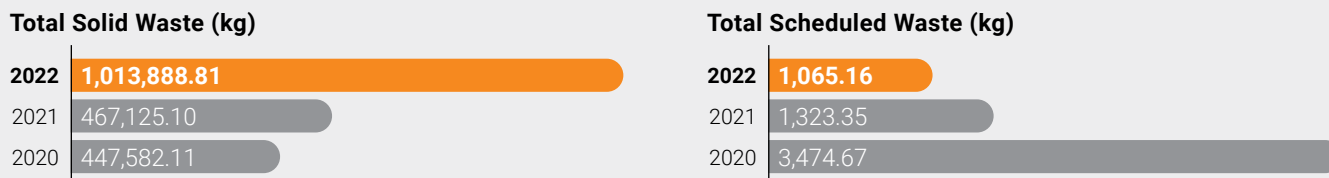
Noise Monitoring

Acceptable Noise Limits:		Point 1 (dBa)		Point 2 (dBa)		Point 3 (dBa)		Point 4 (dBa)	
Day - 68.6 dBa Night - 65.0 dBa		Day	Night	Day	Night	Day	Night	Day	Night
Commercial Buildings	Menara TM, Kuala Lumpur	72.4	65.9	63.3	57.6	60.2	54.9	64.2	61.4
	Wisma TM MITC	57.3	51.9	60.3	50.2	62.8	51.8	52.1	47.2
Exchange	Bukit Timbalan	56.2	61.6	53.5	52.7	55.2	48.7	52.1	46.6
	Hiliran Terengganu	54.0	N/A	54.3	N/A	54.1	N/A	N/A	N/A

2 Minimising Waste Generation

In 2022, we continued to practice responsible waste disposal while striving to minimise waste generation. For instance, we segregate waste at EMS sites according to solid and scheduled waste, as per the First Schedule of Environmental Quality (Scheduled Wastes) Regulations 2005. To further minimise the waste produced within our offices, employees are encouraged to prioritise paperless activities and adopt the 3R concept of Reduce, Reuse and Recycle.

Waste Management



3 Responsible Water Practices

To reduce water waste in our offices, we reused water from our surau for other purposes, such as watering plants. We also used smart solutions to improve water efficiency in our buildings. In high-population areas, we organised water-saving programmes to raise awareness of responsible water practices, such as installing sensor-operated water taps and optimising cistern systems.

Water Management

Water Withdrawal from Municipal Water Suppliers (m³)



Total Water Recycled (m³)



4 Protecting Against Chemical Spills

Chemical leaks at data centres can lead to significant environmental and health concerns for nearby communities. Therefore, we have strong preventive programmes in place to protect our people, operations and the environment from potential leakages and spills. This is spearheaded by our Spillage Recovery Team, who is trained to mitigate and swiftly respond to potential incidents.



5 Raising Environmental Awareness

We believe in the power of collective action, with every member of society playing a part in protecting the environment. Therefore, we continue to implement internal and external green campaigns and programmes that help shift society's behaviour towards better environmental protection.

TM's Environmental Programmes 2022



Water-Saving Programmes

What We Did:

We installed sensor operated water taps at eight (8) EMS sites, optimised water for cistern systems and increase awareness on water saving within the TM staff.

Impact & Achievements:
60,251 m³ water saved (~RM147,000 in savings)



Tree Planting

What We Did:

In 2022, we planted 10,137 trees to contribute to the country's 100 million tree campaign and towards our 10% carbon offset plan for net zero emissions by 2050. 5,120 trees were planted with Yayasan Hijau Malaysia and 5,017 Gutta Percha trees planted in conjunction with World's Telecommunications Day 2022.

Impact & Achievements:
>1,000 people reached

FAIR EMPLOYMENT & ENGAGEMENT



WHY WE CARE

We view *Warga TM* as the backbone of our strategic growth and ambitions. When employees feel valued, respected and have equal opportunities, they become powerful advocates for our nation building agenda. To achieve a high-performance workforce, there needs to be a culture of trust, respect and equal opportunity.

Therefore, an inclusive and nurturing workplace culture goes a long way toward achieving business goals that will benefit both TM and our employees. When we create an inclusive and supportive workplace, it benefits both TM and our employees. We can attract and retain the best talent, improve workplace motivation and increase productivity.

What Our Stakeholders Expect

- Fair remuneration and benefits
- Supportive, nurturing and inclusive work environment
- Work-life balance

WHAT IS OUR APPROACH

Our Group Human Capital Management (GHCM) team works to create a workforce who will not only drive TM towards success but also a workforce that is well prepared and looking towards the future. This includes treating employees with fairness and respect and providing them with the necessary resources and support to succeed in their careers. Our approach to employees include:

- **Fair, non-discrimination and equal opportunity:** Implementation of policies and practices exclude any discrimination on the basis of race, ethnicity, gender, sexual orientation, age, religion, disability, or other protected characteristics. It also involves ensuring that all employees have an equal opportunity to apply for and advance in their careers
- **Culture of inclusivity, high performance and growth:** Promoting #IniCaraKita values and creating a culture where all employees feel valued and respected. This can involve things like training programmes, Pitstop, Turun Padang, Jom Bersama, Townhall, etc.
- **Employee engagement and well-being:** Fostering a positive work environment where employees feel motivated and empowered to do their best work. This involves things like open communication, opportunities for feedback and input and support for work-life balance. Compensation and benefit offered is fair and competitive regardless of the demographic, as well as opportunities for professional development, job rotation, promotion, etc.

Deployed Capitals:

Met Strategic Aspirations:

Stakeholders Affected:

Sustainability Impact:

We have policies and guidelines to treat employees fairly and provide them with fair compensation and benefits, creating a culture of trust. The implementation of these policies is assigned to a dedicated person-in-charge. These are then translated to individual KPIs and cascaded to the related stakeholders, with progress tracking and monitoring conducted periodically.

FAIR EMPLOYMENT & ENGAGEMENT POLICIES & GUIDELINES

- Flexi Benefit Plan**
Provide employees with the opportunity to customise their benefit plans according to their needs.
- Flexible Working Arrangement (FWA)**
Offers flexibility to employees to manage where, when and how they work.

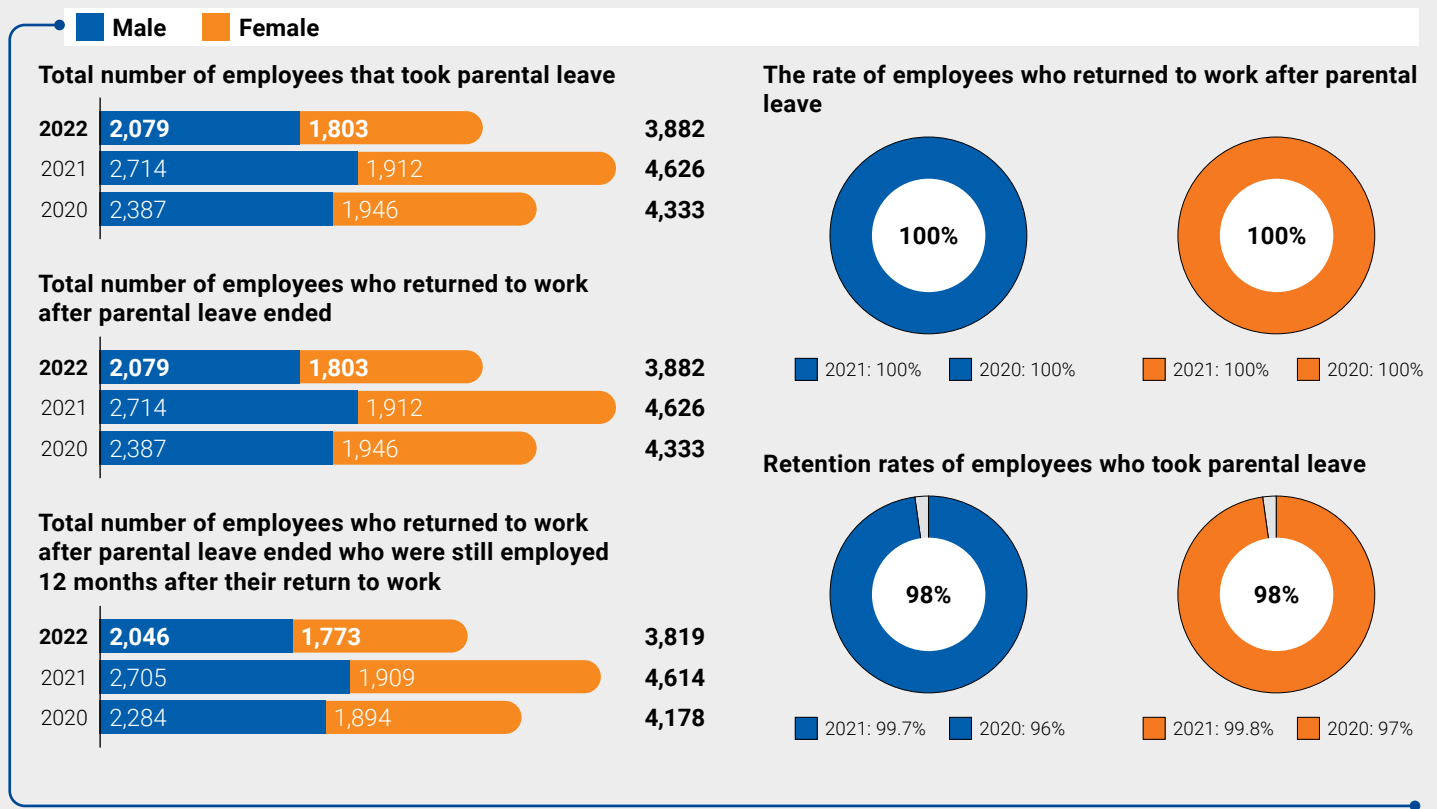
- Promotion Policy**
Provides guidance on promotion eligibility to ensure deserving employees are promoted accordingly.
- Salary Determination Guideline**
Sets the guideline and fair treatment in determining the salaries of employees, which considers their expertise, experience and internal equity.
- Bonus and Annual Salary Increment Specification**
Ensures that employees receive increments that fairly reflect their contributions to the organisation and drive a high-performance culture.

HOW WE CREATED VALUE IN 2022

1 Diversity, Equity & Inclusion

TM embraces equal opportunity with no preference for or discrimination against gender, race or physical capability of our employees. All employees have an equal right to speak, give opinions, rights to be heard through a various provided channel within the company. They are also provided equal opportunity for career advancement and promotions based on their merits and qualifications.

We also offer parental benefits to our employees in support of their family commitments. This includes offering parental leave to new mothers and fathers so that they can meet the needs of their newborns. By giving them this space, they will come back to work feeling more fulfilled, with 100% of employees returning to work after their parental leave ended in 2022.



We also ensure that the diversity of our workforce represents the diversity of our country. Our employees lead to an innovative and creative work environment, as they bring a range of experiences, backgrounds and ideas into the workplace.

Racial Diversity

	2022	2021	2020
Malay	16,928	17,687	18,870
Chinese	789	818	935
Indian	530	523	595
Others	1,252	1,354	1,495

Women in the Workforce

	2022	2021	2020
Percentage of women in the Workforce	40%	40%	-
Percentage of women in Senior Management	31%	31%	28%
Percentage of women in the Board	36%	36%	25%
	2022	2021	2020
Ratio of basic salary for women to men:			
Management	1:1.22	1:0.83	1:1.25
Executive	1:0.97	1:0.97	1:0.91
Non-Executive	1:1.02	1:1.07	1:1

Disabilities

Percentage of employees with disabilities



2 Protecting Worker's Rights

TM supports the need for unions in protecting the rights of workers. Collective agreements help establish strong bonds with our employees, contributing a more harmonious working relationship. Our employees have the freedom of association through unions. This allows them to take collective action according to their best interest.

There are four (4) unions that have been recognised by TM:

- National Union of Telecommunication Employees Peninsular Malaysia (NUTE)
- Union of Telecoms Employees Sarawak (UTES)
- Sabah Union of Telecom Employees (SUTE)
- Sabah Union of Telecommunication Employees (SUTEN)









	2022	2021	2020
Number of unionised employees	6,766	7,572	8,210
Percentage of employees with collective agreements	35%	37%	37%
Non-Union members	2,751	2,828	11,565



3 Ensuring Fair Compensation & Benefits

Our employees deserve to feel appreciated for their work. With this in mind, we offer our full-time employees a range of benefits and compensation that reward them for their dedication and performance. These benefits also provide support to an employee's family, health and financial future.

COMPENSATION & BENEFITS

-  **Annual Increments & Bonus**
-  **Compassionate Leave i.e. marriage, bereavement**
-  **Insurance Coverage i.e. Group Term Life (GTL), Group Personal Accident (GPA)**
-  **Long-Term Incentive Plan (LTIP)**
-  **Awards & Recognitions i.e. GCEO Merit Award, #IniCaraKita Award**
-  **Internet Connectivity i.e. broadband claim, Unifi staff package, 5G subsidisation**
-  **Hybrid Working Arrangement i.e. two (2) days work from anywhere. Flexible working arrangements based on request.**
-  **Medical benefits**

4 Keeping Employees Engaged

Employee engagement is important as it leads to higher productivity, better employee retention and increased customer satisfaction. Engaged employees are more committed to their work, motivated to achieve their goals and willing to go the extra mile to ensure the success of the organisation.

KEEPING EMPLOYEES HAPPY & ENGAGED

#IniCaraKita Culture Programmes

What We Did:

Accelerated #IniCaraKita culture programmes to instil a high-performance mindset and behaviours among all *Warga TM*. The four (4) behaviours in #IniCaraKita i.e. We Own It, We Grow, We Innovate and We Care all relate to creating a fair corporate culture.

Impact/Achievements:

- Reached to all employees with total views of **68,956** in 2022
- OHI score improved to **80** in 2022 compared to 77 in 2021
- OHI is incorporated into KPI for **more than 200** top and senior management in 2022

GCEO Awards

What We Did:

GCEO awards were introduced in Q3 2022, rewarding employees who demonstrated and role-modeled the behavior of #IniCaraKita and brought impact on business, customers and people. The award is given based on nominations from department heads and respective Human Capital Business Drivers (HCBs), with aims to boost morale and strengthen the company culture.

The award is presented in three (3) categories:

- GCEO Award for Business Excellence
- GCEO Award for #IniCaraKita Award
- GCEO Award for Service Excellence

Impact/Achievements:

- **175** individual and teams' nominations
- Total **51** winners (individuals and team members) in 2022



No Meeting Policy

What We Did:

Introduced “No-Meeting” policy – no meetings are allowed on Friday mornings and after 6.00 p.m. everyday. This time of the week is reserved for team engagement, well-being activities, or simply completing tasks without interruption.

• Well-being 360 activities were conducted such as:

- | | |
|---|---|
| <p>1. Physical</p> <ul style="list-style-type: none"> - Hybrid Run | <p>3. Occupational</p> <ul style="list-style-type: none"> - 5 Tips to Be Courageous at Work - July Special: Because We Care |
| <p>2. Mental, Emotional, Spiritual</p> <ul style="list-style-type: none"> - Webinar Kesihatan Mental - Mental Health Forum with Dato’ Fadzilah Kamsah - Religious and Spiritual programmes - Life Coach - 10 Tips to Better Communicate with Your Kids | |

Impact/Achievements:

- Average satisfaction rate: 4.6/5
- Total participants: 16,127
- 100% employees reached through internal communications

5 Achievements & Awards

With our continuous commitment to create an inclusive and performance-driven work culture, TM was able to maintain its industry leadership as the Employer of Choice. This is reflected in our high employee retention and various awards and accolades won.

	2022	2021
Employee Turnover		
Total turnover (pax)	1,734	1,799
Turnover rate (%)	8.2%	8.4%
Turnover based on gender (pax)		
Male	1,132	1,223
Female	602	576
Turnover based on age (pax)		
Under 30 years old	174	358
30-50 years old	481	106
Over 50 years old	1,079	1,335



CERTIFICATION/AWARD/RECOGNITION OF 2022

Award	Category
Malaysia’s 100 (M100) Leading Graduate Employers 2022	Winner of Telecommunication Sector (Top 100 Most Popular Graduate Employer)
GRADUAN Brand Awards 2022	Winner in Telecommunication Sector
HR Asia Best Companies to Work for In Asia 2022 (for the 6 th year)	Winner Best Companies to Work For in Asia
Graduates’ Choice Award 2022/2023	<ul style="list-style-type: none"> • Champion in GLC Category • Top 3 Telco Category (2nd)
The Asia HRD Awards 2022	Winner in Contribution to Organisation Category
HRD Awards 2022	Human Resource Minister Award

HEALTH, SAFETY & WELL-BEING



WHY WE CARE

The health and safety of employees is an integral part of any business. It ensures that the well-being of employees are valued and protected. On the other hand, workplace injuries and incidents can lead to adverse consequences for employees, such as long-term stress, financial burdens, potential disabilities and, in the worst case, loss of life. Furthermore, it is not only the victim that is harmed but the accidents and injuries can also create a ripple effect to impact their loved ones as well. Well-being also extends to mental and emotional health, which shapes a person's identity, confidence and life experience.

Having best practices with regard to health and safety is not just moral, but also good for business. A strong health and safety culture can boost employee morale and productivity, reduce staff turnover rates, minimise associated fines and penalties and build our reputation as a caring and responsible employer. By creating a safe and inclusive environment that protects the health, social and emotional well-being of our employees, we build their pride, trust and commitment to achieving their own and TM's nation building ambitions.

What Our Stakeholders Expect

- Empathy and care from the leadership
- Mental health support
- Protection against harm

WHAT IS OUR APPROACH

A strong safety culture is deeply incorporated across our business and value chain. We uphold the highest standards in providing a safe, healthy and environmentally-sustainable workplace for our employees, contractors, visitors and other persons throughout our activities. Our health and safety performance is managed by TM's occupational health and safety management system (OSHMS). OSHMS helps prevent work-related injury, ill health and provides safe and healthy workplaces. It ultimately eliminates hazards and minimises risks by taking effective preventive and protective measures. The system adheres to ISO 45001:2018, an OSHMS Standards Certification, demonstrating our world-class approach to employee well-being.

The main type of work-related health condition faced by TM employees is musculoskeletal disorder. To mitigate this health issue, we focus on prevention and early intervention through risk assessments to identify any potential risks and implementation of ergonomic solutions. These solutions include job task and workstation modification as well as promoting wellness through various stretching and strengthening exercises. Through these physical awareness sessions and emails, our TM employees gain greater awareness of ergonomics, the significance of good posture and proper lifting techniques.

Deployed Capitals:  

Met Strategic Aspirations:   

Stakeholders Affected: 

Sustainability Impact:  

WHAT IS OUR APPROACH

We are guided by TM’s Occupational Safety and Health (OSH) Policy, which applies to all work activities across all lines of business and driven by TM’s management team. The policy articulates our Occupational Safety, Health and Environment (OSHE) objectives and principles, including:

- A commitment to provide safe and healthy working conditions for the prevention of work-related injury and ill health and is appropriate to the purpose, size and context of the organisation and to the specific nature of the OSHE risks and opportunities
- A framework for setting the OSHE objectives
- A commitment to fulfil legal requirements and other requirements
- A commitment to eliminate hazards and reduce OSHE risks
- A commitment to continual improvement of the OSHE management system
- A commitment to consultation and participation of workers and where they exist, workers’ representatives

Employees also receive regular training on how to carry out their job function safely, with mandatory induction training for employees and contract workers. Additionally, we provide various lifestyle training, such as guiding them on how to assess and address financial concerns, improve personal health and strengthen family relationships.

HOW WE CREATED VALUE IN 2022

1 Strengthening Our Health and Safety Governance

As part of our continuous improvement, we enhanced our OSH governance structure in 2022. We have appointment an OSH Personnel as well as established OSHE committees across high-risk lines of business and departments, including TM One, GNT and Support Business. This will be rolled out to other businesses and departments in an effort to create self-regulation in managing OSH-related risks.

2 Creating a Culture of Safety and Well-Being

Throughout the year, we implemented various training programmes and assessments designed to build a strong culture of physical, mental and emotional health. These help our OSH teams to identify areas of improvement while raising the awareness of workers on how to take better care of themselves and their peers.



HEALTH, SAFETY AND WELL-BEING PROGRAMMES 2022



Program Latihan Asas Kerja Selamat (PLAKS)

A mandatory induction training for TM employees that intends to educate them on workplace safety policies, procedures and regulations. Employees are taught about the importance of safety, how to recognise hazards and ways to protect themselves and others from any potential injuries. The training also covers emergency response techniques for various scenarios. In 2022, as many as 14,979 of TM staff managed to complete the training programme.

Reach:
14,979 employees



NIOSH-TM Safety Passport (NTMSP)

Contractors are expected to have the appropriate skills, certifications and experience to do their tasks safely. It is a tool to demonstrate safety compliance and ensures that contractors are conscious of the safety standards.

Reach:
44,176 contractors



Competency-Based Training

A training programme that is based on an OSH risk assessment and associated legal requirements. This includes training for high-risk jobs, such as:

- Working in confined Spaces, which require Authorised Gas Tester & Entry Supervisor (AGTES) training
- Working at heights, such as on telecommunication towers, that require Working at Height (WAH) Level 1 training

Reach:
137 trainees

3 Overall Safety, Health and Well-Being Performance

Our commitment to prioritise employee well-being has yielded positive outcomes. With robust and effective measures in place, we have seen significant improvements in the overall health and well-being of our staff.

5.2% reduction in health and safety incidents

Unfortunately, we are sad to report two (2) cases of fatalities involving our contractors at TM's operation site. As a corporate citizen, we take this matter seriously. Therefore, we have conducted a thorough investigation to determine the root cause of these incidents. Following this, we implemented mitigation controls to prevent such incidents from happening again. Additionally, we conducted a full safety audit of our contractors' operations and implemented safety protocols to ensure their employees are adhering to safety procedures.

Work-Related Injuries

Total recordable injury (No. of cases)



Absenteeism rate (headcount)



Absenteeism rate (days)



Lost Time Injury Cases (No. of cases)



Safety Performance

Lost Time Injury Frequency Rate (LTIFR)



Incident Rate (IR)



Frequency Rate (FR)



Severity Rate (SR)

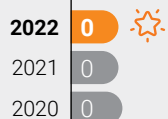


Fatality Rate (FTR)



Work-Related Ill Health

Number of fatalities from work-related ill health



Number of recordable work-related ill health cases



TRAINING & DEVELOPMENT



WHY WE CARE

Upskilling and reskilling employees is critical to future-proofing our workforce, as it ensures that employees have the right skills and knowledge to thrive in a fast-changing environment. Investments in training and development contribute to employees' professional growth, giving them more fulfilment in their careers.

By focusing on talent development, employees are able to perform better as they have greater understanding and confidence in delivering on their roles. It ensures that they are able to effectively execute TM's strategic objectives in contributing to our nation building agenda for the years to come. Having strong development programmes also help us attract and retain the industry's top talent, thus reinforcing TM's competitiveness as a digital leader.

What Our Stakeholders Expect

- Future-ready skills training
- Professional progression & growth

WHAT IS OUR APPROACH

TM's Learning & Development (L&D) adopts a holistic approach to talent development. Our focus is to reshape the workforce to become a stronger execution engine, embrace a more agile work environment and drive a high-performance culture with future-ready skills. Our training programmes are mapped to our value creation strategy and priorities, therefore ensuring they are equipped to help TM transform into a human-centred TechCo in realising our Digital Malaysia aspiration.

We deliver impactful employee training through our Value Programme Right Skilling (VPRS) programmes, which leverage our internal expertise from Multimedia University (MMU) and TM R&D and through collaborations with our strategic partners. The effectiveness of VPRS is evaluated according to the Kirkpatrick Training Model, covering:

E1: Participants' Satisfaction Index towards the training:

Target:
4.25 (85%)
Achievement:
4.58 (92%)

E2: Participants' Learning (knowledge & skills acquisition) achievement:

Target:
80%
Achievement:
91%

E3: Participants' Behavioural (learning transfer) at the workplace after the training:

Target:
20%
Achievement:
26%

E4: Training Outcome/Impact on our business:

Sales Revenue from training programmes – RM907.11 million and training cost avoidance RM5.45 million

Deployed Capitals:

Met Strategic Aspirations:

Stakeholders Affected:

Sustainability Impact:

The progress is shared with the Transformation Office and CHCO bi-weekly and the Transformation Office Steering Committee (TOSC) every month, ensuring strong leadership and governance over employee training and development.

We help our employees develop their careers by using the Individual Development Plan (IDP), which helps them identify their strengths and areas for improvement. This enables them to improve their job performance and achieve both short- and long-term career goals. We also offer more job opportunities through improved job rotation policies and ongoing vacancies. We regularly review and assess employee performance, with 99.9% of our employees receiving a performance review in 2022.

Establish clear performance evaluation criteria

We have a performance management system in place that encompass performance-related activities.

Implement objective methods in making decisions

We review employees' track records and performance when deciding promotions, bonuses and salary increments. Feedback from various parties is solicited to ensure a holistic point of view when making these decisions.

Communicate openly and transparently about performance expectations:

We deliver continuous and real-time feedback from various stakeholders, including supervisors, their peers and customers.

Foster a culture of fairness and respect

We demonstrate our commitment to treating all employees fairly and with dignity by promoting diversity and inclusivity, implementing anti-harassment policies and creating opportunities for open communication and feedback.

HOW WE CREATED VALUE IN 2022

1 Upskilling and Reskilling Our Employees

For 2022, TM continued its VPRS programmes to drive long-term value creation. The programmes covered key areas such as Leadership, Future Skills, Current Business Skills, Upskilling and Culture/Mindset programmes. We also launched a new e-learning platform (LinkedIn Learning) to offer flexible training opportunities to our employees.

Overall, we conducted a total of 959 training sessions for employees during the reporting year.

VPRS TRAINING & DEVELOPMENT PROGRAMMES 2022

Future Skills

Aim:

To equip employees with future-ready skills in areas such as cloud, RPA, 5G, Software-Defined Networking (SDN) and Network Function Virtualisation (NFV) technologies, data analytics, smart services, IoT, digital, agile, cyber security and other related areas.

Impact:
3,984 employees trained

Current Business Skills

Aim:

To reskill and upskill *Warga TM* into multi-skilled employees in key business areas, including product development, marketing, compliance, strategy and information technology.

Impact:
11,041 employees trained

Leadership Development

Aim:
To strengthen the leadership skills of high-potential employees in preparation for higher leadership roles.

Impact:
1,214 employees trained

Culture Programme

Aim:
To cultivate and transform our workforce into a high-performance culture based on TM's #IniCaraKita behaviours.

Impact:
16,102 employees trained

2 Overall Performance in Training & Development

We track and measure our contributions to employee development through various value creation indicators. This enables us to assess our annual progress and performance and identify areas of improvement.

Investment in employee training and development

RM million



Average total hours of training per year per employee

Total hours



Total hours of training based on gender

Male

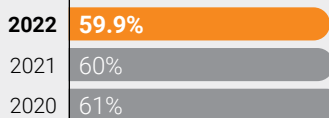


Female

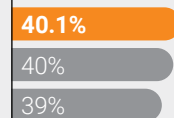


Employees receiving performance review by gender

Male



Female

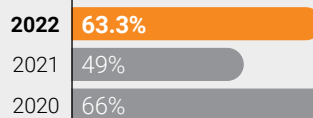


Average hours of training based on employee category/work level

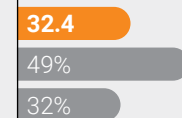
Management



Executive



Non-Executive

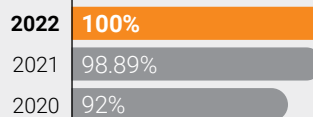


Employees receiving performance review by work level

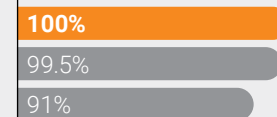
Management



Executive



Non-Executive



Employees receiving regular performance and KPI assessment/review



RESPONSIBLE SUPPLY CHAIN



WHY WE CARE

We view suppliers as key stakeholders of TM, therefore it is our duty to take care of their needs as they provide us with critical products and services that help us meet our nation building goals. However, with a network of 1,551 local and 89 international suppliers, our supply chain is exposed to a range of sustainability risks, including the exploitation of workers. This is an issue that TM takes seriously, as the rights of every person need to be respected, even beyond the boundaries of our operations. Therefore, we ensure that the concerns and expectations of our suppliers are always taken care of, as we strive to create an ecosystem that benefits everyone.

Our supply chain also presents opportunities to make progress in sustainable development. Working with suppliers who share our sustainability goals can improve our environmental and social performance. Our extensive supply chain also provides income opportunities and growth for local businesses, contributing to the nation's socioeconomic progress. By prioritising responsible, fair and sustainable procurement practices, we can build a resilient supply chain and continue our mission to enable a Digital Malaysia.

What Our Stakeholders Expect

- Contribution to local businesses
- Strong engagement and transparency
- Efficient and digital supply chain

WHAT IS OUR APPROACH

To ensure our suppliers uphold our high standards of sustainable and responsible practices, we screen them according to our sustainability criteria. Similarly, we include sustainability-related clauses in our supplier contracts, covering a range of topics such as occupational health and safety, environmental protection, ethics and integrity, business continuity management and other sustainability matters. We work closely with our suppliers to train and develop businesses on how they can improve their social and environmental impact. This ensures that they can transition towards a sustainable economy while supporting TM's sustainability aspirations.

Furthermore, we have established strong foundations to manage supply chain risks and minimise potential disruptions. This includes a proactively assessing and monitoring supply chain risks and subsequently delivering a quarterly report on Supply Sustainability Risk to TM's BRC.

TM's ESG Commitments

100% of
Mega-Partners
to comply with
ESG by 2024

50% of Mid-Tier
suppliers to comply
with ESG by 2030

Deployed
Capitals:  

Met Strategic
Aspirations:   

Stakeholders
Affected:  

Sustainability
Impact:    

HOW WE CREATED VALUE IN 2022

1 Empowering Local Suppliers

As part of our nation building agenda, we continued to prioritise sourcing from local businesses. In 2022, we indirectly contributed RM3.53 billion to the local economy through our supply chain, with 94.6% of suppliers made up of local businesses.

Local vs International Suppliers

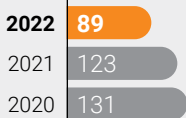
Total Suppliers



Local Suppliers



International Suppliers



Monetary Contributions to Suppliers

Total Contributions (RM billion)



Contribution to Local Suppliers (RM billion)



Contribution to International Suppliers (RM billion)



We also looked for opportunities to hire under-developed businesses, such as B40 entrepreneurs, Bumiputera companies and SMEs. These smaller businesses form the backbone of Malaysia's economy and we strive to support them as much as possible.

Monetary Contributions to Bumiputera Suppliers

Total Contributions (RM billion)



2 Creating a Sustainable Ecosystem

As we progress on our sustainability journey, we encourage our suppliers to progress with us. We proactively worked with our suppliers in developing them towards compliance with our sustainable supply chain standards, in line with our ESG commitment of having 100% of Mega-Partners complied with ESG by 2024 and 50% of Mid-Tier suppliers in compliance by 2030.

To achieve these goals, we have enhanced our procurement processes to strengthen the integration of sustainability into the supply chain. We also delivered trainings to local suppliers on our new ESG requirements and TM's ESG Roadmap to support them in the transition towards more sustainable practices.

SUSTAINABLE PROCUREMENT	
Self-Assessment Questionnaire that is designed to assess suppliers' sustainability performance, as well as ensure their compliance to TM's ESG requirements.	Supplier ESG Report Card/Dashboard were developed to assess suppliers' improvement and development for easy monitoring on suppliers' progress and performance on ESG.
First-Tier Internal Validation to determine the accuracy of suppliers' self-declarations through internal validation, which involved reviewing their published sustainability disclosures and internal documents.	New Sustainability Clauses has been embedded in all contracts, covering six (6) main areas such as compliance with ESG principles, declaration of any offences and meeting environmental standards for the supplied product.
ESG Questionnaire in Supplier Registration Form , which must be answered by suppliers upon registration or renewal of contracts. Their answers will need to be uploaded onto our procurement portal before their registration/renewal is approved.	

By the end of 2022, 84% of Mega-Partners and 72.5% of Mid-Tier Suppliers participated in the self-assessment questionnaires. Based on the first-tier validation done, we have exceeded our 2022 target on supplier ESG compliance and are currently on track to achieving our longer-term targets.

ESG Compliance of TM Suppliers

Suppliers	2022 Results	2022 Target	Longer-Term
Mid-Tier Suppliers	13%	10%	50% by 2030
Mega-Partners	70%	50%	100% by 2024

Our efforts in embedding sustainability into our supply chain has been rapid. Since the launching of our ESG commitments in 2021, we have already witnessed a significant rise in suppliers with environmental and social policies in place. This demonstrates the influence we have in driving positive change in Malaysia's business ecosystem.

Suppliers with Environmental Policies (%)



Suppliers with Social Policies (%)



3 Protecting Supply Chain Integrity

TM's zero-tolerance policy approach against all forms of corruption extends to our supply chain. Our suppliers need to adhere to the same code of ethics and policies enforced on our employees. Any suppliers found unethical conduct will face a due process and subject to investigation by GIG, whereby the end result will be deliberated during the Supplier Performance Committee (SPC) sitting, held on a quarterly basis or upon request. The consequences are assessed based on the severity of the incident, ranging from suspension to contract termination.



↳ For more details on TM's integrity policies, please see pages 141-145

4 Improving the Procurement Experience

TM's digital efforts extend to our supply chain. We continue to digitally transform our supply chain to simplify processes, improve efficiencies by empowering our suppliers to own their part of the process.



Supplier Relationship Management (SRM)

How it works:

SRM is a web-based purchasing platform that enables end-to-end procure-to-pay procurement business processes. It reduces time and costs associated with procurement.



Online Tender & Digital Signing

How it works:

All tender evaluations and contract signing is done online, thus removing the need for printing and manual submissions. This reduces paper consumption with improved turnaround time.



Supplier Self-Registration & Renewal

How it works:

Through TM's Supplier Self-Service portal, referred to as SUS Portal, suppliers can self-register or apply for renewals at their convenience. The platform empowers suppliers to easily manage the procurement process.



Supplier Self-Invoicing

How it works:

Suppliers can easily submit their invoices on the one-stop SUS portal, thus creating a seamless supplier experience and enabling them to receive payment in easily and promptly.

5 Promoting the Development of Suppliers

We engage regularly with our suppliers to capture their thoughts and concerns, as well as help them grow their business and excel in the long term. Throughout the year, we organised various engagement and training programmes designed to create a meaningful and thriving ecosystem.



Vendor Capacity & Capability Development Programme (PPKV)

Objective:

To assist BVDP vendors in expanding their capacity and capabilities to be competitive, sustainable and resilient.

What We Did:

We assess vendors to analyse training needs and propose appropriate training programmes with funding to enhance vendor capacity and capability which is provided by training providers such as SIRIM, SME Corporation, MRANT and TM L&D.

Impact:

23 suppliers reached
RM2,182,826 grants approved



Bumiputera Vendor Development Programme (BVDP)

Objective:

To develop and establish competitive, sustainable and high-performing Bumiputera vendors through various capacity building programmes in support of the National Development and Bumiputera Empowerment Agenda.

What We Did:

We conducted various engagement, development programmes, strategic collaboration and knowledge sharing sessions for Bumiputera vendors. These sessions covered:

- Improving employability
- Functionality enhancement
- Technology consultations and transfer through collaborations with key suppliers
- Building manufacturing programmes
- ESG-themed engagements with BVDP manufacturing vendors
- Business matching to expand the market beyond TM
- Commercialisation for ICT and digital solution vendors

Impact:

67 engagement sessions
69 suppliers reached



Hybrid Business Matching Week

Objective:

To connect registered SMEs with anchor companies, providing them with access to the participating GLCs' supply chain.

What We Did:

We conducted multiple sessions with potential vendors to increase the pool of supplier via educating them on how to register as a TM vendor as well as how to participate in TM's tender.

Impact:
42 suppliers reached



SME Bank Xcess 2022

Objective:

To provide SMEs with solutions on their financial and development needs through a national business matching event.

What We Did:

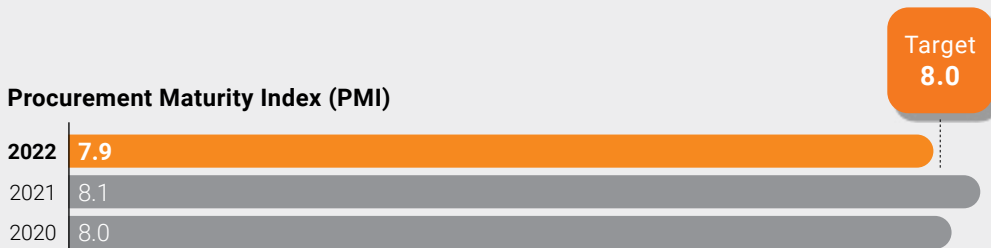
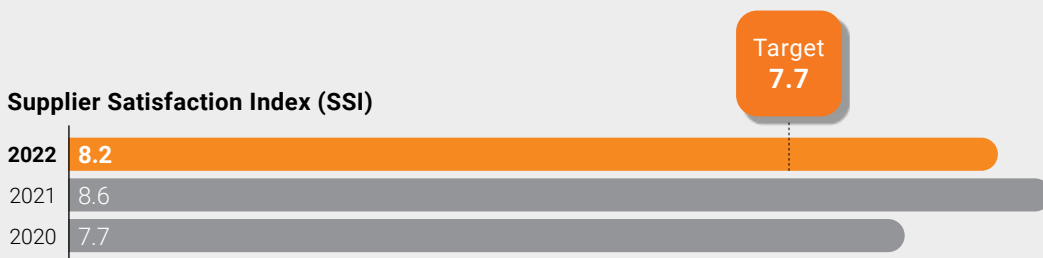
We conducted various programmes with an SME bank for our vendors to provide them access to financing, business matching and development.

Impact:
seven (7) suppliers reached

6 Overall Procurement Satisfaction

This year, we recorded a minor decline in both Supplier Satisfaction Index (SSI) and Procurement Maturity Index (PMI), which we have identified as an area of improvement. We are intensifying our efforts to improve our procurement process, especially on speed and timeliness. Nevertheless, we continue to meet or exceed our set targets in both indicators, reflecting our commitment to creating a conducive and nurturing work environment for suppliers.

Supplier Performance



COMMUNITY DEVELOPMENT



WHY WE CARE

As a nation building organisation, community development is an essential component of our business strategy. It is our responsibility to give back to communities that have supported us over the years. Given our wide presence, we are in a unique position to make a positive impact on local communities, particularly those that are underserved and disadvantaged. By supporting these communities, we promote inclusivity and shared prosperity, which contributes to Malaysia's overall socio-economic progress.

Community resilience is also important for business – when communities suffer, so does business performance. The sustainable development of the country goes hand-in-hand with TM's long-term growth and successes, especially given our role as a GLC. Therefore, we need to create an ecosystem that benefits all segments of society. Social programmes also provide our employees with an added sense of ownership and fulfillment, while contributing to talent attraction and retention.

What Our Stakeholders Expect

- Social and environmental well-being
- Volunteer opportunities for employees
- Empowerment of disadvantaged groups

WHAT IS OUR APPROACH

We adopt a hands-on approach, mobilising both financial and non-financial resources to maximise positive impacts. We focus on economic recovery, sustainable livelihood and welfare for marginalised communities, including women, special needs individuals, senior citizens and the B40 group.

Our impact in social empowerment is driven through YTM and MMU.

↳ for MMU, please refer to page 140.

YTM spearheads TM Group's corporate responsibility initiatives across environmental, social, economic and governance contexts. As a foundation, YTM aims to address pressing social issues among targeted marginalised communities in Malaysia. For the past 28 years, YTM has been shaping future leaders through its scholarship programmes.

In 2021, YTM embarked on a transformation journey (YTM 2.0) to drive greater social impact for Malaysia as a whole, beyond education. Our new approach is threefold: to enlighten promising individuals with greater literacy, uplift marginalised communities and promote arts, culture and heritage through museum placemaking activities.

Deployed Capitals:  

Met Strategic Aspirations:   

Stakeholders Affected:  

Sustainability Impact:   

WHAT IS OUR APPROACH



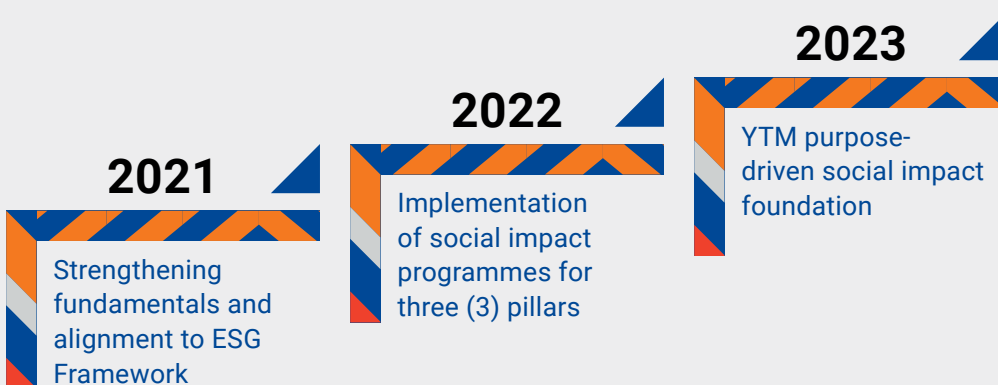
YTM 2.0 aligns with TM's transformation of becoming a human-centred TechCo. Through YTM 2.0 Transformation Roadmap 2022-2024, we are reshaping the foundation to create more impact and a positive difference in Malaysia, thus reaffirming TM as a company that genuinely cares about the people.

YTM 2.0: THE TRANSFORMATION ROADMAP 2022 - 2024

SUPPORTING DIGITAL MALAYSIA

Key Differentiators for YTM:

- Social impact programmes with digital inclusion as key lever
- Optimising TM's connectivity reach and digital solutions to meet community needs and ensuring no one is left behind



Taking YTM 2.0 to greater heights as a purpose-driven social impact foundation

The Shifts in YTM 2.0

From low profile scholarship based foundation...
... to **high profile social impact based foundation with expanded scope**

From scattered Corporate Responsibility (CR) initiatives and resources across TM Group...
... to **consolidate focused entity with three (3) strengthened pillars to deliver greater impact in both profiling and to society at large**

From individually ran programmes...
... to a **collaborative model to support greater ecosystems with like minded organisations**

WHAT IS OUR APPROACH

YTM strengthened its engagement with key beneficiaries and stakeholders, including students, communities and implementing partners through its collaborative framework approach. This allows us to better understand their needs and empower them. We review the status of our projects bi-weekly/monthly during our Head of Units (HOU) meetings to keep us on track and aligned with the YTM's objectives. Concurrently, we regularly engage with our implementing partners to ensure smooth implementation throughout the year.

To gauge the effectiveness of our transformation journey and programmes, we conducted a Stakeholders' Perception Survey in 2022, which received a score of 90.58%.

HOW WE CREATED VALUE IN 2022

1 Education & Development

Education is a powerful tool to fight poverty and promote progress. We believe that everyone deserves access to quality education. As champions of Digital Malaysia, we are committed to bridging the education gap and nurturing future leaders who will shape a more prosperous and inclusive society.



YTM EDUCATION CONTRIBUTIONS & EFFORTS IN NURTURING FUTURE LEADERS FOR DIGITAL WORKFORCE



Future Leaders Scholarship Programme

We enable SPM graduates with high potential to further their education at well-established universities in Malaysia and abroad via our scholarship programme. We designed a structured development programme to develop these future leaders with an entrepreneurial mindset and perseverance needed to drive a digital workforce.

Our YTM scholars' development propels them to be future fit and ready towards the nation's digital workforce requirements, with an opportunity for them to be strong contributors to our TM workforce.

Impact:

- 230 new scholarships awarded
- 549 active scholars; including 57 abroad
- 63% (203 out of 319) of students achieved CGPA above 3.5
- 100% of YTM Scholars employed within six (6) months of graduating
- RM13.4 million channelled



Young Leaders Scholarship Programme

We provided financial aid to high-potential secondary students in support of their learning. The programme is a space where motivation is rewarded and intelligence is celebrated.

Impact:

- 1,338 scholarships awarded
- RM2.2 million channelled



Future Leaders Structured Development Programme

The Future Leaders structured development programme was intended to help shape more holistic and well-rounded talents. This end-to-end journey aims to equip scholars with future skills in both digital and employability. It is also a platform to expose scholars to real-life experiences, including work-related topics of the IR4.0

Impact:

- 317 YTM Future Leaders scholars participated from foundation to final year
- 8 cohorts completed
- 36 online classes conducted
- 31 modules covered - digital skills, soft skills, integrity, mental health and culture
- Six (6) Brown Bag sharing sessions by the industry players from various fields



TM Future Skills

We empowered stakeholders from the education sector, namely teachers and students, from schools across Malaysia with TM Future Skills (TMFS) modules, which include 3D printing modelling, big data analytics, coding and programming to increase students' interest in STEM subjects and pursue their tertiary education in IR4.0-related courses

Impact:

- >5,000 students from 51 schools equipped with IR4.0 future-ready skills



TM Future Skills Champion Schools

Last year, we rebranded our flagship TM School Adoption Programme to TM Future Skills Champion School with a new holistic approach. We take a comprehensive approach that empowers both teachers and students with digital and technological knowledge, preparing them for future employment opportunities while also promoting sustainable livelihoods by unlocking other valuable skills.

Impact:

- Three (3) schools selected
 - SMK Gunung Semanggol, Perak
 - SMK Dengkil, Selangor
 - SMK Tunku Putra, Johor

Mental Health Programmes

We believe that emotional intelligence is an important soft skill for future leaders to master. We investigated methods and approaches for developing resilient communities through mental health advocacy. As a result, we determined that it is critical to instil good mental health management at the school and university levels through a two (2)-pronged approach:

1. **YTM-GRG GREAT Project** raises awareness among college students, providing them with hope and assistance in better managing their mental health.
2. **TMFS Mental Health Module** is designed to teach high school students on the importance of addressing mental health issues.

Impact:

- >146 students from seven (7) universities participated in the project
- >16 students selected as the Green Ribbon ambassadors
- >17 physical and online campaigns on mental health are currently ongoing

Impact:

- 314 students from ten (10) schools were introduced on mental health modules
- 100% completion on mental health online modules and currently available on STEM Portal

Overall, YTM continued to make significant contributions in the education sphere in shaping a better future for our young leaders.

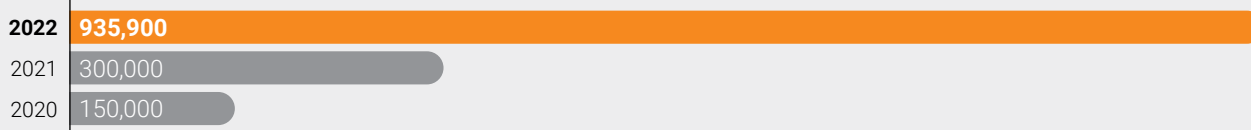
Total amount of scholarship disbursed – accumulative (RM million)



Total amount of scholarship disbursed – annually (RM million)



Total spent on schools – academic and non-academic activities (RM million)



Sekolah Enuma

We collaborated with Enuma Inc and Teach for Malaysia to pilot a pioneering digital learning platform to ease the learning of Bahasa Malaysia, English and Mathematics. YTM became the first funder to support the field test of the localised version.

Impact:

- 640 students and 60 teachers reached
- 8 schools supported in three (3) regions: Sabah, Sarawak and Kuala Lumpur

**PeKka#BM (Bahasa Malaysia Vocabulary Mastery)**

We took the initiative to support learning Bahasa Malaysia through the PeKka#BM Programme via an interactive learning platform to improve Bahasa Malaysia literacy at the primary school level, in line with the growth of digital technology in education. This effort is vital to balancing equity and ensuring the quality of student learning, especially for those who have not yet mastered basic Bahasa Malaysia.

Impact:

- 7,000 students and 400 teachers from 40 schools benefited
- 32 modules completed

2

Community & Nation Building

With TM's expansive reach across Malaysia, we strive to celebrate and uplift vulnerable communities especially in our areas of operation. Through our community empowerment programmes, we provide financial and non-financial to support marginalised groups and enabling employees to give back to society while further contributing to social progress. In 2022, we focused on building local communities through two (2) key areas:

**COMMUNITY DEVELOPMENT**

Empowering TM State Regulatory & Engagement (SRE) to reach out to needy communities nationwide

- **YTM-SRE Social Impact Project**

Impact we made:

- 12 social projects initiated by SREs
- 17 new partners (NGOs, foundations, universities, schools and SEs involved)

Exploring sustainable & measurable projects to increase community livelihood

- **YTM Social Impact Grant** were initiated to fund sustainable projects, with NGOs and other community partners encouraged to apply

Impact we made:

- 184 applications received from 120 organisations; 54 shortlisted;
- 8 projects/organisations awarded

Structured entrepreneurship programmes through partnership with various institutions

- **YTM-SUK Kelantan Digitalpreneurship Programme**
- **YTM-UTP Asnaf Entrepreneur Go to Market Programme with Asnaf**
- **YTM-KEMAS RAPIDE Digitalpreneur Programme**

Impact we made:

- 93 entrepreneurs trained including youth, asnaf and women

Improve livelihood and socio-economic well-being for Orang Asli, as well as preserve their heritage and environment

- **YTM-JGSM Indigenous Community Enhancement Project**

Impact we made:

- 3,000 Orang Asli benefited through upskilling and training



HUMANITARIAN AID

Enhancing Humanitarian Disaster Response & Preparedness through sustainable assistance, community empowerment and leadership

- Equips higher risk communities with disaster preparedness training through Community Based Disaster Risk Reduction and Management Programme (CBDRRM) in Pahang, Re-Energise TM Reaching Out Volunteers (TMROVers) and connecting SREs and TMROVers with local NGOs

Impact we made:

- **27,572** affected community members assisted
- **Over 100** TMROVers trained on Humanitarian and Disaster Preparedness Training
- **354** community members & local Government agencies trained via CBDRRM
- **8** local NGOs identified to work with SRE/TMROVers at East Coast during big floods in Kelantan and Terengganu 2022

GLC Demi Rakyat & Negara (GDRN)

- Rebranding exercise of GDRN with expanded scopes

Impact we made:

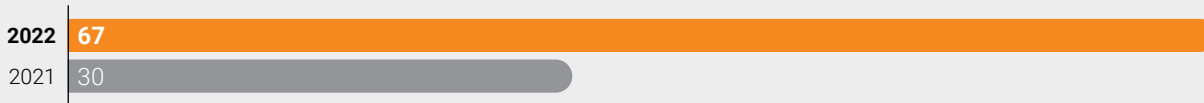
- Structured framework, membership, data gathering and communication

As part of our long-term focused approach, the impact of our community development programmes is tracked and measured through various value-creation indicators. This allows us to assess and improve our community empowerment performance each year.

Total contributions to community initiatives (RM million)



Female entrepreneurs empowered



Community members reached



NGO partnerships



3 Arts, Culture & Heritage (ACH)

We believe that the unique characteristics Malaysia culture should be preserved and appreciated by all. We do this through digitalisation to future-proof cultural content while ensuring its accessibility to all. Throughout the year, we continued to invest in preserving our national heritage, while contributing to the development of arts and culture.

Our key areas of contribution include:

 Museum Transformation	 Art + Technology Talent Incubator	 Placemaking	 Digital Platform
<p>Objective Improve the state of heritage conservation plan, operations and museum curation</p> <p>Strategies</p> <ul style="list-style-type: none"> • Muzium Telekom transformation plan, including heritage conservation and preservation • Improving infrastructure accessibility and connectivity • Creating an inclusive environment at the museum • Operate, manage and promote Muzium Telekom and Telegraph Museum 	<p>Objective Incubate digital & creative talents and entrepreneurship</p> <p>Strategies</p> <ul style="list-style-type: none"> • An incubator of local, regional and national talents through Digital Art Gallery at Muzium Telekom • A place for creative inspiration, presentation and exploration • A home for learning, experimenting and growth • Capacity building and education 	<p>Objective Enhance the creative & cultural ecosystem via placemaking</p> <p>Strategies</p> <ul style="list-style-type: none"> • Collaboration and networking • Programme activation for arts and culture for community • Attract/Develop arts, culture and heritage, content and partnership • Safety and inclusivity for Person With Disability (PWD) • Implement SDGs, ESG and Local Agenda 21 Programmes 	<p>Objective Digitalise arts, culture & heritage of Malaysia</p> <p>Strategies</p> <ul style="list-style-type: none"> • Partnership with the creative industry/ institution/NGOs • Encourage knowledge transfer through masterclasses, webinars, conferences, etc. • Explore opportunities for learning, experimentation and growth from the experts and community

IMPACT & ACHIEVEMENTS

<p>Total PR Value in 2022 RM441,000</p>	<p>Total online viewers (reach) of ACH initiatives 3.8 Million</p>	<p>Total partners 145</p>	<p>Total visitors of Muzium Telekom 96,121</p>	<p>Total PWDs impacted 121</p>
<p>Total direct and indirect Income (Jobs*) created 649</p> <p><small>*Income and job creation for B40s, PPRs, PWDs, including employment and internships in event management, music, performing arts and film-making</small></p>	<p>Total workshops/ masterclasses 108</p>	<p>Total entrepreneurs benefitted from Telekom Museum Weekly Events (TEMU Weekends) 340</p>	<p>Thematic exhibition attendees 66,109</p>	

4 **MMU**

MMU is a leading private university in Malaysia, specialising in ICT, digital and engineering. By delivering a transformative learning experience, MMU continues to create future leaders and talents who thrive in the advent of IR4.0. The university also implements social programmes that help vulnerable communities, including its B40 students.

The university’s strategic plan, MMU PLUS U, continues to drive university excellence and financial sustainability. MMU PLUS U was crafted to focus on five (5) key areas:

- Population & Popularity
- Learning
- University Reputation
- Financial Sustainability
- Us

2022 is a momentous year for MMU as the university celebrated its 25th anniversary as the first private tertiary institution in Malaysia. The main focus of the university during the year was to expand its reach in shaping young minds and create a nurturing and conducive learning experience for its students.

IMPACT & ACHIEVEMENTS

17% growth in student population

RM12.9 million publications and research grants received

Awards & Rankings:
 Preferred Universities among Malaysian Employers by TalentBank
 401 out of 500 Asia Ranking 2022 by Times Higher Education
 401+ for Young University Rankings 2022 by Times Higher Education



GOOD GOVERNANCE



WHY WE CARE

Strong governance over ethics and integrity is a fundamental tool in our nation building aspirations. It ensures that we conduct our business in a way that safeguards the rights and interests of all our stakeholders, thus contributing to sustainable value creation. Corporate governance enhances stakeholder trust and our reputation which in turn helps build our customer base, attract and retain employees and become a more attractive investment proposition to drive our growth and ambitions forward.

Integrity and ethics in business also protect us from the implications of corruption, bribery and malpractices, which can impact our overall performance. Breaches in conduct may lead to regulatory fines, damage to our reputation and other penalties. Therefore, we always strive to uphold the highest standards of ethics and integrity to protect our stakeholders and business.

What Our Stakeholders Expect

- Responsible ESG practices by suppliers
- Contributions to the local economy
- Protection of human/labour rights

WHAT IS OUR APPROACH

Our corporate governance is built on a strong foundation of TM's Core Values (KRISTAL), which is cascaded throughout our lines of business and is an expected practice by all workers within our operations. We protect the integrity of our business and value creation through robust policies and guidelines, as shown below:

KEY POLICIES FOR ETHICS & INTEGRITY

Code of Conduct & Business Ethics (CBE) and Anti-Corruption Guide (ACG)

Acts as a primary reference for employees when dealing with internal and external stakeholders, ensuring all interactions are conducted in an open, honest and ethical manner.

Whistleblowing Policy

Provides an avenue for employees and other stakeholders to safely report any improper conduct such as illegal, unethical or corrupt activities.

TM Ethics line: 1-800-88-2377 or ethic@tm.com.my

No Gift Policy

Articulates our strict rule against offering or accepting gifts from any of our stakeholders, including our suppliers, to maintain the integrity of our business relationships.

For more info, please refer to tm.com.my/ethics-integrity

Deployed Capitals:  

Met Strategic Aspirations:   

Stakeholders Affected:   

Sustainability Impact: 

WHAT IS OUR APPROACH

Our corporate governance system is designed to promote ethical behaviour, accountability, transparency and stakeholder value. It is built on the TRUST Principles, issued by the government in the Guidelines on Adequate Procedures.



We monitor the implementation and effectiveness of our ethics and integrity policies and corruption risk through TM's ABMS, which is based on the ISO 37001:2016 International Standard on ABMS

We have also developed an Organisational Anti-Corruption Plan (OACP), a comprehensive five (5) year plan that reinforces our governance and integrity practices. With a strong foundation in place, we continue to take steps to cultivate awareness and put anti-corruption monitoring and corrective measures in place, while creating a culture of integrity within TM through various initiatives. We measure our performance according to the Group Integrity and Governance (GIG) KPIs, which sets out goals, targets and indicators. These KPIs cover the OACP, ABMS, Awareness & Communication, Advisory, complaint management and investigation. The progress is reported to Board Audit Committee (BAC) on a quarterly basis.

Additionally, we undergo regular internal and external audits on the implementation of our anti-bribery processes. This gives an indication of the compliance of the business processes and integrity policies implemented in TM.

HOW WE CREATED VALUE IN 2022

1 Business Integrity Survey (BIS)

We conducted TM's Business Integrity Survey with all employees with the objective to measure the effectiveness of ethics and integrity practices in terms of education and awareness, understanding policies and implementation and to identify gaps for improvement. The overall index reflects an average of the score across all the five (5) domains;

- Attitude/Understanding
- Communication
- Leadership
- Investigation
- Policy & Guideline

Integrity Survey Score:
8.01 out of 10.00

2 Strategic Anti-Corruption Initiative

TM's OACP is committed to fortifying our ethics and integrity ecosystem by generating action plans based on corruption risk assessments across 20 divisions. To date, we've crafted 92 action plans. Since 2021, 90 of these action plans have been or are in the process of being implemented. Out of those, 32 are of a progressive nature and require yearly completion. We keep the BAC updated on the progress of all OACP action plan completions on a quarterly basis.

3 Strengthening Anti-Bribery Management System (ABMS)

This year, we expanded the ABMS certification to six (6) TM divisions and appointed 18 coordinators to oversee their respective divisions. We also trained 30 auditors to maintain the ABMS effectively. We are proud to maintain our MS ISO 37001:2016 ABMS certification for the second year, which shows our commitment to good governance and integrity.

4 **Transparency in Business Dealings**

To ensure transparency in all our business dealings, all TM management and employees are required to declare their assets, interests and make a pledge of integrity on annual basis. This is part of the requirement under TM CBE.

100%
compliance by employees

5 **Raising Awareness of Best Practices**

We provide regular training to all TM employees and relevant stakeholders to promote good ethics and behavior. This helps ensure that everyone understands our values and expectations for business conduct and that corruption in any form is not tolerated. Additionally, we offer mandatory virtual training to ensure compliance with applicable laws and regulations.

AWARENESS AND COMMUNICATION 2022

CIGO Engagement

What We Did:

We conducted various engagement sessions with *Warga TM* to reflect Top Level Commitment as part of leader's engagement session our Chief Integrity & Governance Officer (CIGO).

Reach:
Targeted employees in various divisions

Reaching Out F2F

What We Did:

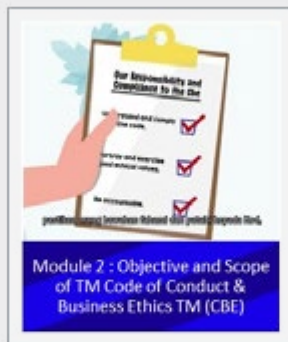
We organised eight (8) physical and 33 online sessions for 2022 CBE awareness session from various targeted employees and business partners.

Reach:
7,702 employees and business partners attended the CBE awareness session for 2022

e-Learning on Integrity

What We Did:

CBE e-Learning aims to provide continuous awareness on understanding and compliance to CBE by all *Warga TM*. The following three (3) modules were released in 2022:



Reach:
17,664 employees completed e-Learning modules

TM Integrity Day 2022

What We Did:

We recently held our annual TM Integrity Day 2022 in November, coinciding with the National Integrity Day. During this event, we celebrated our MS ISO 37001:2016 ABMS certification from SIRIM and recited a corruption-free pledge. The event also featured a forum titled "Uncompromising Integrity," which was led by Dato' Imri Mokhtar, Group Chief Executive Officer of TM and Tan Sri Mohammed Azlan Hashim, Chairman of TM, along with senior management, business partners and all TM employees nationwide.

Key attendees include:

- Datuk Seri Norazlan Mohd Razali, Deputy Chief Commissioner (Prevention), Malaysian Anti-Corruption Commission (MACC)
- Datuk Wan Suraya Wan Mohd Radzi, Chief Executive Officer, Malaysian Institute of Integrity (IIM)
- Dato' Allaudeen Abdul Majid, Deputy Director, Integrity and Standards Compliance Department (JIPS)
- Datuk Ir. (Dr) Khairul Anuar Tawi, Chairman of SIRIM QAS International Sdn. Bhd
- Dr. Muhammad Mohan, President Transparency International Malaysia (TI-M)

Reach:
100% employees
nationwide

The pledge is an oath voluntarily taken by TM's leadership and its employees proclaiming their commitment to carrying out their duties with transparency, responsibility and accountability.

Monthly Snippets Communication

What We Did:

We delivered monthly materials to employees to raise their awareness of their expected code of conduct. These were shared through various communication channels, including email blasts, digital screens and on our website.

6 Managing Potential Corruption Risks

We conduct regular corruption risk assessments to identify high-risk areas and implement appropriate controls. All 20 divisions within the Group continue to assess their corruption risk. In addition to our current systems in place, the GIG team proactively monitors any potential corruption risks that may occur within our operations.

In 2022, we conducted ABMS audit by third party and found one (1) potential case on false claim by vendor and action was taken based on consequence management. GIG provides strategic guidance to the management and employees regarding ethics & integrity with regards to their respective business activities and compliance to the TM's policies and procedures. This includes performing due-diligence (e-STK – Sistem Tapisan Keutuhan by MACC) to obtain sufficient information on corruption related background check on business partners and employees in key positions in TM.

7 Raising Concern via Whistleblowing Channel

Employees and stakeholders are also encouraged to report any misconduct and malpractice through the TM Ethics Line and other channels, as stipulated in TM's Whistleblowing Policy under TM CBE.

In 2022, we received 30 integrity-related issues from 74 feedbacks received via TM Ethics Line. For any reported or potential breaches, GIG will conduct a preliminary investigation before commencing a full investigation. If misconduct is found, GIG will escalate the allegation to the Industrial Relation (IR) unit for consequence management.

8 Corporate Investigation

TM carries out internal investigations on any misconduct and unethical business practices, including corruption-related offences such as Soliciting/Receiving Bribe, Offering/Giving Bribe, Abuse of Power, False Claim, Embezzlement, Conflict of Interest, Disclosure of Confidential Information, as well as investigations into offences under TM CBE and other policies committed by employees, business partners and/or parties dealing with TM.

30
reports received
(2021: 28)

26
number of
investigations
conducted
(2021: 21)

4*
confirmed incidents
of corruption
(2021: 5)

* Consequence actions taken include show cause letters, letters of reprimand, letters of termination, based on the severity of the case.

9 Telecommunications Fraud

TM carries out monitoring and investigations on telecommunications fraud via Fraud Management System. In 2022, the number of fraud losses decreased by 10% compare to year 2021 and the percentage of Telco Fraud loss is 0.01% against TM Revenue based on world standard benchmark from TeleManagement Forum (TM Forum) (1.5%) and Communication Fraud Control Association (CFCA) (2.22%).

10 Integrity, Governance and Anti-Corruption Award (AIGA)

TM was awarded the Gold Category in the AIGA 2022 by the Institute of Integrity (IIM). This award recognises organisations that demonstrate strong anti-corruption practices, integrity and good governance. After evaluation by IIM and an external party, TM emerged as the winner among 116 private and Government sector competitors. This achievement shows our dedication to maintaining high standards of integrity and governance and reflects the efforts of all TM employees in promoting these values.

