

	SUSTAINABILITY POLICY	VERSION 1.0	DATE OF RELEASE: MARCH 2024
---	----------------------------------	------------------------	--



TM SUSTAINABILITY POLICY

(Version 1: Updated 2024)



SUSTAINABILITY POLICY

VERSION
1.0

DATE OF
RELEASE:
MARCH 2024

TABLE OF CONTENTS

1.0 Objectives

2.0 Scope of this Policy

3.0 Sustainability Principles

4.0 Standards

5.0 Approach to Materiality

6.0 Policy Statements

7.0 Sustainability Governance

8.0 APPENDIX: Glossary

	<p style="text-align: center;">SUSTAINABILITY POLICY</p>	<p style="text-align: center;">VERSION 1.0</p>	<p style="text-align: center;">DATE OF RELEASE: MARCH 2024</p>
---	---	--	--

1.0 Objectives

Our policy is grounded by our aim to enable sustainable growth for our customers and community, as well as ensure resilience within TM and our value chain.

The purpose of this policy is to:

- 1.1 Affirm the strategic importance of sustainability to TM.
- 1.2 Provide guidance on how TM conducts our business responsibly, while creating long-term value for our stakeholders.

2.0 Scope of this Policy

- 2.1 The TM Sustainability Policy applies to TM Group, including our listed and non-listed subsidiaries in Malaysia and other countries, in which TM has management control.
- 2.2 This policy applies to our business operations and supply chains, inclusive of our contracted parties, to the following specific standards that we believe are essential to reflect our company values and meeting our sustainability goals.
- 2.3 This Policy is applicable to all TM employees, and to anyone working for businesses whereby TM exerts operational control, or acting on behalf of TM.

3.0 Sustainability Principles

This policy is underpinned by TM's vision and mission, and reinforces our commitments:

- 3.1 To the [Sustainable Development Goals](#) (SDGs), which underlines our nation-building contribution to Malaysia's efforts towards becoming an inclusive and developed nation with shared prosperity for all.
- 3.2 To the [Paris Agreement](#), which covers mitigation and adaptation efforts to limit global temperature rise to well below 2 degrees Celsius.
- 3.3 To the [Ten Principles of the UN Global Compact](#), that cover environment, labour, human rights and anti-corruption.
- 3.4 To the [Universal Declaration of Human Rights](#) which upholds fundamental rights, dignity and privacy accorded to all people, everywhere.
- 3.5 To the International Labour Organization [Declaration on Fundamental Principles and Rights at Work](#), which covers elimination of all forms of forced or compulsory labour, the abolition of child labour, the elimination of all forms for discrimination with respect to employment, and the creation of a safe and healthy work environment.

	<p style="text-align: center;">SUSTAINABILITY POLICY</p>	<p style="text-align: center;">VERSION 1.0</p>	<p style="text-align: center;">DATE OF RELEASE: MARCH 2024</p>
---	---	--	--

4.0 Standards

- 4.1 TM is committed to the [Bursa Malaysia Listing Requirements](#) in the timely publication of our sustainability management approach, disclosures and indicators integrated within our Annual Report, in accordance with the most recent updates to the [Bursa Malaysia Sustainability Reporting Guide](#).
- 4.2 TM is committed to having our sustainability management approach, disclosures and indicators assured by a credible independent third party on an annual basis.
- 4.3 TM will benchmark our sustainability performance with relevant local, regional and international peers via the adoption of globally or industry-accepted disclosure frameworks, ratings and standards.

5.0 Approach to Materiality

- 5.1 TM conducts a Materiality Assessment every three (3) years, or more frequently as and when the need arises.
- 5.2 TM's Materiality Assessments are conducted in accordance to the most updated version of [Bursa Malaysia Sustainability Reporting Guide](#).
- 5.3 All Materiality Assessments are deliberated by TM Board before operationalization across the company.

6.0 Policy Statements

6.1 Approach to Governance

As a Government-Linked Company (GLC) and a Publicly-Listed Company (PLC), upholding high standards of governance is of utmost importance to TM. With this in mind, apart from complying with relevant legal and regulatory requirements, we commit to:

- 6.1.1 Apply and promote the highest level of ethics, integrity and transparency in all business practices and transactions, with zero tolerance for all forms of bribery and corruption.
- 6.1.2 Build fair and sustainable relationships with all stakeholders through ethical and responsible communications practices, including but not limited to responsible marketing, advertising and all other forms of internal and external communications.
- 6.1.3 Provide fair and appropriate channels for all stakeholders to access grievance mechanisms and accord fair protection for whistle-blowers.

	<p style="text-align: center;">SUSTAINABILITY POLICY</p>	<p style="text-align: center;">VERSION 1.0</p>	<p style="text-align: center;">DATE OF RELEASE: MARCH 2024</p>
---	---	--	--

- 6.1.4 Apply and promote highest level of data protection and cybersecurity, and continuously seek opportunities to improve network and information security.
- 6.1.5 Continuously seek opportunities to engage, learn and educate all stakeholders on sustainable governance practices.
- 6.1.6 Progressively incorporate sustainability into TM's strategy and decision-making at all levels of the company.

6.2 Approach to Economy

As a telecommunications and convergence service provider, TM has a major influence over the connectivity and digital technology market, and plays an important role in enabling the economic wellbeing of our stakeholders. It is therefore our responsibility to elevate the standards of sustainability of the telecommunications and technology industry. Bearing this in mind, we are committed to:

- 6.2.1 Continuously seek opportunities to improve quality, stability and reliability of TM's network service.
- 6.2.2 Continuously seek research and innovation opportunities to integrate sustainability value into TM's products, services and solutions.
- 6.2.3 Integrate sustainability into TM's upstream and downstream value chains.
- 6.2.4 Continuously seek opportunities to mainstream products, solutions and services that contribute to sustainability.
- 6.2.5 Improve the resilience of TM's value chain, with emphasis on exposure to economic, regulatory and climate change risk.
- 6.2.6 Continuously seek opportunities to integrate circularity and responsible cradle-to-cradle or end-of-life management into TM's current and future products, and solutions, where feasible.

6.3 Approach to Social

As Malaysia's foremost telecommunications company, providing connectivity and digital technology solutions across all industries, TM has a large and growing social footprint. They include employees, customers, suppliers, and communities that we support. For this reason, cultivating a sustainability mindset and culture is important to us. With this in mind, apart from complying with human rights, labour, legal and regulatory requirements, we commit to:

	<p style="text-align: center;">SUSTAINABILITY POLICY</p>	<p style="text-align: center;">VERSION 1.0</p>	<p style="text-align: center;">DATE OF RELEASE: MARCH 2024</p>
---	---	--	--

- 6.3.1 With regards to employees, promote a fair, safe, healthy, inclusive, accessible and inspiring work environment which is free from discrimination and harassment towards any employee, whereby they are able to contribute positively to the growth of TM, and thrive both professionally and personally.
- 6.3.2 With regards to customers, offer relevant, secure, high-quality, high-efficiency and reliable products, services and solutions options that can improve their quality of life and standards of living.
- 6.3.3 With regards to suppliers, foster the promotion of a sustainable supply chain ecosystem which mutually benefits and favours TM's value chain.
- 6.3.4 With regards to community, ensure that the benefits of connectivity and digital technology is accessible to all Malaysians through digital inclusion initiatives.
- 6.3.5 With regards to all stakeholders, respect internationally recognised human rights relevant to our business and operations.
- 6.3.6 Continuously seek opportunities to promote gender equality, including through development of women employees.
- 6.3.7 Promote and celebrate diversity as a core organizational strength.

6.4 Approach to Environment

In doing our part to manage the impacts of our operations and use of our products onto the environment, apart from complying with environmental legal and regulatory requirements, we are committed to:

- 6.4.1 Consider financial and non-financial environmentally-related risks and opportunities, in all management decisions.
- 6.4.2 Inculcate behaviours that lead to positive environmental practices across TM's value chain.
- 6.4.3 Integrate and prioritize measures that reduce and mitigate the impact of our operations onto the environment, where feasible.
- 6.4.4 Integrate measures to adapt and safeguard TM's assets, operations and workforce from climate change risks, including but not limited to incorporation of future-proof measures and just transitions.

	<p style="text-align: center;">SUSTAINABILITY POLICY</p>	<p style="text-align: center;">VERSION 1.0</p>	<p style="text-align: center;">DATE OF RELEASE: MARCH 2024</p>
---	---	--	--

- 6.4.5 Continuously seek opportunities to progressively transition TM's network and operations to more efficient and environmentally-friendly technology, wherever feasible.
- 6.4.6 Continuously seek opportunities to improve TM's environmental performance, where feasible.

7.0 Sustainability Governance

This section describes how Sustainability is governed in TM.

7.1 Board of Directors

- 7.1.1 Provide strategic direction for TM's sustainability
- 7.1.2 Approve Sustainability targets and monitor the progress of approved targets
- 7.1.3 Ensure that material sustainability matters are incorporated into TM's vision, mission and strategies

7.2 Board Risk and Investment Committee

- 7.2.1 Review Sustainability strategies and targets prior to recommending decisions by the Board of Directors
- 7.2.2 Monitor progress of strategies and targets that are approved by the Board of Directors
- 7.2.3 Apply a sustainability lens to all committee agendas

7.3 Management Committee

- 7.3.1 Accountable for the implementation of sustainability strategies and targets that are approved by the Board of Directors
- 7.3.2 Assign responsibility, key performance indicators (KPIs) and resources to facilitate the implementation of approved targets.
- 7.3.3 Where necessary, propose changes or improvement to TM's sustainability strategies and targets for approval by the Board of Directors

	<p style="text-align: center;">SUSTAINABILITY POLICY</p>	<p style="text-align: center;">VERSION 1.0</p>	<p style="text-align: center;">DATE OF RELEASE: MARCH 2024</p>
---	---	--	--

7.4 Sustainability Committee

- 7.4.1 Oversee the progress of TM’s sustainability targets within stipulated timelines
- 7.4.2 Appoint Sustainability Working Group members from divisions and/or subsidiaries most relevant to each sustainability target
- 7.4.3 Provide recommendations to the TM Management Committee, and onward to TM Board Committees, if / where needed

7.5 Sustainability Working Groups

- 7.5.1 Develop and execute WG-related items as per TM targets and KPIs
- 7.5.2 Submit and present recommendations to the TM Sustainability Committee
- 7.5.3 Update the Sustainability Committee on a periodic basis on progress of various initiatives and targets

8.0 APPENDIX: Glossary

Terms	Definitions	Source
Circularity	The circular economy is a system where products and materials are kept in circulation through processes like maintenance, reuse, refurbishment, remanufacture, recycling, and composting.	The Ellen Macarthur Foundation
Climate change	Climate change refers to long-term shifts in temperatures and weather patterns.	The United Nations
Cradle-to-cradle	In a cradle to cradle model products would be designed in a way so that at the end of their initial life they can be readily reused, or recycled, and therefore avoid landfill altogether.	European Commission Knowledge For Policy
Downstream	Downstream operations refer to the final processes in the production and sale of goods, where finished products are created and sold to consumers.	Corporate Finance Institute
End-of-life	End of life (EOL), in the context of manufacturing and product lifecycles, is the final stages of a product's existence.	TechTarget

	<p style="text-align: center;">SUSTAINABILITY POLICY</p>	<p style="text-align: center;">VERSION 1.0</p>	<p style="text-align: center;">DATE OF RELEASE: MARCH 2024</p>
---	---	--	--

		<p>In software applications, it means that the app has reached the end of its useful life. It may mean that a new version is available that supersedes the existing product.</p> <p>In the case of data, end of life refers to when it expires and is discarded or destroyed.</p>	
	<p>Just transition</p>	<p>A Just Transition means greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind.</p>	<p>International Labour Organization</p>
	<p>Upstream</p>	<p>Upstream is everything that went into the production of that product before it got to you, the consumer, including the extraction of natural resources, the manufacturing, the transportation, etc.</p>	<p>Solana Centre for Environmental Innovation</p>