



# Process Excellence & Governance

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## Establishing Best Practice Across our Value Chain

Our mission of Advancing Asia in a sustainable way can only be achieved when all parts of our value chain work together. We aspire to create positive social, economic, and environmental impacts where we are present. Our robust procurement controls and practices ensure that our business partners uphold these ideals as set out in the Axiata Supplier Code of Conduct.



### Best Practices Across the Value Chain



### Customer Centricity



### Digitising Processes



### Strong Governance

#### The Axiata Supplier Code of Conduct

- » Ensures workers in our supply chain work under safe conditions and are treated with respect and dignity
- » Adopts our values of uncompromising integrity and process excellence, transparency, and environmental responsibility
- » In 2017, we updated and increased governance of data privacy, cybersecurity & digitalisation, anti-money laundering and conflict of interests

#### The Axiata Procurement Centre

- » Handles all strategic network and IT-related procurement
- » Conduct ongoing audits of processes and compliance to Axiata's policies
- » Engages with internal stakeholders to align expectations on requirements and refine our procurement process to be more agile

#### Supplier Performance Management

- » Common and transparent assessment of supplier's performance
- » Compliance with commercial and contract terms, quality of performance and delivery, supports our corporate strategy and roadmap, and aligned to our ethical and sustainability values

#### Supplier Engagement

- » Whistle-blowing policy and channels to report misconduct anonymously
- » Annual Supplier Forum
- » Biennial Axiata Supplier Awards

Developing local vendors and partners to become regional champions as part of our commitment to nation building

### Celcom Local Partner Development Programme

Since 2014, the Celcom Local Partner Development Programme has supported the maturity of 50 Bumiputera-owned companies as part of the national Bumiputera Empowerment Agenda. The businesses are provided capacity-building programmes and networking opportunities to scale competitiveness of their business. Celcom has spent RM951 million with local vendors and maintained more than 50% spend to Bumiputera vendors.

### Axiata Partnership Development Programme

KAT Group of Companies, a pioneer in Malaysia's mobile prepaid distribution business was awarded a contract to implement its proprietary KATSys platform in Ncell, Nepal. KATSys will drive Ncell's end-to-end sales and distribution management system.

### Target by 2020 to develop



- 4 National Champions
- 2 Regional Champions
- 1 Global Champion

## Promoting Safe Working Conditions for All

With a footprint of over 27,000 towers across six countries in ASEAN and South Asia, edotco Group is developing common health and safety regulations across the region as we recognise the need to raise safety standards for the contractors and workers constructing and maintaining our towers. The Group has adopted principles of best practice and international standards in its health and safety policy.

The edotco Group Safety officer oversees a team of safety officers across the region. Reporting to the Group Operations Director, health and safety concerns and incidents are raised to the Board Audit Committee of edotco Group.



**Best Practices Across the Value Chain**



Customer Centricity



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# Process Excellence & Governance



## Delivering Excellent Customer Experience

We are determined to drive great customer experience through every stage of their journey on our network and services. We offer simple, transparent and best value products, delivered over a consistent and seamless network and device experience. Our multichannel touch points ensure a seamless customer convenience and experience.

We set mutually-agreed annual customer experience KPIs with our OpCos, and monitor performance quarterly. Each OpCo is scored and benchmarked against their market peers. The voices of our customers is captured at every engagement and measured across multiple metrics.

In 2017, in addition to our Net Promoter Score and Brand Equity Survey platforms, we added the Social Reputation Score (SRS) to enhance the robustness of our customer analytics. The SRS provides real-time measure of our brand perception across multiple social media platforms.



Best Practices  
Across the  
Value Chain



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### Net Promoter Score

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

#### Results

- No. 1 in four markets
- No. 2 in two markets



### Brand Equity Score

Measures the value and recognition of our brand name. Higher brand value and recognition potentially translates to higher revenue

#### Results

- No. 1 in three markets
- No. 2 in two markets
- No. 3 in one market
- Strong to dominant on the Brand Equity Index in all markets



### Social Reputation Score

Real-time business-facing metric that measures overall sentiment of our brands on all social media platforms. It tracks trends, share of discussion topics, and customer sentiments

#### Results

- Most talked about brand in three markets
- Strong brand presence in remaining markets

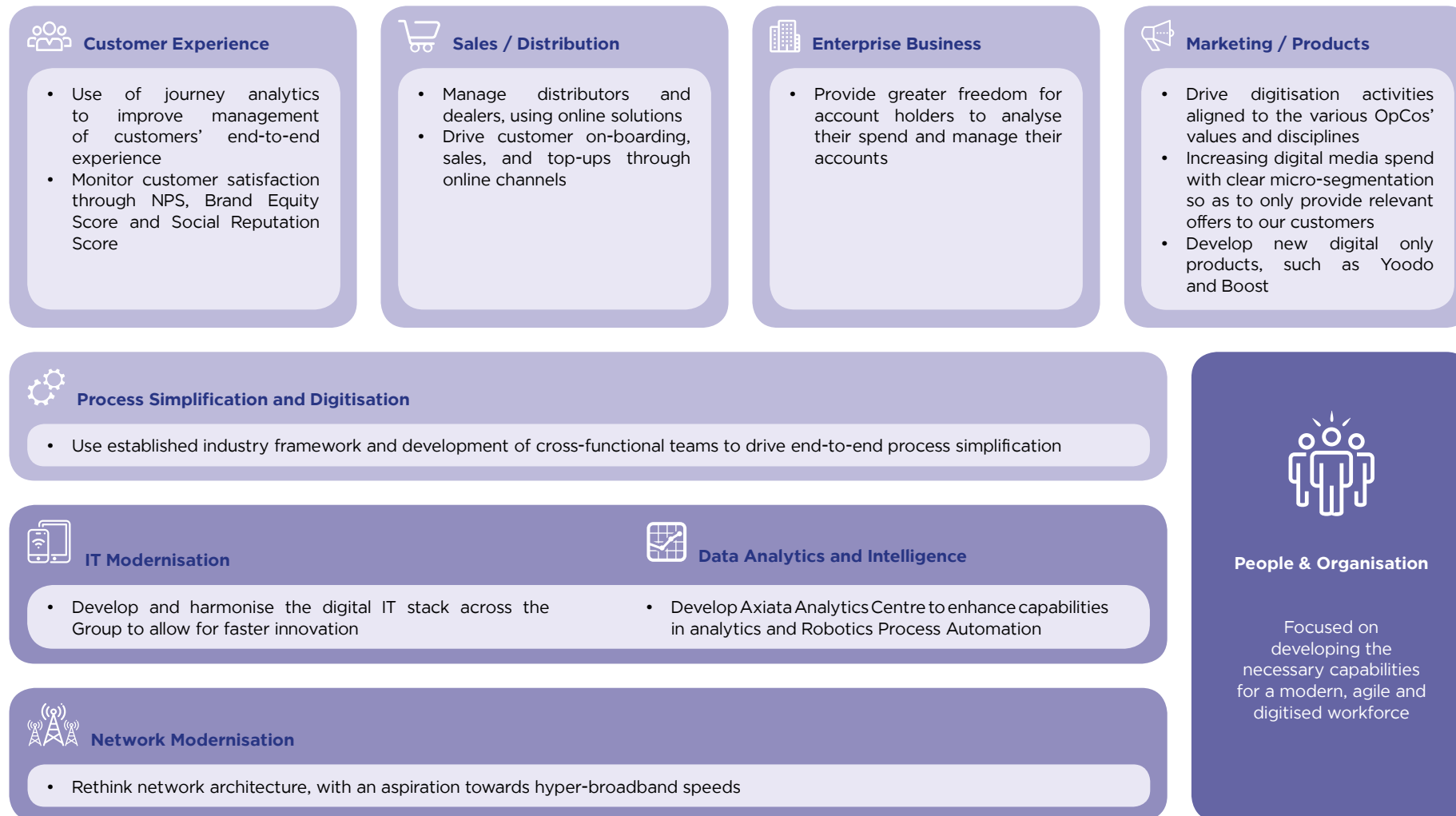
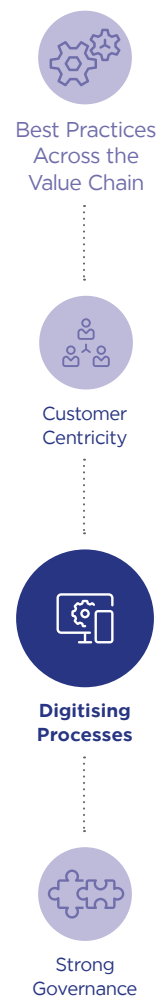


## Digitising and Modernising our Core Functions

We are committed to digitising and modernising our core business functions to reach our ambition to be the New Generation Digital Champion by 2021. We have identified eight areas of our business where digitisation will bring about better customer journey experience, and allow us to deliver innovative digital services.

We are driving this initiative through a Cross-OpCo Expert Working Group comprising selected CXOs using a best practice framework approach. The progress of our digitisation initiative is assessed by a set of independent KPIs with clear targets to be achieved in the short- and medium-term.

- Programme Element
- Platforms
- Processes
- People



# Process Excellence & Governance



## Establishing Transparency and Accountability



Best Practices Across the Value Chain



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Strong Governance

The long-term sustainability of Axiata and the execution of our business strategy in the region requires that we maintain an impeccable governance track record for both operational and reputational reasons.

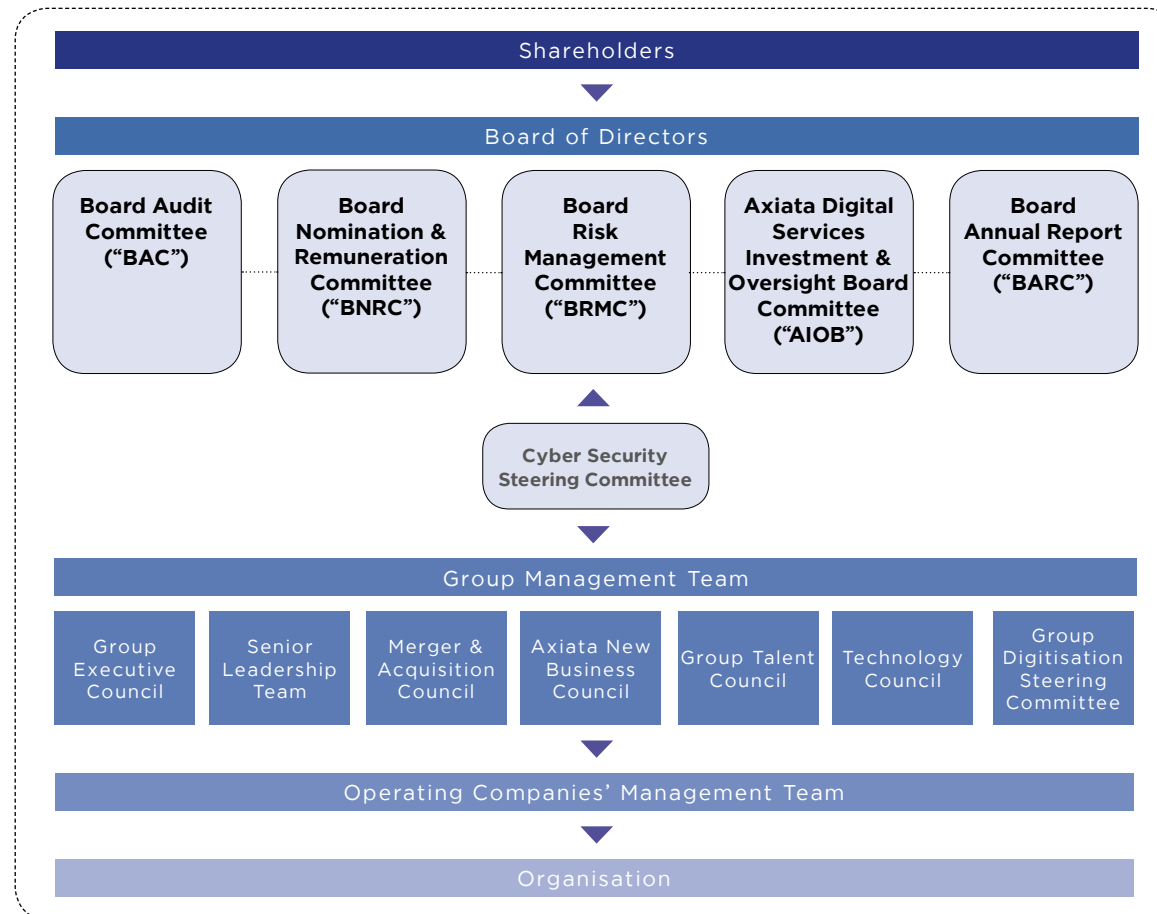
Our commitment to governance has seen us go beyond compliance in many of our operating companies to safeguard the interests of all our stakeholders including minority shareholders and business partners. Our policy on governance requires that the Group and OpCos meet all local requirements, including tax, licensing and cybersecurity requirements.

In 2017, we enhanced our Group governance to align with our digital ambition. The updated governance structures in Boards, Committees and Councils will ensure relevant discussions and decisions on strategic and transformational priorities are given adequate weightage and monitored. Key enhancements were also made in the Digital Businesses, IT, Talent and Digitisation Council.

We are committed to the principles of transparency and accountability in our governance practices. Our corporate governance transparency has been acknowledged by independent external stakeholders. The Minority Shareholder Watchdog Group (MSWG) has recognised our transparency over the past few years with several awards including the Excellence Award for ESG Practices for the fifth consecutive year.

### COMPLIANCE

- ① Main Market Listing Requirement of Bursa Securities & Company's Act 2016
- ② MCCG 2017
- ③ Axiata's Corporate Governance Framework



### ASSURANCE

- ① Audit of financial data and review of social and environmental data (internal & external)
- ② Facilitation and organisational audit (internal)
- ③ Quality audit and inspections (internal & external)