

Sustainability & National Contribution Report 2018

Diversity and Inclusivity

President &

GCEO's Statement





Diversity & Inclusivity



Culture of Integrity & Performance



Workplace



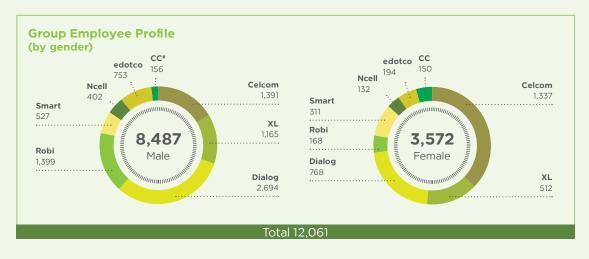
Nurturing Future





We believe that workforce diversity is essential to building and sustaining our competitive advantage. Diversity fosters innovative thinking and helps tackle business challenges through different perspectives. With a workforce of more than 12,000 employees representing 38 nationalities, the Axiata Code of Conduct governs how we conduct ourselves in a multicultural environment and

always enjoins us to treat fellow colleagues with respect and consideration, regardless of gender, age, ethnicity, language, cultural background, physical ability, religious belief and lifestyle choice. These principles are applied in our daily interactions internally with our people, externally in our communities, and with business partners in the marketplace.

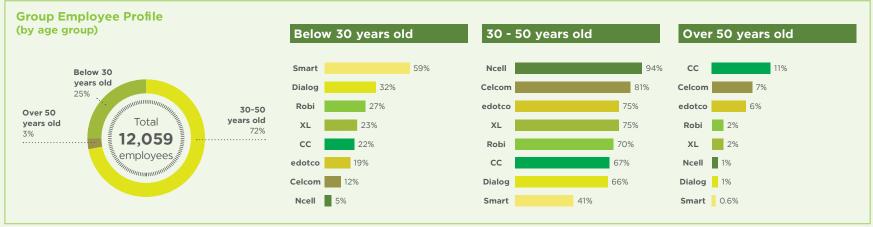




of senior leadership* positions are led by women across the Group



nationalities employed across the Group



- CC includes Axiata Corporate Centre and Axiata Business Services
 - Axiata Senior Leadership from the Group and OpCos



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Conducive Workplace

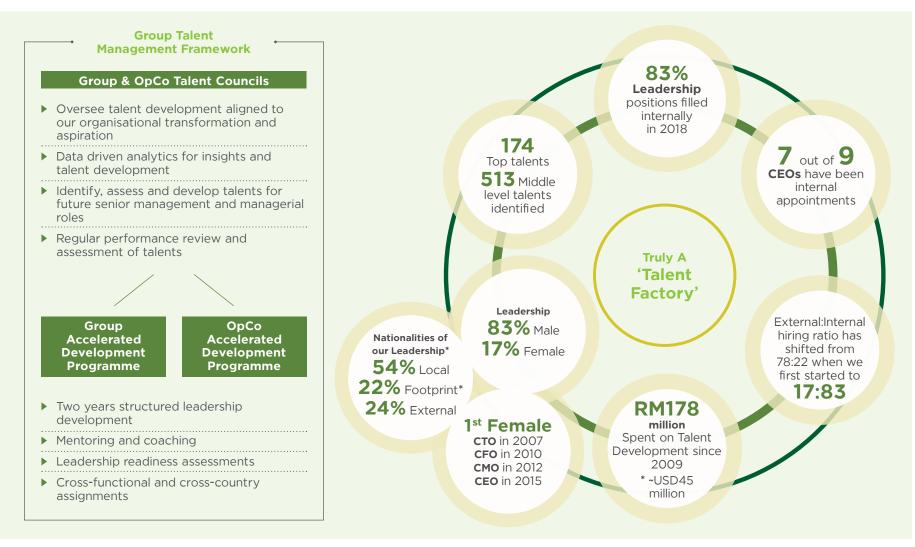


Nurturing Future Leaders



Investing in our people is critical to the long-term success of the business. We manage our human capital investment by attracting and nurturing the right talent, and supporting their professional growth and personal well-being during their career with us. Employees across all levels of the Group undergo an

annual performance and career development review. We have a robust talent assessment process with a focus on identifying talent early in their career in order to spur their progression through our Group and OpCo Accelerated Development Programme.



Local: Locals working in their respective OpCo country. Footprint: Non-locals from Axiata's footprint countries. External: Non-locals from outside Axiata's footprint countries

President & Our Business GCEO's Statement Beyond Short-Term Profits

Nurturing People

Process Excellence & Governance

National Contribution Planet & Society Report

Appendices



Driving a Culture of Integrity and Performance



Diversity & Inclusivity



Culture of Integrity & Performance



Conducive Workplace



Nurturing Future Leaders



Uncompromising Integrity and Exceptional Performance (UI•EP) are core values embraced across Axiata Group. We expect our employees to always do the right thing and respect the diversity of employees and stakeholders across our markets. We encourage employees to take ownership and make a difference

through their job responsibility regardless of their position with the organisation. A Modern, Agile and Digital workforce will require collaboration with others and ensure that we are faster in execution and innovative in delivery.

UI•EP Behaviours



Do the right thing



Own it

C

Collaborate to win

T

Think different. Do faster. Do better

R

Respect every indvidual



Uncompromising Integrity

We believe that there can be no sustainable development for our Group or for society without strong foundations in ethical principles and actions. Compliance with laws, regulations, Axiata Code of Conduct, and internal guidelines are the foundation of our value of uncompromising integrity. We are committed to upholding the highest standards of lawful and ethical conduct, by demonstrating honesty, fairness and accountability in all our dealings, always doing the right thing and fulfilling promises made to earn the trust of our stakeholders.



Axiata Code of Conduct

The Axiata Code of Conduct outlines the expected behaviour for employees at Axiata Headquarters, OpCos and subsidiaries. The Code of Conduct is adopted and localised at each OpCo, and the management team is responsible for its governance, training and engagement. A percentage of an employee's KPI is determined by demonstrating core values through their behaviour. The core values of the Code of Conduct extend to our contract staff and vendors.



Click here for more information



Whistle-Blowing Channels

Across Axiata Group, each OpCo and subsidiary has an established Whistle-Blowing channel and mechanism to report unethical and non-compliant behaviour. Cases reported are monitored and investigated independently by each OpCo and subsidiary with respective management and oversight by the Board Audit Committee.

Specialists at Axiata Group and OpCos investigate allegations of integrity breaches. Upon investigation and comfirmation of a breach, the Disciplinary Committee chaired by the Group CFO, will take disciplinary action up to and including dismissal or contract termination. Non-compliant among the senior leadership team are referred to the Group CEO and the Board Audit Committee.



Transparency on Gifts

A Gifts and Entertainment Governance Committee led by the Group Chief Human Resource Officer decides on the appropriate disposition of gifts and entertainment. In 2018, Axiata Group updated its guidance on the Gifts and Entertainment Policy and Guidelines for Corporate Centre employees. The guidance provided Corporate Centre employees with further clarity on how to handle matters related to receiving and offering of gifts and entertainment as stated in the Axiata Code of Conduct.



Strictly prohibited from soliciting, receiving cash, gifts or entertainment



Answer six conflict of interest questions before accepting any gifts



If presented with a gift, the value cannot be more than RM100



All gifts above RM100 and entertainment accepted, declined or returned must be declared



Group HR to decide on the use of gifts exceeding the threshold for the common good





Towards a Modern, Agile and Digital Workforce



Diversity & Inclusivity

In our industry where change is the only constant, it is imperative for our employees to keep abreast of the latest industry developments. During the year, we invested RM28.5 million in employee learning and development. The training programmes ensure we have the skills and talent instilled with the

ethos of being Modern, Agile and Digital which is needed to grow our business now and in the future. Our training focuses on our strategic business priorities as well as online platforms, allowing employees to broaden their scope and push their boundaries in the transformative digital landscape.



Driving Digital and Agile Learning



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Nurturing Future Leaders



We launched the holistic Learning, Engagement, and Accelerating Performance (LEAP) programme to embed the culture and mindset required to be a Digital Champion. LEAP exposes employees to best-in-class speakers, provides focused functional training and promotes collaboration.

Coaching

Subject matter experts shared global best practices and provided online and in-person coaching and mentoring

Collaboration

Expert Working Group and Axiata Digital Labs serve OpCos, and drive organisation-wide acceleration and adoption of new paradigms and methods that spur productivity

Competition

Eight different tiers of LEAP awards ensure engagement and participation, while spurring frontend and back-office digitisation



Digital Learning Platform

We empower employees to take charge of their own professional development and continuous learning by providing access to Lynda.com, an online learning platform offering thousands of courses for customised learning.

Over 64,600 courses completed

More than 10,000 active users end-2018

91% of total users logging in per month

Highest monthly average duration per login

45 minutes

Top 3 courses completed

Agile Teams, Digital Privacy, Cyber security



Building Digital Competency

We continue to build a strong pipeline of talent across high growth emerging technology segments. This year we focused on upskilling digital talents and building competencies, especially in big data analytics and cyber security, to support our digital transformation and our IR 4.0 aspirations.

Developing Data Scientists



- ▶ Technical analytics training provided to over 170 data scientists and data engineers across the Group
- Partnered with Asia School of Business and industry partners to launch Data Unchained Malaysia 2018, a competition for data scientists and enthusiasts to showcase their data-driven insights and business solutions

Developing Digital Cyber security Talents



Signed a memorandum of understanding with Malaysia Digital Economy Corporation to boost the nation's cyber security industry, by strengthening critical skillsets and innovation

Axiata Academy



Piloted in Celcom, Axiata Academy uses an intelligent learning technology platform to curate appropriate learning modules for employees. This platform allows us to customise our learning content and deploy it across the whole Group

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Respecting Labour Rights



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Nurturing Future



We strive to uphold fair and safe workplace practices under ILO Conventions and in accordance with labour laws in the markets in which we operate. We are committed to building and maintaining trusted relationships with our employees and stakeholders, which are premised on protecting their fundamental working rights.

Our presence across a geographical region with diverse social norms and

cultural values drives us to provide a working environment that is respectful

and welcoming to everyone. As a responsible employer, we adhere to the

higher norms of protecting the international fundamental rights of employees

Freedom of Association and Collective Bargaining



- ▶ Respect local labour laws
- ▶ Recognition of unions in three of our digital telcos
- ▶ Unions represent 4.5% of digital telco employees
- ▶ We engage proactively with union representatives to maintain and enhance our labour management relationship

Fair Wage



- ► Equal pay for equal work
- ▶ No gender wage discrimination
- ▶ Benchmark pay levels at the 50th percentile for base pay, and 75th percentile for good performance
- ▶ Entry-level wages in all our markets are on average 2.2x above the national legal minimum wage

Child Labour & Forced Labour



- ▶ We do not tolerate child and forced labour either through direct employment or in our supply chain
- ▶ We had no reported cases in 2018

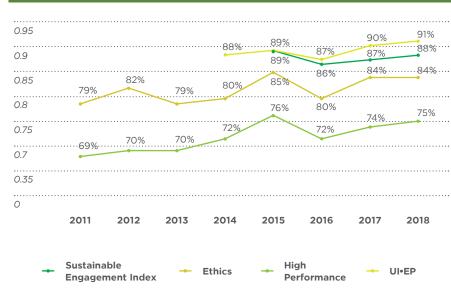
and meeting national employment obligations of social protection and safety. We believe in creating a work environment where employees can air their views and access avenues to make changes that promotes work life balance.

Highly Engaged Employees

Our ambition is to create an engaged and conducive workplace that is benchmarked higher than the industry norm, and on par with global high-performing companies. We listen to our employees to understand their views and respond to their feedback by taking appropriate actions. We maintain open communication channels, organise quarterly townhalls to provide updates, and regularly communicate through digital channels.

We monitor employee engagement and satisfaction levels through our annual Employee Engagement Survey. We use this tool to assess managers according to the experience they create for their team.

Axiata Group Employee Engagement Survey 2016-2018







Building Future Leaders



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Nurturing Future Leaders



We operate in a region where the general population is young and hungry for opportunities. Recognising that the future of nations rests on their shoulders, we have the opportunity and responsibility to shape minds and harness the enormous potentials of these untapped talents.

Hence, in 2011 we made a commitment to invest in a young talent development programme that is customised to support the national agenda, with a further aspiration to roll it out across all our markets. The programme offers top students and promising young adults an enriching leadership experience to equip them with the skills and competencies of a future CEO.







Critical thinking

Communication

Self Awareness

Creativity

Self Management

Attitude

With a commitment of RM100 million over 10 years, the Axiata Young Talent Programme (AYTP) provides three leadership tracks customised for different age groups. Over the years, the AYTP has impacted the lives of more than 1,600 young talented Malaysians.



Click here for more information

School Leadership Development Programme (SLDP)

A five-year programme in partnership with Kolej Yayasan Saad in Melaka. The SLDP is open to Malaysian secondary school students looking to gain the upper hand over their peers in terms of the development of their critical skills and command of leadership competencies.

University Leadership Development Programme (ULDP)

A fifteen-day 'summer camp' style leadership development programme for Malaysian undergraduates with a focus on putting leadership concepts into practice. Participants gain a broad understanding of business skills and tools through workshops, experience being in the role of decision makers through business simulations, and work on a CEO Challenge at the end of the programme.

Young CEO Development Programme (YCDP)

A two-year leadership development programme for Malaysian young professionals with a focus on real-world application. Participants master critical skills and knowledge through workshops and business simulations where they take the roles of decision makers. The YCDP participants work on developing innovative digital solutions to complex problems faced in the region.

2018 Highlight

YCDP reached a major milestone with the graduation of its first two cohorts of 120 participants in December. As part of the final stretch of the programme, they participated in a Regional Business Challenge where they were tasked to ideate and propose viable Go-To-Market strategies for an e-wallet business in Nepal or Thailand.

AYTP Alumni Association

Planet & Society

Established in 2015, the AYTP Alumni Association is a community of young potential CEOs that supports its members in their journey of becoming the nation-builders of tomorrow. Since its inception, the Association has grown to more than 800 alumni as of 2018.



Building Future Leaders









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XL Axiata Future Leaders Programme

One of Indonesia's most comprehensive and longest-running youth leadership programmes, the XL Future Leaders (XLFL) Programme has nurtured over 65,000 students and awarded 700 scholarships for disadvantaged students since its launch in 2012. Modelled on the fundamental principles of the AYTP, the programme is localised to the Indonesian context. XLFL has reached university students spanning the breadth of Indonesia, from Aceh in the east to Papua in the west.

XLFL Global Leaders XLFL Scholarship

- ► Two-vear development programme targeting top university talents across Indonesia
- ▶ Rigorous five phase selection process
- ▶ 150 students or 1% of applicants selected as XLFL Awardees
- ▶ Awarded to 100 talented final year university students from disadvantaged families
- ▶ Monthly stipend
- ▶ Travel cost of attending two workshops

XL eLearn.id

- Learning platform hosts all Global Leaders content online and ensures open universal access to all
- ▶ Served over 30.000 users since 2015, with a completion rate of 95%

XL Future Leaders Youth Townhall

- Involved 26 universities, spanning 32 cities
- ▶ Conducted over five months
- ▶ Engaged over 6.500 youths on the future of Indonesia's digital



35 provinces from Aceh to Papua reached



240 public and private universities represented



1.000 students accepted into the XLFL Global Leaders Programme



700 scholarships awarded



65.000 students impacted



700 alumni of the XLFL Global Leaders Programme

XLFL Social Impact Projects

As part of completing their XLFL experience, students are challenged to conceptualise and execute a social impact project. These impact projects range from education and health, to the environment. The following projects have developed into social enterprises in parts of Indonesia.



Nurturing Future Leaders

PipetKite

Empowers women in the rural community of Rasau Jaya, Pontianak by improving their soft skills and training them to increase income. IG: @pipetkite

Gifood

Connects people with excess food with those in need in order to reduce food waste and increase awareness of sharing - IG: @gifood.id

Aristotell

Uses augmented reality to bring history to life, with its first installation at the Vredeburg Museum, in Yogyakarta - IG: aristotell



Click here for more information



SmartEdu University Student Development Programme

The SmartEdu University Student Development Programme was launched this year in Cambodia. This annual programme aims to equip future leaders with requisite values and critical competencies, in order to develop talent and support the government's agenda to embrace the digital economy.

The 13-Day stay-in Bootcamp, which emulates the successful AYTP, provides theoretical, experiential, personal and relational development opportunities through a learning-by-doing approach. The programme incorporates business simulations involving local private companies, local SMEs and startups, enabling students to engage with diverse digital companies. A challenging selection process chose 48 top undergraduates from 14 universities in Cambodia for the first cohort.



