

## NATIONAL CONTRIBUTION



**Celcom is a pioneer in the Malaysian telecommunications industry with the widest network in Malaysia covering 95% and 88% of the population with its 2G and 3G networks respectively. With approximately 3,500 4G LTE sites and growing, Celcom strives to maintain its market leadership position in the country.**



### MALAYSIA

**Malaysia is one of Southeast Asia's most vibrant economies and is steadily climbing the value chain to become a high-income nation. The country's economy expanded by 5% in 2015 driven by strong domestic demand and government-led infrastructure projects as part of the national effort to transform Malaysia into a high-income country.**

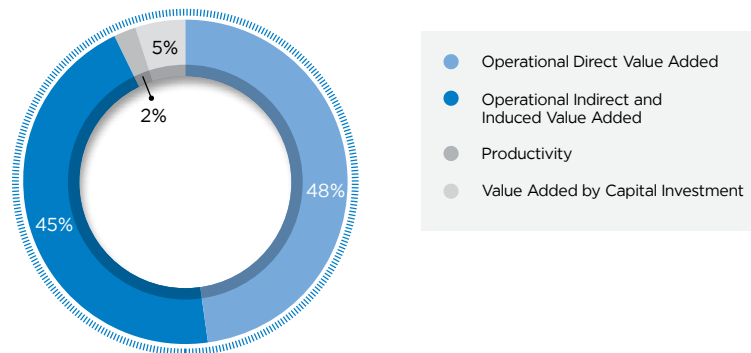
The growing affluence of Malaysian consumers has driven technology consumption in the country resulting in a highly competitive telecommunications market. Mobile penetration rate in Malaysia is now at 145% comprising almost 50 million subscribers. The Malaysian market is dominated by three providers including Celcom Axiata, all of which provide 4G LTE connectivity.

#### ECONOMIC CONTRIBUTION

Celcom has a subscriber base of approximately 12.2 million and a network coverage of 95% populated areas. Total operating expenditure for 2015 totalled USD1.1 billion, while Celcom's capex spend came up to USD228 million. Approximately 38% of Celcom's procurement activities in 2015 was done through local suppliers.

In 2015, Celcom's operations contributed USD2.0 billion to the country's economy, representing 0.7% of GDP.

**Figure 1: GDP Contribution in Malaysia 2015**



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## INVESTMENTS IN 2015

Capex + Opex  
**USD1.3 billion**

Every **US\$1** spent on **Capex and Opex**

translated to

**US\$1.6** GDP Contribution

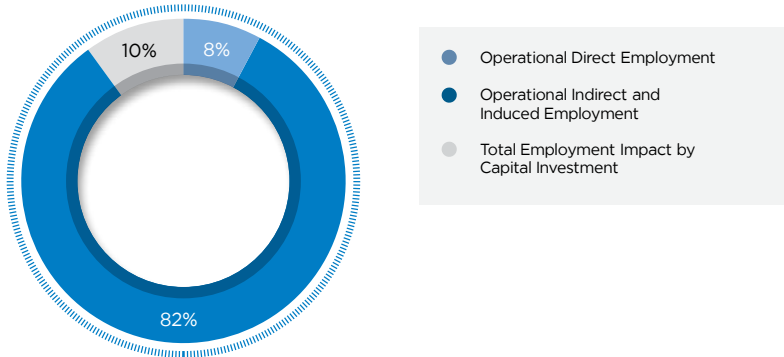
Contribution to GDP  
**0.7%**  
(USD2.0 billion)

## SOCIAL CONTRIBUTION

In 2015, Celcom's operations in Malaysia supported the employment of close to 53,000 people through direct and indirect means. Out of this, 3,950 employees were directly employed by Celcom.

Celcom is a staunch supporter of the government's efforts to create free wireless data access throughout the country as well as the government's 1Malaysia Internet Centres. The Internet Centres not only provide digital access but also serve as a training area for Celcom to help rural Malaysians better use technology to enrich their lives.

**Figure 2: Employment Impact in Malaysia 2015**



**Procurement from Local Vendors**

**38%**



IN 2015

**52,899**  
Jobs Supported

## NATIONAL CONTRIBUTION

### FORWARDING THE NATIONAL AGENDA

#### Supporting Our Local Business Partners

Axiata is a proud supporter of the national agenda to develop Malaysian vendors and suppliers of technology. One of our key contributions to the local technology industry is the RM100 million Axiata Digital Innovation Fund (ADIF), which catalyses the growth and development of select technology companies in Malaysia. In 2015, six companies received funding from ADIF to expand their businesses and capacity in the region.

Celcom also supports local industry development through two programmes:

- (i) the Local Partner Development Programme (LPDP), which is aimed at Bumiputera vendors; and
- (ii) the Vendor Development Programme (VDP), which is aimed at Celcom's pool of vendors.

Both the LPDP and VDP are designed to help Celcom's vendors become more competitive in the telco industry by providing programme participants guidance so that they meet industry requirements for relevant products and services.

Celcom also runs development programmes for its business and strategic partners through its Business Development Programme (BDP) and Strategic Partners Development

Programme (SDP). Both programmes are focused on strengthening the capacities of Celcom's business and strategic partners, respectively.

Celcom's delivery programmes were further strengthened in 2015 through the establishment of the company's Partner Capacity Building Centre (PCBC) where Celcom, together with its anchor partners, provides support in the areas of training, skills upgrading, funding and business networking.

In 2015, 38% of Celcom's procurement was sourced from local vendors, of which 80% were Bumiputera companies.

#### Expanding Accessibility to Underserved Areas

Increasing technology use among rural and underserved populations in the country is a key component of the national agenda to drive greater productivity. As a leading telco player, Celcom has played a part in facilitating digital access in these areas through its Kampung Tanpa Wayar (KTW) and Pusat Internet 1Malaysia (Pi1M) programmes (please see page 59 for additional information about these programmes). Through KTW and Pi1M, Celcom aims to create greater digital use and awareness in communities that have been underserved by existing measures thereby enriching the lives of the beneficiaries.

#### Talent Development

Axiata supports the development of talent in Malaysia through the Axiata Young Talent Programme (AYTP), which has allocated RM100 million in funding. AYTP is focused on developing leaders among youth, and has been identified as a core CR project for all OpCos in Phase 2 of our sustainability journey.

Celcom also supports the national agenda to enhance the employability of fresh Malaysian graduates through its 12-month BLUi (Celcom's 1Malaysia Training Scheme Programme - SL1M) programme. Participants are given actual work exposure and provided training to hone their soft skills to make them more employable. Participants attend compulsory training sessions as well as functional training workshops that are related to their field of study. These include training in the areas of Business Analysis, Cloud Computing and Certified IP Associate.

In 2015, Celcom invested RM4.3 million for employee training and professional development.

# NATIONAL CONTRIBUTION



Introduction

Beyond Short-Term Profits

Nurturing People

Process Excellence & Governance

Planet & Society

Our Associates

**NATIONAL CONTRIBUTION**